

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), 6057(b), 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
		2012
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
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 <u>ADENA HEALTH SYSTEM RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>07/01/1969</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>ADENA HEALTH SYSTEM</u> <u>272 HOSPITAL ROAD</u> <u>CHILLICOTHE, OH 45601</u>	2b Employer Identification Number (EIN) <u>31-4379443</u> 2c Sponsor's telephone number <u>740-779-7734</u> 2d Business code (see instructions) <u>622000</u>

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	<u>Filed with authorized/valid electronic signature.</u>	<u>10/11/2013</u>	<u>TRACY CUNNINGHAM</u>
	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
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN 3c Administrator's telephone number
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
5 Total number of participants at the beginning of the plan year		5 1821
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	756
b Retired or separated participants receiving benefits.....	6b	192
c Other retired or separated participants entitled to future benefits.....	6c	744
d Subtotal. Add lines 6a , 6b , and 6c	6d	1692
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	54
f Total. Add lines 6d and 6e	6f	1746
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	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1C 1G 1A		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics 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
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 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **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>ADENA HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ADENA HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>31-4379443</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>2012</u>	
2 Assets:	
a Market value	2a <u>48545933</u>
b Actuarial value	2b <u>46844222</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>201</u> <u>6583291</u>
b For terminated vested participants.....	3b <u>799</u> <u>18022684</u>
c For active participants:	
(1) Non-vested benefits.....	3c(1) <u>162088</u>
(2) Vested benefits.....	3c(2) <u>23458016</u>
(3) Total active	3c(3) <u>821</u> <u>23620104</u>
d Total	3d <u>1821</u> <u>48226079</u>
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>7.02 %</u>
6 Target normal cost.....	6 <u>45798</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>10/10/2013</u>
Signature of actuary		Date
<u>SHEILA M PERSALL</u>		<u>11-06388</u>
Type or print name of actuary		Most recent enrollment number
<u>MERCER</u>		<u>614-227-5500</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) 2012
v. 120126

Part II Beginning of Year Carryover Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>8.58</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		127256
	b Interest on (a) using prior year's effective interest rate of <u>5.90</u> % except as otherwise provided (see instructions)		7508
	c Total available at beginning of current plan year to add to prefunding balance		134764
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	97.13 %
15	Adjusted funding target attainment percentage	15	97.13 %
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	83.45 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/05/2012	366129				
07/10/2012	366129				
10/01/2012	366129				
Totals ▶			18(b)	1098387	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 contributions 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	1061128
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c If line 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
0		0
		0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 5.54%	2nd segment: 6.85%	3rd segment: 7.52 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 62
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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	45798	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	1381857	403364	
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 (lines 31a - 31b + 32a + 32b - 33) ..	34	449162	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	449162	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1061128	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	611966	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

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
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>ADENA HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ADENA HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>31-4379443</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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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)

MERCER INVESTMENT MANAGEMENT

30-0282430

(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?
51 52	FIDUCIARY	221114	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

STATE STREET BANK AND TRUST

04-1867445

(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?
10 12 15 21 19 31 62 99	TRUSTEE	15819	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 ☐

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)

(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

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 D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan 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 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>ADENA HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>ADENA HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>31-4379443</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER US LARGE CAP GROWTH EQUITY P</u>			
b Name of sponsor of entity listed in (a): <u>MERCER TRUST COMPANY</u>			
c EIN-PN <u>03-0566610-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3204755</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER US LARGE CAP VALUE EQUITY PO</u>			
b Name of sponsor of entity listed in (a): <u>MERCER TRUST COMPANY</u>			
c EIN-PN <u>03-0566609-002</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3308100</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER US LARGE CAP CORE PASSIVE EQ</u>			
b Name of sponsor of entity listed in (a): <u>MERCER TRUST COMPANY</u>			
c EIN-PN <u>03-0566613-005</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3593702</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER US SMALL/MID CAP GROWTH EQUI</u>			
b Name of sponsor of entity listed in (a): <u>MERCER TRUST COMPANY</u>			
c EIN-PN <u>03-0566611-003</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1245087</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER US SMALL/MID CAP VALUE EQUIT</u>			
b Name of sponsor of entity listed in (a): <u>MERCER TRUST COMPANY</u>			
c EIN-PN <u>03-0566616-004</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1329516</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER CORE OPPORTUNISTIC FIXED INC</u>			
b Name of sponsor of entity listed in (a): <u>MERCER TRUST COMPANY</u>			
c EIN-PN <u>03-0566615-006</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>4066866</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER CORE PASSIVE FIXED INCOME PO</u>			
b Name of sponsor of entity listed in (a): <u>MERCER TRUST COMPANY</u>			
c EIN-PN <u>03-0566612-007</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>4865190</u>	

a Name of MTIA, CCT, PSA, or 103-12 IE: MERCER LONG DURATION PASSIVE FIXED**b** Name of sponsor of entity listed in (a): MERCER TRUST COMPANY

c EIN-PN 51-0560117-010	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7990772
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a Name of MTIA, CCT, PSA, or 103-12 IE: MERCER LONG DURATION FIXED INCOME P**b** Name of sponsor of entity listed in (a): MERCER TRUST COMPANY

c EIN-PN 04-7014330-008	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2220807
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a Name of MTIA, CCT, PSA, or 103-12 IE: MERCER NON-US CORE EQUITY PORTFOLIO**b** Name of sponsor of entity listed in (a): MERCER TRUST COMPANY

c EIN-PN 03-0566617-009	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4843961
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a Name of MTIA, CCT, PSA, or 103-12 IE: MERCER LONG DURATION INVESTMENT GRA**b** Name of sponsor of entity listed in (a): MERCER TRUST COMPANY

c EIN-PN 26-6700496-016	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13478820
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a Name of MTIA, CCT, PSA, or 103-12 IE: MERCER EMERGING MARKETS EQUITY PORT**b** Name of sponsor of entity listed in (a): MERCER TRUST COMPANY

c EIN-PN 32-6219484-017	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 375763
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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 2012 This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
A Name of plan <u>ADENA HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ADENA HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>31-4379443</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	0	
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)	0	
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(2) U.S. Government securities.....	1c(2)	283222	179526
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(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)	48262711	50523340
	(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)		
	(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	48545933	50702866

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	48545933	50702866
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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)	1098387	
(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)		1098387
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)	144	
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		144
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(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)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		5738954
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		6837485

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4664733	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		4664733
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)	15819	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		15819
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4680552

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		2156933
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: PLANTE & MORAN, PLLC

(2) EIN: 38-1357951

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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.).....

