

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2012</div> This Form is Open to Public Inspection
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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>WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1999</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1999</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/1999</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u> <u>12500 WILLOWBROOK RD.</u> <u>CUMBERLAND, MD 21502</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>52-0591531</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>240-964-7000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>622000</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>52-0591531</u>	2c Sponsor's telephone number <u>240-964-7000</u>	2d Business code (see instructions) <u>622000</u>	
2b Employer Identification Number (EIN) <u>52-0591531</u>					
2c Sponsor's telephone number <u>240-964-7000</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	Filed with authorized/valid electronic signature. Signature of plan administrator	10/14/2013 Date	DENISE G. KIRALY Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature. Signature of employer/plan sponsor	10/14/2013 Date	DENISE G. KIRALY 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 3469
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	1728
b Retired or separated participants receiving benefits.....	6b	885
c Other retired or separated participants entitled to future benefits.....	6c	690
d Subtotal. Add lines 6a , 6b , and 6c	6d	3303
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	68
f Total. Add lines 6d and 6e	6f	3371
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	96
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: 1A 1G 3H		
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) ☒ <u>3</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance 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. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2012 <hr/> 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>WESTERN MARYLAND 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>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u>	D Employer Identification Number (EIN) <u>52-0591531</u>	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY CO.

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
<u>06-1050034</u>	<u>93629</u>	<u>003150</u>		<u>01/01/2012</u>	<u>12/31/2012</u>

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
<u>0</u>	<u>0</u>

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 7628014**5** Current value of plan's interest under this contract in separate accounts at year end **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount **6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☐ other ▶**b** Balance at the end of the previous year **7b** 8107804**c** Additions: (1) Contributions deposited during the year **7c(1)**(2) Dividends and credits **7c(2)**(3) Interest credited during the year **7c(3)** 415551(4) Transferred from separate account **7c(4)**(5) Other (specify below) **7c(5)**(6) Total additions **7c(6)** 415551**d** Total of balance and additions (add lines **7b** and **7c(6)**) **7d** 8523355**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 855779(2) Administration charge made by carrier **7e(2)**(3) Transferred to separate account **7e(3)**(4) Other (specify below) **7e(4)** 39562

▶ ADMIN EXP

(5) Total deductions **7e(5)** 895341**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f** 7628014

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance 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. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2012 <hr/> 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 WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 WESTERN MARYLAND HEALTH SYSTEM CORPORATION	D Employer Identification Number (EIN) 52-0591531	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
04-1590850	65935	SA 12804		01/01/2012	12/31/2012

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	0

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ **GROUP ANNUITY**

b Balance at the end of the previous year	7b	0
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c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits	7c(2)		
(3) Interest credited during the year	7c(3)		
(4) Transferred from separate account	7c(4)		
(5) Other (specify below)	7c(5)		
▶			

(6) Total additions	7c(6)	0
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d Total of balance and additions (add lines 7b and 7c(6))	7d	0
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e Deductions:			
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier	7e(2)		
(3) Transferred to separate account	7e(3)		
(4) Other (specify below)	7e(4)		
▶			

(5) Total deductions	7e(5)	0
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f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance 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. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2012 <hr/> 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>WESTERN MARYLAND 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>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u>	D Employer Identification Number (EIN) <u>52-0591531</u>	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier

PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
<u>42-0127290</u>	<u>61271</u>	<u>619023</u>	<u>3177</u>	<u>12/01/2012</u>	<u>12/31/2012</u>

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
<u>0</u>	<u>0</u>

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	
5 Current value of plan's interest under this contract in separate accounts at year end	5	77853653

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	
(4) Transferred from separate account	7c(4)	
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions	7c(6)	
d Total of balance and additions (add lines 7b and 7c(6))	7d	
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account	7e(3)	
(4) Other (specify below)	7e(4)	
▶		
(5) Total deductions	7e(5)	
f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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>WESTERN MARYLAND 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>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u>	D Employer Identification Number (EIN) <u>52-0591531</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: <table><tr><td>a Market value</td><td>2a</td><td><u>144804833</u></td></tr><tr><td>b Actuarial value</td><td>2b</td><td><u>147887653</u></td></tr></table>	a Market value	2a	<u>144804833</u>	b Actuarial value	2b	<u>147887653</u>																		
a Market value	2a	<u>144804833</u>																							
b Actuarial value	2b	<u>147887653</u>																							
3	Funding target/participant count breakdown: <table><tr><td></td><td>(1) Number of participants</td><td>(2) Funding Target</td></tr><tr><td>a For retired participants and beneficiaries receiving payment.....</td><td>3a</td><td><u>889</u> <u>60179745</u></td></tr><tr><td>b For terminated vested participants.....</td><td>3b</td><td><u>668</u> <u>16807798</u></td></tr><tr><td>c For active participants:</td><td></td><td></td></tr><tr><td> (1) Non-vested benefits.....</td><td>3c(1)</td><td><u>6020048</u></td></tr><tr><td> (2) Vested benefits.....</td><td>3c(2)</td><td><u>61494941</u></td></tr><tr><td> (3) Total active</td><td>3c(3)</td><td><u>1912</u> <u>67514989</u></td></tr><tr><td>d Total</td><td>3d</td><td><u>3469</u> <u>144502532</u></td></tr></table>		(1) Number of participants	(2) Funding Target	a For retired participants and beneficiaries receiving payment.....	3a	<u>889</u> <u>60179745</u>	b For terminated vested participants.....	3b	<u>668</u> <u>16807798</u>	c For active participants:			(1) Non-vested benefits.....	3c(1)	<u>6020048</u>	(2) Vested benefits.....	3c(2)	<u>61494941</u>	(3) Total active	3c(3)	<u>1912</u> <u>67514989</u>	d Total	3d	<u>3469</u> <u>144502532</u>
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(3) Total active	3c(3)	<u>1912</u> <u>67514989</u>																							
d Total	3d	<u>3469</u> <u>144502532</u>																							
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐ <table><tr><td>a Funding target disregarding prescribed at-risk assumptions</td><td>4a</td><td></td></tr><tr><td>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</td><td>4b</td><td></td></tr></table>	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																			
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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>7.08 %</u>																						
6	Target normal cost.....	6	<u>4417903</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>10/09/2013</u> Date <u>11-01826</u> Most recent enrollment number <u>301-777-1500</u> Telephone number (including area code)
Signature of actuary <u>JON S. KETZNER, FCA, MAAA</u> Type or print name of actuary <u>CBIZ BENEFITS AND INSURANCE SERVICE</u> Firm name <u>44 BALTIMORE STREET</u> <u>CUMBERLAND, MD 21502</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)	10084744	10024182
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	5895084	0
9 Amount remaining (line 7 minus line 8)	4189660	10024182
10 Interest on line 9 using prior year's actual return of <u>2.02</u> %	84631	202488
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		3803940
b Interest on (a) using prior year's effective interest rate of <u>6.34</u> % except as otherwise provided (see instructions)		76840
c Total available at beginning of current plan year to add to prefunding balance		3880780
d Portion of (c) to be added to prefunding balance		3880780
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)	4274291	14107450

Part III Funding Percentages		
14 Funding target attainment percentage	14	89.62 %
15 Adjusted funding target attainment percentage	15	102.34 %
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	87.05 %
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
05/06/2013	9000000	0			
			Totals ►	18(b)	9000000
				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	8208781
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	(4) 4th
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 4
22 Weighted average retirement age				22 64
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	4417903	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment	14996620	3081605	
	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	7499508	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	4274291	2475265	6749556
36 Additional cash requirement (line 34 minus line 35)	36	749952	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	8208781	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	7458829	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	6749556	
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 WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 WESTERN MARYLAND HEALTH SYSTEM CORPORATION	D Employer Identification Number (EIN) 52-0591531

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
MASSACHUSETTS MUTUAL LIFE INS CO

04-1590850

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

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

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

CBIZ BENEFITS & INSURANCE SERV INC

52-1396995

(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?
17 56 53 59	SHAREHOLDER SERVICE	0	Yes ☒ No ☐	Yes ☐ No ☒	111716	Yes ☐ No ☒

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

PRUDENTIAL RETIREMENT INSURANCE

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	CONTRACT ADMIN	39562	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MASSACHUSETTS MUTUAL LIFE INS CO

04-1590850

(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?
52 60 63 68 72	CONTRACT ADMINISTRATOR	0	Yes ☒ No ☐	Yes ☒ No ☐	0	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)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 50 64	CONTRACT ADMIN	0	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

CBIZ FINANCIAL SOLUTIONS, INC

52-1971675

(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?
17 27 37 56 59	SHAREHOLDER SERVICES	0	Yes ☒ No ☐	Yes ☒ No ☐	36142	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
CBIZ BENEFITS & INSURANCE SERV INC	53	111716
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
MASSACHUSETTS MUTUAL LIFE INS CO 04-1590850	COMMISSIONS AND FEES	
<div style="text-align: center;">(a) Enter service provider name as it appears on line 2</div>		
MASSACHUSETTS MUTUAL LIFE INS CO	60	0
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
EUROPACIFIC GRWTH (AMERICAN) 95-6810128	BASIS POINTS AND PLAN ASSETS	
<div style="text-align: center;">(a) Enter service provider name as it appears on line 2</div>		
MASSACHUSETTS MUTUAL LIFE INS CO	60	0
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
GLOBAL STRATEGIC INCOME (OFI) 84-1120195	BASIS POINTS AND PLAN ASSETS	

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
MASSACHUSETTS MUTUAL LIFE INS CO	60	0
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>GROWTH AMERICA (AMERICAN)</p> <p>52-0792143</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>BASIS POINTS & PLAN ASSETS</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(a) Enter service provider name as it appears on line 2</p> <p>MASSACHUSETTS MUTUAL LIFE INS CO</p> </div> <div style="width: 20%;"> <p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">60</p> </div> <div style="width: 20%;"> <p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>MID CAP VALUE (PERKINS)</p> <p>84-1458637</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>BASIS POINTS & PLAN ASSETS</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(a) Enter service provider name as it appears on line 2</p> <p>MASSACHUSETTS MUTUAL LIFE INS CO</p> </div> <div style="width: 20%;"> <p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">60</p> </div> <div style="width: 20%;"> <p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>RISING DIVIDENDS (OFI)</p> <p>13-3035629</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>BASIS POINTS & PLAN ASSETS</p> </div> </div>		

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
MASSACHUSETTS MUTUAL LIFE INS CO	72	0

(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.
PREM INFLAT-PORT AND INCM (BABSON) 03-0532475	BASIS POINTS & PLAN ASSETS

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MASSACHUSETTS MUTUAL LIFE INS CO	72	0

(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.
PREM SHT-DURATION BD (BABSON) 04-3212057	BASIS POINTS & PLAN ASSETS

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MASSACHUSETTS MUTUAL LIFE INS CO	72	0

(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.
PREM DIVERSIFIED BD (BABSON) 04-3464165	BASIS POINTS & PLAN ASSETS

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
MASSACHUSETTS MUTUAL LIFE INS CO	72	0

(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.
PREM MONEY MKT (BABSON) 04-3212059	BASIS POINTS & PLAN ASSETS

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MASSACHUSETTS MUTUAL LIFE INS CO	72	0

(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.
SEL SMCVAL (FED CLOV/TRP/ERNST) 04-3584140	BASIS POINTS & PLAN ASSETS

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MASSACHUSETTS MUTUAL LIFE INS CO	72	0

(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.
SELECT FOCUSED VALUE (HARRIS) 04-3512590	BASIS POINTS & PLAN ASSETS

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
MASSACHUSETTS MUTUAL LIFE INS CO	72	0
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>SELECT FUNDAMENTAL VAL (WELLINGTON)</p> <p>04-3584138</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>BASIS POINTS & PLAN ASSETS</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(a) Enter service provider name as it appears on line 2</p> <p>MASSACHUSETTS MUTUAL LIFE INS CO</p> </div> <div style="width: 20%;"> <p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">72</p> </div> <div style="width: 20%;"> <p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>SELECT MID CAP GR II (TRP/FRONTIER)</p> <p>04-3512596</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>BASIS POINTS & PLAN ASSETS</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(a) Enter service provider name as it appears on line 2</p> <p>MASSACHUSETTS MUTUAL LIFE INS CO</p> </div> <div style="width: 20%;"> <p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">72</p> </div> <div style="width: 20%;"> <p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>SELECT PIMCO TOTAL RETURN</p> <p>27-2377446</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>BASIS POINTS & PLAN ASSETS</p> </div> </div>		

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
MASSACHUSETTS MUTUAL LIFE INS CO	72	0
(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.	
SELECT SM CAP GR (W&R/WELLINGTON) 04-3464205	BASIS POINTS & PLAN ASSETS	
(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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	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>WESTERN MARYLAND 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>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u>	D Employer Identification Number (EIN) <u>52-0591531</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>SIA-SI ADVISOR MID CAP VALUE</u>				
b Name of sponsor of entity listed in (a): <u>MMLIC</u>				
c EIN-PN <u>04-1590850-023</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SIA-YC SELECT SMALL CAP GR</u>				
b Name of sponsor of entity listed in (a): <u>MMLIC</u>				
c EIN-PN <u>04-1590850-135</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SIA-YG PREMIER MONEY MARKET</u>				
b Name of sponsor of entity listed in (a): <u>MMLIC</u>				
c EIN-PN <u>04-1590850-139</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SIA-YP PREMIER DIVERSIFIED BOND</u>				
b Name of sponsor of entity listed in (a): <u>MMLIC</u>				
c EIN-PN <u>04-1590850-145</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SIA-Y PREM INFLATION-PROTECTED BND</u>				
b Name of sponsor of entity listed in (a): <u>MMLIC</u>				
c EIN-PN <u>04-1590850-183</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SIA-YK SELECT FUNDAMENTAL VALUE</u>				
b Name of sponsor of entity listed in (a): <u>MMLIC</u>				
c EIN-PN <u>04-1590850-185</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SIA-YT SELECT MID CAP GROWTH II</u>				
b Name of sponsor of entity listed in (a): <u>MMLIC</u>				
c EIN-PN <u>04-1590850-186</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		

a Name of MTIA, CCT, PSA, or 103-12 IE: SIA-YY SEL SM CO VALUE		
b Name of sponsor of entity listed in (a): MMLIC		
c EIN-PN 04-1590850-187	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SIA-VB EUROPACIFIC GROWTH		
b Name of sponsor of entity listed in (a): MMLIC		
c EIN-PN 04-1590850-276	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SIA-TZ TOTAL RETURN		
b Name of sponsor of entity listed in (a): MMLIC		
c EIN-PN 04-1590850-362	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SIA-HW GROWTH AMERICA		
b Name of sponsor of entity listed in (a): MMLIC		
c EIN-PN 04-1590850-419	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SIA-YF PREM SHT-DURATION BD		
b Name of sponsor of entity listed in (a): MMLIC		
c EIN-PN 04-1590850-138	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: SIA-Q8 PREM STRATEGIC INCOME		
b Name of sponsor of entity listed in (a): MMLIC		
c EIN-PN 04-1590850-343	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP BLEND SEP ACCT-I3		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-020	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2779514

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MONEY MARKET SA-I3		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-024	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5082972

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL EM MKT SEP ACCT-I4		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-013	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4618784

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN DIV INTL SA-I5		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-015	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5108157