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.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
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		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)

	5b(2) EIN(s)	5b(3) PN(s)

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

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 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>ADENA HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ADENA HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>31-4379443</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	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>04-1867445</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>66</u>

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	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 or other authority 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. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

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

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

Schedule R (Form 5500) 2012
v. 120126

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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 35% Investment-Grade Debt: 64% High-Yield Debt: 1% Real Estate: 0% Other: 0%

- 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 line 19(b)?

☐ Effective duration ☐ Macaulay duration ☒ Modified duration ☐ Other (specify):

Adena Health System Retirement Plan

Financial Report
December 31, 2012

Adena Health System Retirement Plan

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Independent Auditor's Report

To the Board of Directors
Adena Health System Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Adena Health System Retirement Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2012 and 2011 and the related statements of changes in net assets available for benefits for the years then ended, the statement of accumulated plan benefits as of December 31, 2011 and 2010 and the statement of changes in accumulated plan benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by State Street Bank & Trust Co. (the "Trustee"), except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes related transactions. The plan administrator has obtained certifications from the Trustee as of and for the years ended December 31, 2012 and 2011 that the information provided to the plan administrator by the Trustee is complete and accurate.

To the Board of Directors
Adena Health System Retirement Plan

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedules of assets held at end of year at December 31, 2012 and reportable transactions for the year ended December 31, 2012 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

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 ERISA.

Plante & Morse, PLLC

Columbus, Ohio
September 26, 2013

Adena Health System Retirement Plan

Statement of Net Assets Available for Benefits

	December 31, 2012	December 31, 2011
Assets		
Investments:		
Money market fund	\$ 179,526	\$ 283,222
Common collective trust funds	50,523,340	48,262,711
Net Assets Available for Benefits	\$ 50,702,866	\$ 48,545,933

Adena Health System Retirement Plan

Statement of Changes in Net Assets Available for Benefits

	Year Ended	
	December 31, 2012	December 31, 2011
Additions to Net Assets		
Contributions - Employer	\$ 1,098,387	\$ 1,653,574
Investment income:		
Interest and dividends	-	31
Net realized and unrealized gains in fair value of common collective trust funds	5,739,244	3,839,915
Total additions	6,837,631	5,493,520
Deductions from Net Assets		
Benefits paid directly to participants or beneficiaries	4,664,733	2,919,193
Administrative expenses - Professional fees	15,965	10,277
Increase in Net Assets Available for Benefits	2,156,933	2,564,050
Net Assets Available for Benefits		
Beginning of year	48,545,933	45,981,883
End of year	<u><u>\$ 50,702,866</u></u>	<u><u>\$ 48,545,933</u></u>

Adena Health System Retirement Plan

Statement of Accumulated Plan Benefits

	December 31	
	2011	2010
Actuarial Present Value of Accumulated Plan Benefits		
Vested benefits:		
Participants currently receiving benefit payments	\$ 7,161,680	\$ 7,098,662
Other vested participants	47,529,430	47,871,181
Total vested benefits	54,691,110	54,969,843
Nonvested benefits	50,365	62,833
Total actuarial present value of accumulated plan benefits	<u>\$ 54,741,475</u>	<u>\$ 55,032,676</u>

Adena Health System Retirement Plan

Statement of Changes in Accumulated Plan Benefits

	Year Ended December 31	
	2011	2010
Actuarial Present Value of Accumulated Plan Benefits -		
Beginning of year	\$ 55,032,676	\$ 51,779,339
(Decrease) increase during the year attributable to:		
Benefits accumulated and gains	(310,585)	(67,167)
Change in actuarial assumptions	-	2,687,648
Interest due to the decrease in the discount period	2,939,830	2,985,615
Benefits paid	(2,919,193)	(2,351,382)
Change in plan provisions	(1,253)	(1,377)
Net (decrease) increase	(291,201)	3,253,337
Actuarial Present Value of Accumulated Plan Benefits -		
End of year	<u><u>\$ 54,741,475</u></u>	<u><u>\$ 55,032,676</u></u>

Adena Health System Retirement Plan

Notes to Financial Statements December 31, 2012 and 2011

Note 1 - Plan Description

The following description of Adena Health System Retirement Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General - The Plan is a noncontributory defined benefit plan that provides benefits to eligible participants as determined according to the plan agreement. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective July 1, 2004, the Plan was frozen. All participants of the Plan who have attained age 55 and completed at least five years of service are grandfathered into continuing benefit accruals. For all other participants, subsequent benefits and service credits have ceased to accrue and no new participants are allowed in the Plan subsequent to July 1, 2004.

Plan Operations - Under a trust agreement, State Street Bank & Trust Co. (the "Trustee") was appointed trustee of the Plan. In accordance with the powers and duties of the Trustee, as designated by Adena Health System (the "Hospital"), the Trustee administers the Plan in accordance with the orders of the pension committee and invests the Plan's assets and the income therefrom, as directed by the Plan's investment manager. Certain administrative fees incurred in administering the Plan are paid by the Hospital.

Eligibility and Vesting - Employees who are at least 21 years old and a participant of the plan prior to the plan freezing on July 1, 2004 became participants in the Plan after completing one year of service in which they worked at least 800 hours. Employees are fully vested for normal retirement benefits after five years of service.

Pension Benefits - Participants are eligible for basic monthly retirement benefit payments upon reaching the age of 65, with a minimum of five years of service after age 21. Retirement benefits are the greater of (1) accrued points earned for years of service and age times the participant's highest average compensation for any 36 consecutive months preceding retirement, termination, or death (PEP balance), (2) the participant's PEP balance for the prior year plus interest earned to date of termination, or (3) the participant's PEP balance as of December 31, 1997 converted to a lump-sum amount.

Retirement benefits are also provided to vested employees who have become fully disabled. The benefit is equal to the employee's accrued benefit on the date of disability.

Death Benefits - In certain circumstances, if an active or terminated employee who has a vested interest in the Plan dies prior to his or her normal retirement age, the surviving spouse or designated beneficiary shall receive a survivor benefit, as defined in the Plan.