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP S&P 600 INDEX SA-I5**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO

c EIN-PN 42-0127290-028	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1401579
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INFLATION PROT SA-I2**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO

c EIN-PN 42-0127290-099	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10765567
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INCOME SEP ACCT-I3**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO

c EIN-PN 42-0127290-118	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 23788118
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN EQUITY INCOME SA-I3**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO

c EIN-PN 42-0127290-120	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13024550
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SHORT-TERM INCOME SA-I3**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO

c EIN-PN 42-0127290-124	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11284412
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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)
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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)
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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
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
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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 01/01/2012 and ending 12/31/2012		
A Name of plan WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 WESTERN MARYLAND HEALTH SYSTEM CORPORATION	D Employer Identification Number (EIN) 52-0591531	

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)	8000000	9000000
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)	420255	
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	15234	306840
	(2) U.S. Government securities.....	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts.....	1c(9)		
	(10) Value of interest in pooled separate accounts.....	1c(10)	107946654	77906429
	(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)	14242059	59877656
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	8107804	7628014
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	6271079	6409191
(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	145003085	161128130

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	145003085	161128130
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	9000000	
(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)		9000000

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	329	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)	291888	
(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)		292217

(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)	681822	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		681822

(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)	138112	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		138112

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		12582725
(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)		230749
c Other income.....	2c		415551
d Total income. Add all income amounts in column (b) and enter total.....	2d		23341176

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	6863583	
(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)		6863583
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)		
(2) Contract administrator fees	2i(2)	39577	
(3) Investment advisory and management fees	2i(3)	312971	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		352548
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		7216131

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		16125045
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: COHEN, RUTHERFORD & KNIGHT, P.C.

(2) EIN: 52-1202280

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		500000
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

<div>SCHEDULE R (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>		<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2012</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012					
A Name of plan WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN				B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 WESTERN MARYLAND HEALTH SYSTEM CORPORATION				D Employer Identification Number (EIN) 52-0591531	
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	0
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): 06-1050034 04-1590850					
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	33
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					
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					
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: 39% Investment-Grade Debt: 59% High-Yield Debt: 0% Real Estate: 0% Other: 2%

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):

**COHEN
RUTHERFORD
+ KNIGHT^{PC}**
Certified Public Accountants



Audited Financial Statements

**Western Maryland Health
System Corporation Retirement
Plan**

December 31, 2012 and 2011

Western Maryland Health System Corporation

Retirement Plan

Audited Financial Statements
December 31, 2012 and 2011

-Contents-

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Report of Independent Auditor

The Plan Administrator
Western Maryland Health System Corporation Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Western Maryland Health System Corporation Retirement Plan (the Plan), which comprise of the statements of net assets available for benefits as of December 31, 2012 and 2011, the related statements of changes in net assets available for 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 audit 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, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to certain information summarized in *Note B*, which was certified by Prudential Insurance Company (Prudential), the Plan trustee, and Massachusetts Mutual Life Insurance Company (Mass Mutual), a provider of certain investment and administrative services for the Plan prior to December 1, 2012, and Principal Life Insurance Company, a custodian of certain investment and administrative services for the Plan after December 1, 2012, 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 and provider hold primarily all of the Plan's investment assets and execute investment transactions. The Plan Administrator has obtained certifications from Prudential, Principal and Mass Mutual (as applicable) as of and for the years ended December 31, 2012 and 2011 that the information provided to the Plan Administrator is complete and accurate.

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 audit 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, Schedule of Assets Held at Year End and Schedule of Reportable Transactions, as of the year ended December 31, 2012, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purposes of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the 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 Prudential, Principal and Mass Mutual (as applicable), have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Cohen, Rutherford + Knight, P.C.

October 4, 2013
Bethesda, Maryland

Western Maryland Health System Corporation

Retirement Plan

Statements of Net Assets Available for Benefits
(Dollars in thousands)

	December 31	
	2012	2011
Net assets available for benefits		
Massachusetts Mutual Life Insurance Company investment accounts:		
Mutual funds	\$ 0	\$ 107,947
Prudential Financial, Inc. investment accounts:		
Immediate participation guarantee fund	7,628	8,108
CBIZ Financial Solutions cash, cash equivalents and investment accounts:		
Mutual fund and money market	0	14,257
Fixed income	6,716	6,270
Principal Financial Group investment accounts:		
Mutual funds	59,878	0
Separate pooled accounts	77,906	0
Net assets available for benefits	<u>\$ 152,128</u>	<u>\$ 136,582</u>
Accumulated plan benefits:		
Actuarial present value of vested benefits:		
Participants currently receiving benefits	58,619	51,377
Other participants	70,300	67,231
	<u>128,919</u>	<u>118,608</u>
Actuarial present value of nonvested benefits	<u>8,444</u>	<u>8,802</u>
Total actuarial present value of accumulated plan benefits	<u>137,363</u>	<u>127,410</u>
Excess of net assets available for benefits over actuarial present value of accumulated benefits	<u>\$ 14,765</u>	<u>\$ 9,172</u>

The accompanying notes are an integral part of the financial statements.

Western Maryland Health System Corporation

Retirement Plan

Statements of Changes in Net Assets Available for Benefits (Dollars in thousands)

	Year Ended December 31	
	2012	2011
Net increase in net assets available for benefits:		
Net changes in Massachusetts Mutual Life Insurance Company investment accounts:		
Employer contributions	\$ 8,420	\$ 7,000
Investment income	12,117	1,606
Benefits paid to participants	(6,633)	(5,862)
Contract termination	(122,164)	0
Transfer to CBIZ Financial Solutions	0	(6,000)
Administrative expenses	313	305
	<u>(107,947)</u>	<u>(2,951)</u>
Net changes in Prudential Financial, Inc. investment accounts:		
Investment income	416	468
Benefits paid to participants	(856)	(906)
Administrative expenses	(40)	(36)
	<u>(480)</u>	<u>(474)</u>
Net changes in CBIZ Financial Solutions investment accounts:		
Transfer from Massachusetts Mutual Life Insurance Company	0	6,000
Withdrawals	(14,852)	0
Investment income	1,040	705
Administrative expenses	0	(7)
	<u>(13,811)</u>	<u>6,698</u>
Net changes in Principal Financial Group investment accounts:		
Purchases	137,015	0
Investment income	516	0
Unrealized gain	253	0
	<u>137,784</u>	<u>0</u>
Net increase in net assets available for benefits	<u>15,546</u>	<u>3,273</u>
Net increase in actuarial present value of accumulated plan benefits:		
Increase during the year attributable to:		
Benefits accumulated	6,279	4,441
Increase for interest due to decrease in discount period	10,538	9,882
Benefits paid	(6,864)	(6,348)
Net increase in actuarial present value of accumulated plan benefits	<u>9,953</u>	<u>7,975</u>
Change in excess of net assets available for benefits over actuarial present value of accumulated plan benefits	5,593	(4,702)
Excess of net assets available for benefits over actuarial present value of accumulated plan benefits:		
Beginning of year	9,172	13,874
End of year	<u>\$ 14,765</u>	<u>\$ 9,172</u>

The accompanying notes are an integral part of the financial statements.

Western Maryland Health System Corporation

Retirement Plan

Notes to the Financial Statements
(Dollars in thousands)

Note A - Plan Description and Summary of Significant Accounting Policies

Plan Description

The Western Maryland Health System Corporation Retirement Plan (the Plan) was established January 1, 1999. Assets of approximately \$32,600 and \$53 were transferred into the Plan to provide for benefits of active and inactive participants from the plan assets of the Memorial Hospital and Medical Center of Cumberland, Inc. Pension Plan and the Medilab of Cumberland Retirement Plan, respectively. Assets of approximately \$18,000 were transferred from the Ascension Health Retirement Plan into the Plan to provide for the benefits of the active participants of Sacred Heart Hospital, St. Vincent DePaul Nursing Center, and Haystack Consolidated Services, Inc.

The Plan is a noncontributory defined benefit plan. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). As of December 1, 2012, the Plan voluntarily replaced Massachusetts Mutual Life Insurance Company (Mass Mutual) as a provider of certain investment and administrative services for the Plan with Principal Life Insurance Company (Principal). In order to facilitate this transition, certain investments were sold at the transition date by Mass Mutual so that comparable financial instruments could be purchased by Principal.

The Plan covers all eligible employees of Western Maryland Health System Corporation (WMHS) and the following participating organizations, each of which is wholly owned or controlled, as applicable, by WMHS:

- Frostburg Nursing and Rehabilitation Center
- Haystack Consolidated Services, Inc.
- Memorial Hospital and Medical Center of Cumberland, Inc.
- Braddock Hospital

Eligibility for participation begins on January 1 or July 1 coinciding with or following a year of eligible service. One year of eligible service is credited to an employee at the end of the 12 months during which 832 or more hours have been completed. The Plan was amended effective January 1, 2010, to offer an Early Retirement Incentive Program (ERIP) to certain employees. The ERIP was offered for a limited time only, beginning May 14, 2010 and ending July 6, 2010. Participation in the ERIP was voluntary. Additional information regarding the ERIP is published in the Plan document and other sources. In 2011, Plan management elected to freeze eligibility to participate in the Plan. Employees hired or re-hired after June 30, 2011 are not eligible to become a participant in the Plan on or after July 1, 2011. Employees re-hired after June 30, 2011 are not eligible to accrue any additional benefit under the Plan based on service or compensation after June 30, 2011. Benefits will continue to accrue in the Plan for current participants, and no changes to the formula used to calculate benefits will be made.

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note A - Plan Description and Summary of Significant Accounting Policies - Continued

Retirement Benefits

Generally, Plan benefits are based on the benefit formula adopted by WMHS, participant earnings, covered compensation, and credited service. An employee is 100% vested in his or her accrued benefit after completing five years of vesting service. The Plan also provides for full benefits on an early retirement date if certain conditions are met.

Death Benefits

The Plan includes provisions for death benefits to be paid to the surviving spouse or family unit, commencement of which would begin in the first month after the participant's death.

Funding Policy

The funding policy of WMHS is to remit amounts sufficient to provide the Plan with assets with which to pay pension benefits to Plan participants. The Plan has met the minimum funding requirements for 2012 and 2011 under ERISA.

Plan Termination

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

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

- Retirement income called for under the Plan for those former participants or beneficiaries who have been receiving monthly payments for three years, or who would have been receiving monthly payments for three years if they had been eligible to and elected to retire three years ago; in both cases based on the terms of the Plan in effect five years preceding the date of termination of the Plan.
- Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC), a U.S. government agency, up to the applicable limitations.
- All other vested benefits not insured by the PBGC.
- All nonvested benefits.

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note A - Plan Description and Summary of Significant Accounting Policies - Continued

Plan Termination – Continued

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

Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated October 10, 2012 stating that the Plan is qualified under Section 401(a) of the Code; therefore, the related trust is exempt from taxation.

Management has also considered the impact of unrelated business activities, and has concluded that the Plan is not subject to unrelated business tax or any other taxes that could be imposed by the Internal Revenue Code or state taxing authorities. As such, no provision is made for income taxes and no asset or liability has been recognized for deferred taxes.

Current accounting standards require the Plan to recognize the impact of an uncertain tax position in its financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. In the opinion of Plan management, there are no uncertain tax positions required to be accrued or disclosed in the Plan's financial statements.

Basis of Accounting

The financial statements are prepared using the accrual method of accounting except for contributions to the Plan, which are recorded in the period paid.

Uses of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued

(Dollars in thousands)

Note A - Plan Description and Summary of Significant Accounting Policies – Continued

Investment Valuation and Income Recognition

The fair value of fixed maturity securities and common stock is determined by Prudential Financial Inc. (Prudential); Massachusetts Mutual Life Insurance Company (Mass Mutual) for 2011 and Principal Life Insurance Company (Principal) for 2012; and CBIZ Financial Solutions (CBIZ) based on the last reported sales price on the last business day of the year. If no sale was reported on that date, they are valued at the average of the bid and asked price on the last business day of the year.

A portion of the Plan's assets are invested in mutual funds managed by CBIZ for 2012 and 2011 and Mass Mutual for 2011 that are valued at the net asset value of shares held by the Plan at year end. Fair values of mutual funds managed by Principal for 2012 have been determined by the Plan from observable market quotations, when available.

A portion of the Plan's assets is in an unallocated fund account (the immediate participation guarantee fund) held by Prudential at December 31, 2012 and 2011. The unallocated fund account contains assets commingled with other assets of Prudential and is stated at fair value, which is estimated by Prudential discounting cash flows based on current yields of similar instruments with comparable durations. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Equity securities invested in the pooled separate accounts consist of mostly domestic and international stocks. The majority of the underlying securities have observable level 1 or 2 pricing inputs, including quoted prices for similar assets in active or non-active markets. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the values of most of the domestic stocks are quoted prices (level 1), the net asset value (NAV) of a separate account is not publicly quoted. For international stocks, when markets move outside of set thresholds in a day, instead of accepting the exchange quote from IDC, Principal uses prices determined by the Fair Market Value mode which is a multi-factor regression model. This model is used to adjust closing prices on foreign markets for activity between the closing of the foreign and U.S. markets.

The majority of each pooled separate accounts invest in a single mutual fund. The underlying mutual funds in which these pooled separate accounts invest have observable level 1 or 2 pricing inputs, including quoted prices for similar assets in active or non-active markets. Most of their prices were obtained from IDC. While the values of most of the mutual funds are quoted prices (level 1), the NAVs of these pooled separate account are not publicly quoted.

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note A - Plan Description and Summary of Significant Accounting Policies – Continued

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Actuarial Present Value at Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments and lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries and (b) present employees or their beneficiaries. Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included to the extent they are deemed attributable to employee service rendered as of the valuation date.

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

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note A - Plan Description and Summary of Significant Accounting Policies – Continued

Actuarial Present Value at Accumulated Plan Benefits - Continued

Actuarial assumptions at December 31, 2012 and 2011 are as follows:

	<u>2012</u>	<u>2011</u>
<i>Pre-Retirement for Retirement and Spousal Benefits</i>		
Interest Discount	Segment Rates (Four month lookback; reflects MAP-21) <u>For 430 and 436</u> <u>For 404</u> First Segment: 5.54% 2.06% Second Segment: 6.85% 5.25% Third Segment: 7.52% 6.32%	Segment Rates (Zero month lookback) First Segment: 3.78% Second Segment: 6.31% Third Segment: 6.57%
Mortality	2012 Static Mortality for non-annuitants	2011 Static Mortality for non-annuitants
Salary Scale	2.0% per year through 2012 and 3.5% 2013 and beyond	Same
Retirement Age	Varying by age as shown below: <u>Rate</u> <u>Age</u> 6.00% 57-61 10.00% 62-63 20.00% 64 17.50% 65-66 100.00% 67+	Same
Expenses	Based on estimated administrative expenses paid from Plan assets	Same

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note A - Plan Description and Summary of Significant Accounting Policies – Continued

Actuarial Present Value at Accumulated Plan Benefits – Continued

	<u>2012</u>	<u>2011</u>
<i>Post-Retirement for Retirement Benefits</i>		
Interest Discount	Same as pre-retirement assumption	Same as pre-retirement assumption
Mortality	2012 Static Mortality for annuitants	2011 Static Mortality for annuitants
<i>Asset Valuation Method</i>	24 month average limited by 90%/110% corridor	Same
<i>Effective Interest Rate</i>	7.08%	6.34%
<i>Assumed Earnings Rate</i>	7.00%	7.00%
<i>Compliance Testing</i>	Based on the data provided, the plan meets the requirements of IRC Sections 401(a)(4), 401(a)(26), 410(b) and 415(b) for the current Plan year. The Plan is not considered "top heavy" for the current Plan year.	Same

These 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.

Subsequent Events

Subsequent events have been evaluated by management through October 4, 2013, which is the date the financial statements were available to be issued.