Adena Health System Retirement Plan

Notes to Financial Statements December 31, 2012 and 2011

Note 1 - Plan Description (Continued)

Funding - Contributions are made by the Hospital in actuarially determined amounts. Annual contributions meet or exceed the minimum funding requirements of ERISA.

Party-in-interest Transactions - Certain plan assets are in investment funds managed by State Street Bank & Trust Co. or its affiliates. State Street Bank & Trust Co. is the Trustee of the Plan and, therefore, these transactions qualify as party-in-interest transactions as defined under ERISA guidelines.

Note 2 - Summary of Significant Accounting Policies

Investment Valuation - The Plan's investments are stated at fair value. The common collective trust funds are valued at net asset value per share (or its equivalent) of the funds, which is based on the fair value of the funds' underlying net assets. The money market fund is valued at fair value based on its outstanding balance. See Note 6 for additional information.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Benefit Payments - Benefits are recorded when paid.

Administrative Expenses - Certain administrative expenses, including investment management expenses, trustee and other fees, and the audit of the annual financial statements, are paid by the Hospital. Administrative expenses of approximately \$623,000 and \$753,000 for the plan years ended December 31, 2012 and 2011, respectively, were paid by the Hospital on behalf of the Plan.

Actuarial Assumptions - The actuarial present value of accumulated plan benefits is determined by an actuary from Mercer and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money and probability of payment between the valuation date and the expected date of payment.

Adena Health System Retirement Plan

Notes to Financial Statements December 31, 2012 and 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

The significant actuarial assumptions used in the valuation of the Plan at December 31, 2011 and 2010 are summarized as follows:

Actuarial cost method	- Traditional unit credit method (2011 and 2010)
Assumed rate of return	- 5.50 percent compounded annually (2011) - 5.50 percent compounded annually (2010)
Mortality basis	- 2012 PPA separate static annuitant and nonannuitant mortality tables (2011) - 2011 PPA separate static annuitant and nonannuitant mortality tables (2010)
Disability basis	- Revenue Ruling 96-7 disability mortality table (2011 and 2010)

Retirement age	<u>Age</u>	<u>Rate of Retirement</u>
	55-61	5.5%
	62	35
	63	10
	64	10
	65-69	30
	70	100

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.

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 and liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties - Contributions to the Plan and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, employee compensation, and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements.

Adena Health System Retirement Plan

Notes to Financial Statements December 31, 2012 and 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. 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 statement of net assets available for benefits.

Subsequent Events - The financial statements and related disclosures include evaluation of events up through and including September 26, 2013, which is the date the financial statements were available to be issued.

Note 3 - Unaudited Investment Information

State Street Bank & Trust Co. (the "Trustee") holds the Plan's investments and executes all investment transactions. The investment balances and related investment results included in the accompanying financial statements and supplemental schedules of assets held at end of year and reportable transactions are based solely on information provided by the Trustee. Additionally, the Plan invests in certain securities managed by the Trustee.

Note 4 - Plan Termination

Should the Plan terminate at some future time, its net assets generally will not be available on a pro-rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty while other benefits may not be provided for at all.

Note 5 - Tax Status

The Plan has received a determination letter from the Internal Revenue Service indicating that the Plan, as designed, is qualified for tax-exempt treatment under the applicable section of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

In accordance with guidance on accounting for uncertainty in income taxes, management evaluated the Plan's tax position and does not believe the Plan has any uncertain tax positions that require disclosure or adjustment to the financial statements. The plan administrator believes it is no longer subject to tax examinations for years prior to 2009.

Adena Health System Retirement Plan

Notes to Financial Statements December 31, 2012 and 2011

Note 6 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Plan's assets measured at fair value on a recurring basis at December 31, 2012 and 2011 and the valuation techniques used by the Plan to determine those fair values.

Level 1 - Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Plan has the ability to access.

Level 2 - Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 - Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Plan's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Adena Health System Retirement Plan

Notes to Financial Statements December 31, 2012 and 2011

Note 6 - Fair Value Measurements (Continued)

Assets Measured at Fair Value on a Recurring Basis at December 31, 2012

	Level 1	Level 2	Level 3	Balance at December 31, 2012
Equity investments:				
MGI Non-U.S. Core Equity CT (1)	\$ -	\$ 4,843,961	\$ -	\$ 4,843,961
MGI U.S. Large Cap Passive Equity CT (1)	-	3,593,702	-	3,593,702
MGI U.S. Large Cap Growth Equity Fund CT (1)	-	3,204,755	-	3,204,755
MGI U.S. Large Cap Value Equity CT (1)	-	3,308,100	-	3,308,100
MGI U.S. Small/Mid Cap Value Equity CT (1)	-	1,329,516	-	1,329,516
MGI U.S. Small/Mid Cap Growth Equity CT (1)	-	1,245,087	-	1,245,087
Mercer Emerging Markets Equity CT (1)	-	375,763	-	375,763
Fixed-income investments:				
MGI Long Duration Fixed Income CT (2)	-	2,220,807	-	2,220,807
MGI Long Duration Passive Fixed Income CT (2)	-	7,990,772	-	7,990,772
MGI U.S. Core Opportunistic Fixed Income CT (2)	-	4,066,866	-	4,066,866
MGI Long Duration Fixed Income (2)	-	13,478,821	-	13,478,821
MGI U.S. Passive Fixed Income CT (2)	-	4,865,190	-	4,865,190
Money market short-term investment	-	179,526	-	179,526
Total	\$ -	\$ 50,702,866	\$ -	\$ 50,702,866

Adena Health System Retirement Plan

Notes to Financial Statements December 31, 2012 and 2011

Note 6 - Fair Value Measurements (Continued)

Assets Measured at Fair Value on a Recurring Basis at December 31, 2011

	Level 1	Level 2	Level 3	Balance at December 31, 2011
Equity investments:				
MGI Non-U.S. Core Equity CT (1)	\$ -	\$ 4,588,618	\$ -	\$ 4,588,618
MGI U.S. Large Cap Passive Equity CT (1)	-	3,607,184	-	3,607,184
MGI U.S. Large Cap Growth Equity Fund CT (1)	-	2,969,122	-	2,969,122
MGI U.S. Large Cap Value Equity CT (1)	-	3,184,015	-	3,184,015
MGI U.S. Small/Mid Cap Value Equity CT (1)	-	1,261,854	-	1,261,854
MGI U.S. Small/Mid Cap Growth Equity CT (1)	-	1,219,535	-	1,219,535
Fixed-income investments:				
MGI Long Duration Fixed Income CT (2)	-	1,835,279	-	1,835,279
MGI Long Duration Passive Fixed Income CT (2)	-	7,590,359	-	7,590,359
MGI U.S. Core Opportunistic Fixed Income CT (2)	-	3,763,287	-	3,763,287
MGI Long Duration Fixed Income (2)	-	13,578,561	-	13,578,561
MGI U.S. Passive Fixed Income CT (2)	-	4,664,897	-	4,664,897
Money market short-term investment	-	283,222	-	283,222
Total	\$ -	\$ 48,545,933	\$ -	\$ 48,545,933

(1) This class represents investments in actively managed common collective trust funds that invest primarily in equity securities which may include common stocks, options, and futures. Investments in this class are valued at the net asset value per share (or its equivalent) of the funds' underlying assets. There were no unfunded commitments or redemption restrictions.

(2) This class represents investments in actively managed common collective trust funds that invest in a variety of fixed-income investments which may include corporate bonds, both U.S. and non-U.S. municipal securities, interest rate swaps, options, and futures. Investments in this class are valued at the net asset value per share (or its equivalent) of the funds' underlying assets. There were no unfunded commitments or redemption restrictions.

The Plan's policy is to recognize transfers between levels of the fair value hierarchy as of the actual date of the event of change in circumstances that caused the transfer. There were no significant transfers between levels of the fair value hierarchy during 2012 and 2011.

Adena Health System Retirement Plan

Schedule of Assets Held at End of Year Form 5500, Schedule H, Line 4i EIN 31-4379443, Plan No. 001 December 31, 2012

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
*State Street	Money market - Short-term investments - State Street	\$ 179,526	\$ 179,526
	Common collective trust funds:		
* Mercer Global Investments	MGI U.S. Large Cap Growth Equity CT	2,646,188	3,204,755
* Mercer Global Investments	MGI U.S. Large Cap Value Equity CT	3,241,761	3,308,100
* Mercer Global Investments	MGI U.S. Large Cap Passive Equity CT	3,122,954	3,593,702
* Mercer Global Investments	MGI U.S. Small/Mid Cap Growth Equity CT	1,038,953	1,245,087
* Mercer Global Investments	MGI U.S. Small/Mid Cap Value Equity CT	1,159,840	1,329,516
* Mercer Global Investments	MGI U.S. Core Opportunistic Fixed Income CT	2,928,056	4,066,866
* Mercer Global Investments	MGI U.S. Passive Fixed Income CT	3,913,240	4,865,190
* Mercer Global Investments	MGI Non-U.S. Core Equity CT	4,538,979	4,843,961
* Mercer Global Investments	MGI Long Duration Passive Fixed Income CT	5,655,531	7,990,772
* Mercer Global Investments	MGI Long Duration Fixed Income	11,053,428	13,478,821
* Mercer Global Investments	MGI Long Duration Fixed Income CT	1,780,869	2,220,807
* Mercer Global Investments	Mercer Emerging Markets Equity CT	354,757	375,763
	Total	<u>\$ 41,614,082</u>	<u>\$ 50,702,866</u>

* Related party transaction

Adena Health System Retirement Plan

Schedule of Reportable Transactions Form 5500, Schedule H, Line 4j EIN 31-4379443, Plan No. 001 Year Ended December 31, 2012

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (iii) - A series of transactions with respect to securities of the same issue that amount in the aggregate to more than 5 percent of the beginning value of the total plan assets:						
Mercer Global Investments	MGI Long Duration Fixed Income:					
	Purchases - 3	\$ 1,432,258	\$ -	\$ 1,432,258	\$ 1,432,258	\$ -
	Sales - 7	-	1,232,000	887,187	1,232,000	344,813
State Street	Money market - Short-term investments:					
	Purchases - 28	3,963,351	-	3,963,351	3,963,351	-
	Sales - 65	-	4,067,047	4,067,047	4,067,047	-

There were no Category (i), (ii), or (iv) reportable transactions during the year.

Adena Health System Retirement Plan

Schedule of Assets Held at End of Year Form 5500, Schedule H, Line 4i EIN 31-4379443, Plan No. 001 December 31, 2012

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
*State Street	Money market - Short-term investments - State Street	\$ 179,526	\$ 179,526
	Common collective trust funds:		
* Mercer Global Investments	MGI U.S. Large Cap Growth Equity CT	2,646,188	3,204,755
* Mercer Global Investments	MGI U.S. Large Cap Value Equity CT	3,241,761	3,308,100
* Mercer Global Investments	MGI U.S. Large Cap Passive Equity CT	3,122,954	3,593,702
* Mercer Global Investments	MGI U.S. Small/Mid Cap Growth Equity CT	1,038,953	1,245,087
* Mercer Global Investments	MGI U.S. Small/Mid Cap Value Equity CT	1,159,840	1,329,516
* Mercer Global Investments	MGI U.S. Core Opportunistic Fixed Income CT	2,928,056	4,066,866
* Mercer Global Investments	MGI U.S. Passive Fixed Income CT	3,913,240	4,865,190
* Mercer Global Investments	MGI Non-U.S. Core Equity CT	4,538,979	4,843,961
* Mercer Global Investments	MGI Long Duration Passive Fixed Income CT	5,655,531	7,990,772
* Mercer Global Investments	MGI Long Duration Fixed Income	11,053,428	13,478,821
* Mercer Global Investments	MGI Long Duration Fixed Income CT	1,780,869	2,220,807
* Mercer Global Investments	Mercer Emerging Markets Equity CT	354,757	375,763
	Total	<u>\$ 41,614,082</u>	<u>\$ 50,702,866</u>

* Related party transaction

Adena Health System Retirement Plan

Schedule of Reportable Transactions Form 5500, Schedule H, Line 4j EIN 31-4379443, Plan No. 001 Year Ended December 31, 2012

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (iii) - A series of transactions with respect to securities of the same issue that amount in the aggregate to more than 5 percent of the beginning value of the total plan assets:						
Mercer Global Investments	MGI Long Duration Fixed Income:					
	Purchases - 3	\$ 1,432,258	\$ -	\$ 1,432,258	\$ 1,432,258	\$ -
	Sales - 7	-	1,232,000	887,187	1,232,000	344,813
State Street	Money market - Short-term investments:					
	Purchases - 28	3,963,351	-	3,963,351	3,963,351	-
	Sales - 65	-	4,067,047	4,067,047	4,067,047	-

There were no Category (i), (ii), or (iv) reportable transactions during the year.