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note B - Investments

The investment information summarized below and included in the Plan's financial statements is unaudited (except for investments held by CBIZ) and has been certified as complete and accurate by Prudential, Principal or Mass Mutual, as applicable, as of and for the years ended December 31, 2012 and 2011, respectively:

	<u>2012</u>	<u>2011</u>
Investments:		
Unallocated fund account with Prudential		
Immediate participation guarantee fund	\$ 7,628	\$ 8,108
Investments with Mass Mutual		
Mutual funds	0	107,947
Investments with CBIZ Financial Solutions		
Mutual fund / money market	0	14,257
Fixed maturity	6,716	6,270
Investments with Principal		
Mutual funds	59,878	0
Separate pooled accounts	77,906	0
	<u>\$ 152,128</u>	<u>\$ 136,582</u>
Investment income:		
Unallocated fund account with Prudential		
Interest income	\$ 416	\$ 468
Investments with Mass Mutual		
Net appreciation in fair value of investments	12,117	1,606
Investments with CBIZ Financial Solutions		
Net appreciation in fair value of investments	581	415
Dividend and interest income	459	290
Investments with Principal		
Investment income	769	0
	<u>\$ 14,342</u>	<u>\$ 2,779</u>

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note B - Investments - Continued

Based upon the information certified by Prudential, Principal or Mass Mutual (as applicable) and provided by CBIZ, the following table summarizes the fair value of those investments representing 5% or more of the Plan's net assets available for benefits at December 31:

	<u>2012</u>	<u>2011</u>
Immediate participation guarantee fund	\$ 7,628	\$ 8,108
Mass Mutual Inflation Protected Bond	n/a	10,183
Mass Mutual Diversified Bond	n/a	26,218
Mass Mutual Short Duration Bond	n/a	11,019
Mass Mutual Total Return	n/a	12,231
Mass Mutual Global Strat Income	n/a	11,859
Mass Mutual Fundamental Value	n/a	11,082
Mass Mutual Growth American	n/a	12,029
CBIZ Gateway Fund Class A	n/a	14,242
Gateway Y Fund	15,031	n/a
Loomis Sayles Bd Inst Fd	13,199	n/a
Metro West Total Rtn Bd I	13,209	n/a
Vanguard Growth Index Inst	14,413	n/a
BlackRock Inflation Prot SA-I2	10,818	n/a
Edge Asset Mgmt Eqty income SA-I3	23,788	n/a
Edge Asset Mgmt Income SA-I3	13,025	n/a
Edge Asset Mgmt Sh Term Inc SA-I3	11,284	n/a

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note B - Investments - Continued

Currently applicable standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, and establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note B - Investments - Continued

The level in the fair value hierarchy within which a fair value measurement is determined is based on the lowest level input that is significant to the fair value measurement in its entirety. The following table presents assets that are measured at fair value on a recurring basis as of December 31, 2012.

	Level 1	Level 2	Level 3	Total
Separate pooled accounts				
Money Market		\$ 5,083		\$ 5,083
Equity securities				
Diversified Emerging Markets	0	4,619	0	4,619
Foreign Large Blend	0	5,108	0	5,108
Inflation-Protected Bond	0	10,818	0	10,818
Intermediate-Term Bond	0	23,788	0	23,788
Large Value	0	13,025	0	13,025
Mid Cap Blend	0	2,780	0	2,780
Short Term Bond	0	11,284	0	11,284
Small Blend	0	1,402	0	1,402
Mutual Funds				
Long/Short Equity	15,031	0	0	15,031
Intermediate-Term Bond	13,209	0	0	13,209
Large Growth	14,413	0	0	14,413
Mid-Cap Value	2,742	0	0	2,742
Multisector Bond	13,199	0	0	13,199
Small Growth	1,283	0	0	1,283
Money Market Funds	0	307	0	307
Fixed Income	0	6,409	0	6,409
Immediate Participation Guaranty Fund	0	0	7,628	7,628
	<u>\$ 59,877</u>	<u>\$ 84,623</u>	<u>\$ 7,628</u>	<u>\$ 152,128</u>

The change in the fair value of Level 3 assets from the beginning of the Plan year to the end of the Plan year result from credited interest of \$416 less benefits and administrative expenses paid of \$895.

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note B - Investments - Continued

The following table presents assets that are measured at fair value on a recurring basis as of December 31, 2011.

	Level 2	Level 3	Total
Money Market Funds	1,735	0	1,735
Mutual Funds			
Inflation-Protected Bond	10,183	0	10,183
Intermediate-Term Bond	38,449	0	38,449
Short-Term Bond	11,019	0	11,019
Foreign Large Blend	4,393	0	4,393
Large Value	11,082	0	11,082
Large Blend	14,242	0	14,242
Large Growth	12,029	0	12,029
Mid-Cap Value	2,455	0	2,455
Mid-Cap Growth	2,435	0	2,435
Multisector Bond	11,859	0	11,859
Small Growth	1,100	0	1,100
Small Blend	1,223	0	1,223
Fixed Income	6,270	0	6,270
Immediate Participation Guaranty Fund	0	8,108	8,108
	<u>\$ 128,474</u>	<u>\$ 8,108</u>	<u>\$ 136,582</u>

The change in the fair value of Level 3 assets from the beginning of the Plan year to the end of the Plan year result from credited interest of \$468 less benefits and administrative expenses paid of \$942.

No significant transfers were made between the fair value level hierarchies shown above during 2012 and 2011.

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note B - Investments - Continued

The following table presents the roll-forward of financial statements for which fair value measurement is determined using level 3 inputs:

Balance as of December 31, 2010	\$	8,582
Withdrawals		(942)
Investment income		468
Balance as of December 31, 2011	\$	8,108
Withdrawals		(896)
Investment income		416
Balance as of December 31, 2012	\$	<u>7,628</u>

Note C- Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

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

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements-Continued
(Dollars in thousands)

Note D - Differences Between Financial Statements and Federal Form 5500

The following is a reconciliation of net assets available for benefits per the accompanying Plan financial statements to the federal Form 5500:

	<u>2011</u>
Net assets available for benefits per the financial statements	\$ 136,582
Employer contributions made in 2012 applied to the 2011 plan year in the federal Form 5500	<u>8,000</u>
Net assets available for benefits per the federal Form 5500	<u><u>\$ 144,582</u></u>
	<u>2012</u>
Net assets available for benefits per the financial statements	\$ 152,128
Employer contributions made in 2013 applied to the 2012 plan year in the federal Form 5500	<u>9,000</u>
Net assets available for benefits per the federal Form 5500	<u><u>\$ 161,128</u></u>

Note E - Parties-In-Interest Transactions

Certain Plan investments are managed by CBIZ, Prudential, Principal and (for 2011 only) Mass Mutual. Fees paid by the Plan to Prudential amounted to \$40 and \$36 for the years ended December 31, 2012 and 2011. Investment management fees to CBIZ and Principal for year 2012 Mass Mutual for year 2011 are paid from investment income of the Plan. Certain other fees are paid by the Plan Sponsor.