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 62.

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5.50%	10,000.00	550.00	30,250.00
56	5.50%	9,450.00	519.75	29,106.00
57	5.50%	8,930.25	491.16	27,996.12
58	5.50%	8,439.09	464.15	26,920.70
59	5.50%	7,974.94	438.62	25,878.58
60	5.50%	7,536.32	414.50	24,870.00
61	5.50%	7,121.82	391.70	23,893.70
62	35.00%	6,730.12	2,355.54	146,043.48
63	10.00%	4,374.58	437.46	27,559.98
64	10.00%	3,937.12	393.71	25,197.44
65	30.00%	3,543.41	1,063.02	69,096.30
66	30.00%	2,480.39	744.12	49,111.92
67	30.00%	1,736.27	520.88	34,898.96
68	30.00%	1,215.39	364.62	24,794.16
69	30.00%	850.77	255.23	17,610.87
70	100.00%	595.54	595.54	41,687.80
Total			10,000.00	624,916.01
Average				62.49

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

• Segment rates or full yield curve	Segment	
• Look-back months	0	
	Stabilized Rates	Non Stabilized Rates
• First 5 years	5.54%	1.98%
• Next 15 years	6.85%	5.07%
• Over 20 years	7.52%	6.19%

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

Cash balance plans

• Interest accumulation rate	5.00%
• Whipsaw calculations	No
• Annuity conversion	
— Mortality table	2012 PPA unisex mortality
— Interest rate basis	Funding segment rates

Other economic assumptions

• Salary increases	4.00% per year
• Social Security wage base	Not applicable
• Inflation	2.50% per year
• Expected investment return	5.90% for 2010, 5.50% for 2011 and, 5.65% for 2012
• Expenses	\$10,000

Demographic assumptions

• Withdrawal	Rates are a function of attained age. See table of sample rates.
• Disability incidence	None

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

• Retirement age	Attained age		Percentage	
		55-61		5.5%
		62		35.0%
		63		10.0%
		64		10.0%
		65-69		30.0%
		70 and above		100.0%
• Benefit commencement age for				
— Future vested deferred	60			
— Current vested deferred	60			
• Spouse assumptions		<u>Male participants</u>		<u>Female participants</u>
— Percentage married	100%		100%	
— Spouse age difference	3 years younger		3 years older	
Form of payment – Males/Females		<u>Lump sum</u>		<u>Single life</u>
• Active retirements		75%		25%
• Future vested deferred		50%		50%
• Future disabilities		n/a		n/a
• Future deaths		100%		0%
• Current pre-1998 vested deferred		0%		100%
• Current post-1997 vested deferred		50%		50%
Unpredictable contingent event assumptions		Not applicable		

Table of Sample Rates

Attained age	Withdrawal Rate
25	10.80%
30	7.32
35	5.22
40	4.14
45	3.66
50	3.36
55	0.00
60	0.00
65	0.00

Actuarial Methods**Asset Methods**

The asset valuation method is an average of the adjusted market value for each year during the last 24 months preceding the valuation date. The adjusted market value is the market

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

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% and no less than 90% 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. Effective July 1, 2004, the plan was closed to new employees hired on or after that date.
- **Insurance contracts:** The plan does not have any insurance contracts.

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 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.

Schedule SB, Part V — Summary of Plan Provisions**Summary of Major Plan Provisions**

Effective date and plan year	Original plan: July 1, 1969 Restated plan: January 1, 2002 Plan year: January 1 to December 31						
Status of the plan	The plan was amended effective July 1, 2004 to be closed to new employees hired on or after that date and to freeze benefit accruals for all participants except those who had attained age 55 and completed 5 years of vesting service as of the effective date (grandfathered participants). The plan was amended effective April 15, 2011 to freeze benefit accruals for grandfathered participants who become Highly Compensated Employees.						
Significant events that occurred during the year	None						
Definitions							
• Covered employees	All employees of the Employer hired before July 1, 2004.						
• Participation	All employees of the Employer who work 800 hours in a year are eligible to participate in the Plan on the first day of the month following the attainment of age 21 and the completion of one year of service, whichever is later. Effective July 1, 2004, the plan was closed to new employees hired on or after that date.						
• Employee contributions	Not applicable						
• Vesting service	Service shall equal total plan years of service with the Employer. After January 1, 1998, one year of service is credited for each plan year in which a participant receives credit for 800 hours of service. After January 1, 2005, one year of service is credited for each plan year in which a participant receives 1,000 hours of service. Participants are vested in their benefits according to the following schedule:						
<table> <tr> <th>Years of service</th><th>Percent vested</th></tr> <tr> <td>2</td><td>25%</td></tr> <tr> <td>3+</td><td>100%</td></tr> </table>		Years of service	Percent vested	2	25%	3+	100%
Years of service	Percent vested						
2	25%						
3+	100%						