Western Maryland Health System Corporation Retirement Plan

Schedule of Assets (Held at End of Year) December 31, 2012
(Dollars in thousands)

Identity of party involved	Description of investment	Cost	Current value
* Principal	Gateway Y Fund	\$ 15,116	\$ 15,031
* Principal	Janus Perkins Mid Cap Value I	2,816	2,742
* Principal	Loomis Sayles Bd Inst Fd	13,313	13,199
* Principal	Metro West Total Rtn Bd I	13,250	13,209
* Principal	Vanguard Growth Index Inst	14,335	14,413
* Principal	Vanguard SmCap Grth Index Adm	1,260	1,283
* Principal	Principal Div Intl SA-I5	5,001	5,108
* Principal	Principal Intl Emg Mkts SA-I4	4,521	4,619
* Principal	Principal MidCap Blend I3	2,740	2,780
* Principal	Principal MM SA-I3	5,083	5,083
* Principal	Principal SmallCap S&P 600 Index SA-I5	1,356	1,402
* Principal	BlackRock Inflation Prot SA-I2	10,824	10,818
* Principal	Edge Asset Mgmt Eqty Income SA-I3	23,745	23,788
* Principal	Edge Asset Mgmt Income SA-I3	12,893	13,025
* Principal	Edge Asset Mgmt Sh Term Inc SA-I3	11,276	11,284
* Prudential	Immediate Participation Guarantee Fund	7,628	7,628
* CBIZ	Prime Fund Dailey Money Class	307	307
* CBIZ	MD St Health & Higher Ed 5.0 7/1/16	54	55
* CBIZ	MD St Health & Higher Ed 5.0 7/1/21	250	273
* CBIZ	MD St Health & Higher Ed 4.5 1/1/22	95	104
* CBIZ	MD St Health & Higher Ed 5.0 7/1/22	1,764	1,877
* CBIZ	MD St Health & Higher Ed 5.0 7/1/23	25	27
* CBIZ	MD St Health & Higher Ed 5.0 7/1/24	51	55
* CBIZ	MD St Health & Higher Ed 5.0 7/1/25	114	125
* CBIZ	MD St Health & Higher Ed 5.0 7/1/25	99	109
* CBIZ	MD St Health & Higher Ed 5.0 7/1/34	138	158
* CBIZ	MD St Health & Higher Ed 5.0 7/1/36	3,378	3,626
		<u>\$ 151,432</u>	<u>\$ 152,128</u>

*Represents a party-in-interest.

Note: The above data is based upon information which has been certified (except as relates to CBIZ) as complete and accurate by Prudential Insurance Company and Principal Life Insurance Company, as applicable.

The accompanying notes are an integral part of this schedule.

Western Maryland Health System Corporation Retirement Plan

Schedule of Reportable Transactions For the Year Ended December 31, 2012

Identity of party involved	Description of asset (include interest rate and maturity in case of a loan)	Units	Purchase Price	Selling Price	Cost of asset	Current Value of asset on transaction date	Net gain or loss
Mass Mutual	Premier Diversified Bond		\$ 4,000,000		\$ 4,000,000	\$ 4,000,000	
Mass Mutual	Premier Diversified Bond			24,076,919	24,700,488	24,076,919	(623,569)
Mass Mutual	American Growth			14,415,092	11,104,566	14,415,092	3,310,526
Mass Mutual	Total Return			13,372,006	9,643,941	13,372,006	3,728,065
Mass Mutual	Premier Inflation-Pro Bond			10,946,055	8,083,724	10,946,055	2,862,331
Mass Mutual	Global Strat Income OFI			13,477,412	11,899,945	13,477,412	1,577,467
Mass Mutual	Premier Sht-Duration Bd			11,346,260	10,720,797	11,346,260	625,463
Mass Mutual	Select Fundamental Value			12,882,866	9,367,028	12,882,866	3,515,838
Mass Mutual	Premier Money Market			10,140,535	10,140,535	10,140,535	
Mass Mutual	Premier Money Market		8,420,424		8,420,424	8,420,424	
CBIZ Financial Solutions Act	Prime Fund Dailey Money	6,125	165,761		165,761	165,761	
	Gateway Fund	545,597		14,851,140	13,874,240	14,851,140	976,900
Principal Financial Group	Gate Y Fund	554,432	15,115,777		15,115,777	15,115,777	
Principal Financial Group	Loomis Sayles Bd Inst Fd	873,053	13,313,092		13,313,092	13,313,092	
Principal Financial Group	Metro West Total Rtn Bd I	1,212,902	13,250,247		13,250,247	13,250,247	
Principal Financial Group	Vanguard Growth Index Inst	393,361	14,335,205		14,335,205	14,335,205	
Principal Financial Group	BlackRock Inflation Prot	874,186	10,824,193		10,824,193	10,824,193	
Principal Financial Group	Edge Asset Mgmt Eqty Income	1,724,775	23,744,717		23,744,717	23,744,717	
Principal Financial Group	Edge Asset Mgmt Income	773,757	12,893,121		12,893,121	12,893,121	
Principal Financial Group	Edge Asset Mgmt Sh Term Inc	1,058,357	11,276,343		11,276,343	11,276,343	

Note: The above data is based upon information which has been certified (except as relates to CBIZ) as complete and accurate by Prudential Insurance Company and Principal Life Insurance Company, as applicable.

The accompanying notes are an integral part of this schedule.

Plan Name: Western Maryland Health System Retirement Plan

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

EIN: 52-0591531

PN: 001

Year: 2012

Retirement Rates:

<u>Age</u>	<u>Rate</u>	<u>Surviving Percentage</u>
57	6.0%	94%
58	6.0%	88%
59	6.0%	83%
60	6.0%	78%
61	6.0%	73%
62	10.0%	66%
63	10.0%	59%
64	20.0%	48%
65	17.5%	39%
66	17.5%	32%
67	100.0%	0%

Weighted retirement age: 64

Plan Name: Western Maryland Health System Retirement Plan

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

EIN/PN: 52-0591531 / 001

Funding Method: Unit Credit

Actuarial Assumptions:

Pre-Retirement for Retirement and Spousal Benefits:

Interest Discount:	Segment Rates (Four month lookback; reflects MAP-21)		
		<u>For 430 and 436</u>	<u>For 404</u>
	First Segment:	5.54%	2.06%
	Second Segment:	6.85%	5.25%
	Third Segment:	7.52%	6.32%

Mortality: 2012 Static Mortality for non-annuitants

Turnover: Varying by age and service as illustrated below:

<u>Select (Service-Based)</u>	
<u>Rate</u>	<u>YOS</u>
20.00%	1
20.00%	2
17.50%	3
15.50%	4
12.50%	5

<u>Ultimate (Age-Based)</u>	
<u>Rate</u>	<u>Age</u>
10.00%	25
7.50%	30
6.50%	35
5.50%	40
5.00%	45
4.50%	50
0.00%	55

Salary Scale:	2.00%	per year through 2012
	3.50%	2013 and beyond

Plan Name: Western Maryland Health System Retirement Plan

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

EIN/PN: 52-0591531 / 001

Retirement Age: Varying by age as shown below:

<u>Rate</u>	<u>Age</u>
6.00%	57 - 61
10.00%	62 - 63
20.00%	64
17.50%	65 - 66
100.00%	67+

Expenses: Based on estimated administrative expenses paid from plan assets

Post-Retirement for Retirement Benefits:

Interest Discount: Same as pre-retirement assumption

Mortality: 2012 Static Mortality for annuitants

Effective Interest Rate: 7.08%

Valuation of Assets: 24 month average limited by 90%/110% corridor

Assumed Earnings Rate: 7.00% limited by maximum allowable rate

Compliance Testing: Based on the data provided, the plan meets the requirements of IRC Sections 401(a)(4), 401(a)(26), 410(b) and 415(b) for the current plan year. The company is not considered Top Heavy for the current plan year.

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 52-0591531 / 001

Effective Date: January 1, 1999

Plan Year: 1/1/2012 to 12/31/2012

Eligibility:

Minimum Age: None

Service: 12 months with the completion of 832 hours of service.

Other:

Person employed by and receiving earnings from a Participating Institution, excluding Leased employees and Persons covered by collective bargaining agreements that do not provide for participation in the Plan.

Effective June 30, 2011, no employee hired or rehired after June 30, 2011 shall be eligible to participate in the Plan on or after July 1, 2011

Normal Retirement Date: A participant shall be eligible for normal retirement benefits or the first of the month coinciding with his/her 65th birthday.

Early Retirement Date: Attainment of age 55 with 5 years of credited service.

Early Retirement Benefit: Amount is age 65 benefit reduced 5/12% per month by which commencement precedes 65. There is no reduction on or after age 62 if sum of age and service equals or exceeds 90.

Credited Service: The sum of credited past service and credited future service. Credited past service, if any, is defined by the Western Maryland Health System's Joinder Agreement. Credited future service equals service earned as a result of hours of service with a Participating Institution.

Normal Form of Benefit: The normal form of payment is an annuity payable for the lifetime of the participant.

Compensation: Amounts earned for employment with a Participating Institution including W-2 pay plus pay excluded under IRC Sections 125, 401(k), and 403(b). Earnings exclude IRC section 457 deferred compensation included in the year paid to the employee. Earnings exclude IRC section 107 parsonage rental values. Earnings are subject to the IRC section 401(a)(17) pay cap.

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 52-0591531 / 001

Vesting: 100% vesting on completion of 5 years of service or attainment of normal retirement age, if earlier.

Accrued Benefit: Post 1/1/2008 Formula:

Accrued Benefit as of Prior Valuation Date PLUS 1.05% (1.25% if years of service as of current valuation date equals or exceeds 15) of annual compensation PLUS .50% of the excess, if any, of annual compensation over covered compensation (as limited by permitted disparity rules).

Grandfathered Formula:

1.05% of Highest Average Earnings times years of credited service PLUS .50% of the excess, if any, of Highest Average Earnings over Covered Compensation times years of credited service limited to 35.

Highest Average Earnings is based on the highest 5 consecutive years out of the past 10 years.

There is also a Minimum Annual Benefit of \$180 per year of credited service. This benefit applies to all participants.

Other Benefits: Benefits are payable to or on behalf of vested participants who die prior to retirement, who become disabled and qualify for total disability benefits under the plan and who retire early upon meeting the plans requirements for early retirement. Participants who continue with the company after reaching normal retirement age will generally accrue additional benefits.

Schedule SB, line 26 - Schedule of Active Participants

EIN: 52-0591531

PN: 001

Schedule of Active Participants

Age	Years of Service																			Total	
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		
	Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		
	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	
Under 25	0		85	24,575	5		0		0		0		0		0		0		0		90
25 to 29	1		71	34,754	57	37,960	2		0		0		0		0		0		0		131
30 to 34	2		51	52,171	78	46,049	46	43,220	1		0		0		0		0		0		178
35 to 39	1		43	34,158	46	47,106	41	47,959	24	50,780	1		0		0		0		0		156
40 to 44	1		48	47,612	54	53,824	52	49,813	41	45,101	46	57,506	2		0		0		0		244
45 to 49	0		41	53,380	42	48,479	43	39,028	33	52,553	62	58,904	35	54,430	6		0		0		262
50 to 54	0		38	31,588	48	45,630	42	48,207	30	56,991	49	54,121	41	62,219	69	53,146	2		0		319
55 to 59	0		38	37,066	34	53,809	44	46,757	34	49,362	31	69,096	40	54,195	43	61,974	55	57,724	7		326
60 to 64	0		19		10		11		25	47,654	22	59,798	21	51,018	9		27	47,276	21	51,963	165
65 to 69	1		3		6		5		5		4		3		1		3		4		35
70 & up	0		0		1		0		2		1		0		0		0		2		6
Total	6		437		381		286		195		216		142		128		87		34		1,912

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 52-0591531

PN: 001

Year: 2012

<u>Type</u>	<u>PV of Remaining Installments</u>	<u>Valuation Date</u>	<u>Yrs Remaining</u>	<u>Installment</u>
Shortfall	(9,549,487)	1/1/2012	7	(1,620,783)
Shortfall	<u>24,546,107</u>	1/1/2011	6	<u>4,702,388</u>
Total:	14,996,620			3,081,605

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, line 15 - Reconciliation of differences between valuation results and amounts used to calculate AFTAP

EIN: 52-0591531

PN: 001

Year: 2012

On 9/24/2012, the plan's AFTAP was certified as 80.00%. The Plan Sponsor elected to apply the provisions of MAP-21 for IRC 436 purposes. On 12/27/2012, the plan's AFTAP was recertified as 102.34%.

The funding target liability for the original certification was \$173,827,498.

A. Name of Plan Western Maryland Health System Retirement Plan	B. Three-digit Plan Number	001
C. Plan sponsor's Name as shown on line 2a of form 5500 Western Maryland Health System Corporation	D. Employer Identification Number 520591531	

Sch H, Part 4, Line 4(l) Schedule of Assets Held for Investment Purposes

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of Investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
-----	--	---	----------	-------------------

*	Principal Financial Group	Contract #6-19023 - Reg Investment Co.		
		Gateway Y Fund	15,115,777	15,030,664
		Janus Perkins Mid Cap Value I	2,815,963	2,741,979
		Loomis Sayles Bd Inst Fd	13,313,092	13,200,556
		Metro West Total Rtn Bd I	13,250,247	13,208,502
		Vanguard Growth Index Inst	14,335,205	14,412,748
		Vanguard SmCap Grth Index Adm	1,259,944	1,283,207
		Contract #6-19023 - Pooled Sep Acct's		
		Principal Div Intl SA-I5	5,001,051	5,108,157
		Principal Intl Emg Mkts SA-I4	4,521,498	4,618,784
		Principal MidCap Blend I3	2,740,302	2,779,514
		Principal MM SA-I3	5,083,260	5,082,972
		Principal SmallCap S&P 600 Index SA-	1,356,449	1,401,579
		BlackRock Inflation Prot SA-I2	10,824,193	10,818,346
		Edge Asset Mgmt Eqty Income SA-I3	23,744,717	23,788,117
		Edge Asset Mgmt Income SA-I3	12,893,121	13,024,550
		Edge Asset Mgmt Sh Term Inc SA-I3	11,276,343	11,284,411
*	Prudential Retirement Insurance and Annuity C Contract IN-3150 - Ins Gen Acct			
		General Account	7,628,014	7,628,014
*	CBIZ Financial Solutions	Acct CLN-059714		
		Prime Fund Dailey Money CI - CEF	306,840	306,840
		MD St Health & Higher Ed 5.0 7/1/16	53,984	55,132
		MD St Health & Higher Ed 5.0 7/1/21	250,341	273,089
		MD St Health & Higher Ed 4.5 1/1/22	95,025	103,811
		MD St Health & Higher Ed 5.0 7/1/22	1,763,893	1,877,162
		MD St Health & Higher Ed 5.0 7/1/23	25,475	27,296
		MD St Health & Higher Ed 5.0 7/1/24	50,867	54,505
		MD St Health & Higher Ed 5.0 7/1/25	113,762	125,240
		MD St Health & Higher Ed 5.0 7/1/25	98,766	108,904
		MD St Health & Higher Ed 5.0 7/1/34	138,469	157,737
		MD St Health & Higher Ed 5.0 7/1/36	3,377,525	3,626,315
			151,434,124	152,128,131

* Party -in-interest to plan

A. Name of Plan Western Maryland Health System Retirement Plan	B. Three-digit Plan Number 001
C. Plan sponsor's Name as shown on line 2a of form 5500 Western Maryland Health System Corporation	D. EmployerID Number 520591531