Schedule SB, Part V — Summary of Plan Provisions

• Credited service	Service shall equal total plan years of service with the Employer. After January 1, 1998, one year of service is credited for each plan year in which a participant receives credit for 800 hours of service. The plan was amended effective July 1, 2004 to freeze benefit accrual for all participants except those who had attained age 55 and completed 5 years of vesting service as of the effective date (grandfathered participants). Commencing January 1, 2005, grandfathered participants will receive credit for a year of service if the participant accrues 1,000 hours of service. Effective April 15, 2011, grandfathered participants who are Highly Compensated Employees in any plan year on or after January 1, 2011 shall no longer be considered grandfathered participants and shall cease receiving credited service.								
• Average compensation	Average compensation is equal to the highest average of any 36 consecutive months of compensation preceding retirement, termination, or death, whichever occurs first.								
• PEP points	PEP Points are granted under the following schedule: <table data-bbox="688 930 1370 1087"> <tr> <th data-bbox="834 930 883 955">Age</th><th data-bbox="1127 930 1273 955">PEP points</th></tr> <tr> <td data-bbox="786 972 932 997">Less than 30</td><td data-bbox="1159 972 1224 997">0.04</td></tr> <tr> <td data-bbox="818 1014 899 1039">30-39</td><td data-bbox="1159 1014 1224 1039">0.06</td></tr> <tr> <td data-bbox="786 1056 932 1081">40 and older</td><td data-bbox="1159 1056 1224 1081">0.10</td></tr> </table> PEP Points accrued every year by multiplying the PEP Points granted during the year by the Credited Service earned during that year.	Age	PEP points	Less than 30	0.04	30-39	0.06	40 and older	0.10
Age	PEP points								
Less than 30	0.04								
30-39	0.06								
40 and older	0.10								
• Accrued benefit	The accrued benefit at any time prior to a participant's Normal Retirement Date shall be the Normal Retirement Benefit using Average Compensation and PEP Points as of the date of termination.								
Normal retirement									
• Eligibility	The first day of the month immediately following attainment of age 65, or five years of participation, whichever is later.								
• Benefit	The amount of an individual's benefit is the greater of: 1. the participant's PEP balance calculated by the following formula: Average Compensation multiplied by accumulated PEP Points 2. the participant's PEP balance earned as of the prior year with interest (based on the annual interest rate on 30-year Treasury securities for the second calendar month which precedes the start of the plan year) to the date of termination 3. the participant's benefit earned as of December 31, 1997 converted to a lump sum amount PEP balances continue to earn interest until the participant receives a distribution from the Plan.								

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
• Eligibility	The first of the month following attainment of age 55 and 5 years of service.
• Benefit	A monthly benefit for life equal to the vested portion of the benefit accrued at his early retirement date.
Late retirement	
• Eligibility	Continued employment after a participant's normal retirement date.
• Benefit	Upon retirement, the participant will receive the greater of (i) his Accrued Benefit as of his delayed retirement date, or (ii) his Accrued Benefit as of his Normal Retirement Date increased actuarially from his Normal Retirement Date to his commencement date.
Deferred vested	
• Eligibility	Termination of employment prior to attainment of retirement eligibility after the completion of two years of vesting service.
• Benefit	The benefit upon termination of employment is equal to the accrued benefit payable on the participant's normal retirement date multiplied by the vesting percentage.
Disability	
• Eligibility	Determination of disability before attainment of Normal Retirement Date.
• Benefit	The benefit upon disability is equal to the participant's accrued benefit multiplied by the vesting percentage.
Pre-retirement death	
• Eligibility	Death after the completion of two years of vesting service.
• Benefit prior to early retirement	The survivor benefit shall be an amount actuarially equivalent to the benefit the participant would have received if such participant had separated from service on the date of death, survived to his Early Retirement Date and had commenced receiving payment of a life annuity.
• Benefit after early but before normal retirement	The survivor benefit shall be an amount actuarially equivalent to the benefit the participant would have received if such participant had begun receiving a life annuity on the day before his death.
Form of benefits	
• Automatic form for unmarried participants	Life annuity
• Automatic form for married participants	An adjusted benefit to be paid during the participant's lifetime with one-half of the benefit to be continued to his spouse for her lifetime after his death.

Schedule SB, Part V — Summary of Plan Provisions

• Optional forms	• An adjusted benefit to be paid during the participant's lifetime with the full or three-fourths of the benefit to be continued to his spouse for her lifetime after his death. • An adjusted benefit to be paid for 60, 120, or 180 months certain and life thereafter. • A lump sum benefit.
• Optional form conversion factors	• Annuity: 7% and RP2000 mortality table projected to 2018, combined healthy, unisex, no collar. • Lump sum: 2012 applicable mortality for lump sum payments and the segmented interest rates for the second month preceding the valuation date under PPA.
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 2012, the limit is \$250,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012, the limit is \$200,000.

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated and amended through Amendment #3, are included in this valuation.

- **Most recent plan amendments included:** Amendment #3, which froze benefit accruals for Highly Compensated Employees, is included because it was adopted by the valuation date and is effective by the end of the plan year.
- **Plan amendments excluded:** None
- **Late retirement increases:**
 - *Active participants:* The plan applies late retirement actuarial increases for all participants who defer retirement beyond their normal retirement date. This valuation reflects continued interest accruals in lieu of actuarial increases.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued with continued interest accruals in lieu of late retirement actuarial increases if the date of termination is after December 31, 1997.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) 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% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Part V — Summary of Plan Provisions***Additional Benefits Included or Excluded***

- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes Since Prior Valuation

- Benefit accruals were frozen for grandfathered participants who become Highly Compensated Employees. This change is reflected in this valuation because the plan amendment was adopted after the valuation date and the plan administrator did not make an election under IRC Section 412(d)(2) to retroactively include it.
- Maximum compensation amount and maximum benefits amount under IRS rules were updated from 2011 to 2012.
- We have also reflected the plan amendments adopted through February 25, 2011 (effective April 15, 2011), including the amendment allowing for immediate payment of death benefits from the plan and the amendment freezing benefit accruals for all grandfathered participants who become highly compensated employees.

Schedule SB, line 24 — Change in Actuarial Assumptions
Actuarial Assumption Changes Since Prior Valuation

- The expense component of normal cost increased from \$0 to \$10,000 to reflect our expectations for the current plan year.

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	Total
Under 25											
25–29		10									10
30–34		75	28								103
35–39		43	54	4							101
40–44		37	58	23	7						125
45–49	1	36	37	17	24	9					124
50–54		22	50	27	17	22	20				158
55–59		23	33	17	9	14	17	8			121
60–64		12	10	14	4	6	5	5	5	2	63
65–69		1		3	1		2	1	2	1	11
70 & up	1	1	2			1					5
Total	2	260	272	105	62	52	44	14	7	3	821

In each cell, the top number is the count of active participants for each age/service combination. Average pay is not shown for plans with less than 1,000 active participants or cells with fewer than 20 participants.

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2012 Installment
2010	\$	267,513	5	\$ 59,422
2011		7,085,441	6	1,357,385
2012		(5,971,097)	7	(1,013,443)
Total	\$	1,381,857		\$ 403,364

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 2012 This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
► 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 ADENA HEALTH SYSTEM RETIREMENT PLAN		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ADENA HEALTH SYSTEM		D Employer Identification Number (EIN) 31-4379443
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>2012</u>		
2 Assets:		
a Market value	2a	48,545,933
b Actuarial value	2b	46,844,222
3 Funding target/participant count breakdown:		
	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	201 6,583,291
b For terminated vested participants	3b	799 18,022,684
c For active participants:		
(1) Non-vested benefits	3c(1)	162,088
(2) Vested benefits	3c(2)	23,458,016
(3) Total active	3c(3)	821 23,620,104
d Total	3d	1,821 48,226,079
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	7.02 %
6 Target normal cost	6	45,798
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	<i>Sheila M. Persall</i> Signature of actuary	<u>October 10, 2013</u> Date
SHEILA M PERSALL Type or print name of actuary		11-06388 Most recent enrollment number
MERCER Firm name		(614) 227-5500 Telephone number (including area code)
325 JOHN H MCCONNELL BLVD. STE. 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.		

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 5.54 %	2nd segment: 6.85 %	3rd segment: 7.52 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 0
22 Weighted average retirement age			22 62
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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....		31a	45,798
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment.....		1,381,857	403,364
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 (lines 31a - 31b + 32a + 32b - 33) ..		34	449,162
		Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement.....		0	0
36 Additional cash requirement (line 34 minus line 35).....		36	449,162
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....		37	1,061,128
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	611,966
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected		☐ 2 plus 7 years ☐ 15 years	
b Eligible plan year(s) for which the election in line 41a was made		☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011	
42 Amount of acceleration adjustment		42	
43 Excess installment acceleration amount to be carried over to future plan years		43	

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

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 62.

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5.50%	10,000.00	550.00	30,250.00
56	5.50%	9,450.00	519.75	29,106.00
57	5.50%	8,930.25	491.16	27,996.12
58	5.50%	8,439.09	464.15	26,920.70
59	5.50%	7,974.94	438.62	25,878.58
60	5.50%	7,536.32	414.50	24,870.00
61	5.50%	7,121.82	391.70	23,893.70
62	35.00%	6,730.12	2,355.54	146,043.48
63	10.00%	4,374.58	437.46	27,559.98
64	10.00%	3,937.12	393.71	25,197.44
65	30.00%	3,543.41	1,063.02	69,096.30
66	30.00%	2,480.39	744.12	49,111.92
67	30.00%	1,736.27	520.88	34,898.96
68	30.00%	1,215.39	364.62	24,794.16
69	30.00%	850.77	255.23	17,610.87
70	100.00%	595.54	595.54	41,687.80
Total			10,000.00	624,916.01
Average				62.49

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

Discount rate sponsor elections

• Segment rates or full yield curve	Segment	
• Look-back months	0	
	Stabilized Rates	Non Stabilized Rates
• First 5 years	5.54%	1.98%
• Next 15 years	6.85%	5.07%
• Over 20 years	7.52%	6.19%

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

Cash balance plans

• Interest accumulation rate	5.00%
• Whipsaw calculations	No
• Annuity conversion	
— Mortality table	2012 PPA unisex mortality
— Interest rate basis	Funding segment rates

Other economic assumptions

• Salary increases	4.00% per year
• Social Security wage base	Not applicable
• Inflation	2.50% per year
• Expected investment return	5.90% for 2010, 5.50% for 2011 and, 5.65% for 2012
• Expenses	\$10,000

Demographic assumptions

• Withdrawal	Rates are a function of attained age. See table of sample rates.
• Disability incidence	None

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

• Retirement age	Attained age		Percentage	
		55-61		5.5%
		62		35.0%
		63		10.0%
		64		10.0%
		65-69		30.0%
		70 and above		100.0%
• Benefit commencement age for				
— Future vested deferred	60			
— Current vested deferred	60			
• Spouse assumptions		<u>Male participants</u>		<u>Female participants</u>
— Percentage married	100%			100%
— Spouse age difference	3 years younger			3 years older
Form of payment – Males/Females		<u>Lump sum</u>		<u>Single life</u>
• Active retirements		75%		25%
• Future vested deferred		50%		50%
• Future disabilities		n/a		n/a
• Future deaths		100%		0%
• Current pre-1998 vested deferred		0%		100%
• Current post-1997 vested deferred		50%		50%
Unpredictable contingent event assumptions		Not applicable		

Table of Sample Rates

Attained age	Withdrawal Rate
25	10.80%
30	7.32
35	5.22
40	4.14
45	3.66
50	3.36
55	0.00
60	0.00
65	0.00

Actuarial Methods**Asset Methods**

The asset valuation method is an average of the adjusted market value for each year during the last 24 months preceding the valuation date. The adjusted market value is the market

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

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% and no less than 90% 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. Effective July 1, 2004, the plan was closed to new employees hired on or after that date.
- **Insurance contracts:** The plan does not have any insurance contracts.

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 normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
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Significant events that occurred during the year	None						
Definitions							
• Covered employees	All employees of the Employer hired before July 1, 2004.						
• Participation	All employees of the Employer who work 800 hours in a year are eligible to participate in the Plan on the first day of the month following the attainment of age 21 and the completion of one year of service, whichever is later. Effective July 1, 2004, the plan was closed to new employees hired on or after that date.						
• Employee contributions	Not applicable						
• Vesting service	Service shall equal total plan years of service with the Employer. After January 1, 1998, one year of service is credited for each plan year in which a participant receives credit for 800 hours of service. After January 1, 2005, one year of service is credited for each plan year in which a participant receives 1,000 hours of service. Participants are vested in their benefits according to the following schedule:						
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Years of service	Percent vested						
2	25%						
3+	100%						

Schedule SB, Part V — Summary of Plan Provisions

• Credited service	Service shall equal total plan years of service with the Employer. After January 1, 1998, one year of service is credited for each plan year in which a participant receives credit for 800 hours of service. The plan was amended effective July 1, 2004 to freeze benefit accrual for all participants except those who had attained age 55 and completed 5 years of vesting service as of the effective date (grandfathered participants). Commencing January 1, 2005, grandfathered participants will receive credit for a year of service if the participant accrues 1,000 hours of service. Effective April 15, 2011, grandfathered participants who are Highly Compensated Employees in any plan year on or after January 1, 2011 shall no longer be considered grandfathered participants and shall cease receiving credited service.								
• Average compensation	Average compensation is equal to the highest average of any 36 consecutive months of compensation preceding retirement, termination, or death, whichever occurs first.								
• PEP points	PEP Points are granted under the following schedule: <table data-bbox="678 932 1370 1087"> <thead> <tr> <th data-bbox="824 932 883 959">Age</th><th data-bbox="1122 932 1263 959">PEP points</th></tr> </thead> <tbody> <tr> <td data-bbox="773 976 935 1003">Less than 30</td><td data-bbox="1159 976 1219 1003">0.04</td></tr> <tr> <td data-bbox="813 1020 894 1047">30-39</td><td data-bbox="1159 1020 1219 1047">0.06</td></tr> <tr> <td data-bbox="773 1064 935 1092">40 and older</td><td data-bbox="1159 1064 1219 1092">0.10</td></tr> </tbody> </table> PEP Points accrued every year by multiplying the PEP Points granted during the year by the Credited Service earned during that year.	Age	PEP points	Less than 30	0.04	30-39	0.06	40 and older	0.10
Age	PEP points								
Less than 30	0.04								
30-39	0.06								
40 and older	0.10								
• Accrued benefit	The accrued benefit at any time prior to a participant's Normal Retirement Date shall be the Normal Retirement Benefit using Average Compensation and PEP Points as of the date of termination.								
Normal retirement									
• Eligibility	The first day of the month immediately following attainment of age 65, or five years of participation, whichever is later.								
• Benefit	The amount of an individual's benefit is the greater of: 1. the participant's PEP balance calculated by the following formula: Average Compensation multiplied by accumulated PEP Points 2. the participant's PEP balance earned as of the prior year with interest (based on the annual interest rate on 30-year Treasury securities for the second calendar month which precedes the start of the plan year) to the date of termination 3. the participant's benefit earned as of December 31, 1997 converted to a lump sum amount PEP balances continue to earn interest until the participant receives a distribution from the Plan.								

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
• Eligibility	The first of the month following attainment of age 55 and 5 years of service.
• Benefit	A monthly benefit for life equal to the vested portion of the benefit accrued at his early retirement date.
Late retirement	
• Eligibility	Continued employment after a participant's normal retirement date.
• Benefit	Upon retirement, the participant will receive the greater of (i) his Accrued Benefit as of his delayed retirement date, or (ii) his Accrued Benefit as of his Normal Retirement Date increased actuarially from his Normal Retirement Date to his commencement date.
Deferred vested	
• Eligibility	Termination of employment prior to attainment of retirement eligibility after the completion of two years of vesting service.
• Benefit	The benefit upon termination of employment is equal to the accrued benefit payable on the participant's normal retirement date multiplied by the vesting percentage.
Disability	
• Eligibility	Determination of disability before attainment of Normal Retirement Date.
• Benefit	The benefit upon disability is equal to the participant's accrued benefit multiplied by the vesting percentage.
Pre-retirement death	
• Eligibility	Death after the completion of two years of vesting service.
• Benefit prior to early retirement	The survivor benefit shall be an amount actuarially equivalent to the benefit the participant would have received if such participant had separated from service on the date of death, survived to his Early Retirement Date and had commenced receiving payment of a life annuity.
• Benefit after early but before normal retirement	The survivor benefit shall be an amount actuarially equivalent to the benefit the participant would have received if such participant had begun receiving a life annuity on the day before his death.
Form of benefits	
• Automatic form for unmarried participants	Life annuity
• Automatic form for married participants	An adjusted benefit to be paid during the participant's lifetime with one-half of the benefit to be continued to his spouse for her lifetime after his death.

Schedule SB, Part V — Summary of Plan Provisions

• Optional forms	• An adjusted benefit to be paid during the participant's lifetime with the full or three-fourths of the benefit to be continued to his spouse for her lifetime after his death. • An adjusted benefit to be paid for 60, 120, or 180 months certain and life thereafter. • A lump sum benefit.
• Optional form conversion factors	• Annuity: 7% and RP2000 mortality table projected to 2018, combined healthy, unisex, no collar. • Lump sum: 2012 applicable mortality for lump sum payments and the segmented interest rates for the second month preceding the valuation date under PPA.
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 2012, the limit is \$250,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012, the limit is \$200,000.

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated and amended through Amendment #3, are included in this valuation.

- **Most recent plan amendments included:** Amendment #3, which froze benefit accruals for Highly Compensated Employees, is included because it was adopted by the valuation date and is effective by the end of the plan year.
- **Plan amendments excluded:** None
- **Late retirement increases:**
 - *Active participants:* The plan applies late retirement actuarial increases for all participants who defer retirement beyond their normal retirement date. This valuation reflects continued interest accruals in lieu of actuarial increases.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued with continued interest accruals in lieu of late retirement actuarial increases if the date of termination is after December 31, 1997.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) 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% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Part V — Summary of Plan Provisions***Additional Benefits Included or Excluded***

- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes Since Prior Valuation

- Benefit accruals were frozen for grandfathered participants who become Highly Compensated Employees. This change is reflected in this valuation because the plan amendment was adopted after the valuation date and the plan administrator did not make an election under IRC Section 412(d)(2) to retroactively include it.
- Maximum compensation amount and maximum benefits amount under IRS rules were updated from 2011 to 2012.
- We have also reflected the plan amendments adopted through February 25, 2011 (effective April 15, 2011), including the amendment allowing for immediate payment of death benefits from the plan and the amendment freezing benefit accruals for all grandfathered participants who become highly compensated employees.

Schedule SB, line 24 — Change in Actuarial Assumptions
Actuarial Assumption Changes Since Prior Valuation

- The expense component of normal cost increased from \$0 to \$10,000 to reflect our expectations for the current plan year.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										Total
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	
Under 25											
25–29		10									10
30–34		75	28								103
35–39		43	54	4							101
40–44		37	58	23	7						125
45–49	1	36	37	17	24	9					124
50–54		22	50	27	17	22	20				158
55–59		23	33	17	9	14	17	8			121
60–64		12	10	14	4	6	5	5	5	2	63
65–69		1		3	1		2	1	2	1	11
70 & up	1	1	2			1					5
Total	2	260	272	105	62	52	44	14	7	3	821

In each cell, the top number is the count of active participants for each age/service combination. Average pay is not shown for plans with less than 1,000 active participants or cells with fewer than 20 participants.

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2012 Installment
2010	\$	267,513	5	\$ 59,422
2011		7,085,441	6	1,357,385
2012		(5,971,097)	7	(1,013,443)
Total	\$	1,381,857		\$ 403,364