Sch H, PART 4, Line 4(j) - Schedule of Transactions in Excess of 5%

(a) Identity of party involved	(b) Description of asset	Units	(c) Purchase Price	(d) Selling Price	(e)	(f)	(g) Cost of Asset	(h) Current Value of asset on transaction date	(i) Net gain or (loss)
MassMutual	Contract #SA 12804 - Pooled Sep Acct's								
	(Premier Diversified Bond) SIA-YP		4,000,000	-			4,000,000	4,000,000	
	(Premier Diversified Bond) SIA-YP			24,076,919			24,700,488	24,076,919	(623,569)
	(American Growth) SIA-HW			14,415,092			11,104,566	14,415,092	3,310,526
	(Total Return) SIA-TZ			13,372,006			9,643,941	13,372,006	3,728,065
	(Premier Infation-Pro Bond) SIA-Y			10,946,055			8,083,724	10,946,055	2,862,331
	(Global Strat Income OFI)SIA-Q8			13,477,412			11,899,945	13,477,412	1,577,467
	(Premier Sht-Duration Bd) SIA-YF			11,346,260			10,720,797	11,346,260	625,463
	(Select Fundamental Value) SIA-YK			12,882,866			9,367,028	12,882,866	3,515,838
	(Premier Money Market) SIA-YG			10,140,535			10,140,535	10,140,535	-
	(Premier Money Market) SIA-YG		8,420,424	-			8,420,424	8,420,424	
CBIZ Financial Solutions Acct CLN-053082	Prime Fund Dailey Money Cl - Cl	6,125	165,761	-			165,761	165,761	
	Gateway Fund Cl A - MF - 193,53	545,597		14,851,140			13,874,240	14,851,140	976,900
Principal Financial Group Contract #6-19023 - Reg Invesment Co.	Gateway Y Fund	554,432	15,115,777				15,115,777	15,115,777	
	Loomis Sayles Bd Inst Fd	873,053	13,313,092				13,313,092	13,313,092	
	Metro West Total Rtn Bd I	1,212,902	13,250,247				13,250,247	13,250,247	
	Vanguard Growth Index Inst	393,361	14,335,205				14,335,205	14,335,205	
	Contract #6-19023 - Pooled Sep Acct's								
	BlackRock Inflation Prot SA-I2	874,186	10,824,193				10,824,193	10,824,193	
	Edge Asset Mgmt Eqty Income S	1,724,775	23,744,717				23,744,717	23,744,717	
	Edge Asset Mgmt Income SA-I3	773,757	12,893,121				12,893,121	12,893,121	
	Edge Asset Mgmt Sh Term Inc S.	1,058,357	11,276,343				11,276,343	11,276,343	

SB Actuary Signature

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 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		B Three-digit plan number (PN)	001
Western Maryland Health System Retirement Plan			
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF		D Employer Identification Number (EIN)	
Western Maryland Health System Corporation		52-0591531	
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 1 Day 1 Year 2012
2 Assets:	
a Market value	2a 144,804,833
b Actuarial value	2b 147,887,653
3 Funding target/participant count breakdown:	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 889 60,179,745
b For terminated vested participants	3b 668 16,807,798
c For active participants:	
(1) Non-vested benefits	3c(1) 6,020,048
(2) Vested benefits	3c(2) 61,494,941
(3) Total active	3c(3) 1,912 67,514,989
d Total	3d 3,469 144,502,532
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 7.08
6 Target normal cost	6 4,417,903

Statement by Enrolled Actuary

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

SIGN HERE	10/09/2013
Signature of actuary	Date
Jon S. Ketzner, FCA, MAAA	11-01826
Type or print name of actuary	Most recent enrollment number
CBIZ Benefits and Insurance Service	(301) 777-1500
Firm name	Telephone number (including area code)
44 Baltimore Street	
Cumberland MD 21502	
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

SB Actuary Signature

Schedule SB (Form 5500) 2012

Page 2 -

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)	10,084,744	10,024,182
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	5,895,084	0
9 Amount remaining (line 7 minus line 8)	4,189,660	10,024,182
10 Interest on line 9 using prior year's actual return of <u>2.02</u> %	84,631	202,488
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		3,803,940
b Interest on (a) using prior year's effective interest rate of <u>6.34</u> % except as otherwise provided (see instructions)		76,840
c Total available at beginning of current plan year to add to prefunding balance		3,880,780
d Portion of (c) to be added to prefunding balance		3,880,780
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)	4,274,291	14,107,450

Part III Funding Percentages

14 Funding target attainment percentage	14	89.62 %
15 Adjusted funding target attainment percentage	15	102.34 %
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	87.05 %
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
05/06/2013	9,000,000	0			
Totals ►			18(b)	9,000,000	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	8,208,781
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	(4) 4th
0	0	0	0

SB Actuary Signature

Schedule SB (Form 5500) 2012

Page **3**

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 4
22	Weighted average retirement age			22 64
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	4,417,903
b	Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	14,996,620	3,081,605
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	7,499,508
		Carryover balance	Prefunding balance
35	Balances elected for use to offset funding requirement	4,274,291	2,475,265
36	Additional cash requirement (line 34 minus line 35)	36	749,952
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	8,208,781
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	7,458,829
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	6,749,556
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	

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, line 15 - Reconciliation of differences between valuation results and amounts used to calculate AFTAP

EIN: 52-0591531

PN: 001

Year: 2012

On 9/24/2012, the plan's AFTAP was certified as 80.00%. The Plan Sponsor elected to apply the provisions of MAP-21 for IRC 436 purposes. On 12/27/2012, the plan's AFTAP was recertified as 102.34%.

The funding target liability for the original certification was \$173,827,498.

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

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

EIN: 52-0591531

PN: 001

Year: 2012

Retirement Rates:

<u>Age</u>	<u>Rate</u>	<u>Surviving Percentage</u>
57	6.0%	94%
58	6.0%	88%
59	6.0%	83%
60	6.0%	78%
61	6.0%	73%
62	10.0%	66%
63	10.0%	59%
64	20.0%	48%
65	17.5%	39%
66	17.5%	32%
67	100.0%	0%

Weighted retirement age: 64

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

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

EIN/PN: 52-0591531 / 001

Funding Method: Unit Credit

Actuarial Assumptions:

Pre-Retirement for Retirement and Spousal Benefits:

Interest Discount:	Segment Rates (Four month lookback; reflects MAP-21)		
		<u>For 430 and 436</u>	<u>For 404</u>
	First Segment:	5.54%	2.06%
	Second Segment:	6.85%	5.25%
	Third Segment:	7.52%	6.32%

Mortality: 2012 Static Mortality for non-annuitants

Turnover: Varying by age and service as illustrated below:

Select (Service-Based)

<u>Rate</u>	<u>YOS</u>
20.00%	1
20.00%	2
17.50%	3
15.50%	4
12.50%	5

Ultimate (Age-Based)

<u>Rate</u>	<u>Age</u>
10.00%	25
7.50%	30
6.50%	35
5.50%	40
5.00%	45
4.50%	50
0.00%	55

Salary Scale:	2.00%	per year through 2012
	3.50%	2013 and beyond

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

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

EIN/PN: 52-0591531 / 001

Retirement Age: Varying by age as shown below:

<u>Rate</u>	<u>Age</u>
6.00%	57 - 61
10.00%	62 - 63
20.00%	64
17.50%	65 - 66
100.00%	67+

Expenses: Based on estimated administrative expenses paid from plan assets

Post-Retirement for Retirement Benefits:

Interest Discount: Same as pre-retirement assumption

Mortality: 2012 Static Mortality for annuitants

Effective Interest Rate: 7.08%

Valuation of Assets: 24 month average limited by 90%/110% corridor

Assumed Earnings Rate: 7.00% limited by maximum allowable rate

Compliance Testing: Based on the data provided, the plan meets the requirements of IRC Sections 401(a)(4), 401(a)(26), 410(b) and 415(b) for the current plan year. The company is not considered Top Heavy for the current plan year.

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 52-0591531 / 001

Effective Date: January 1, 1999

Plan Year: 1/1/2012 to 12/31/2012

Eligibility:

Minimum Age: None

Service: 12 months with the completion of 832 hours of service.

Other: Person employed by and receiving earnings from a Participating Institution, excluding Leased employees and Persons covered by collective bargaining agreements that do not provide for participation in the Plan.

Effective June 30, 2011, no employee hired or rehired after June 30, 2011 shall be eligible to participate in the Plan on or after July 1, 2011.

Normal Retirement Date: A participant shall be eligible for normal retirement benefits on the first of the month coinciding with his/her 65th birthday.

Early Retirement Date: Attainment of age 55 with 5 years of credited service.

Early Retirement Benefit: Amount is age 65 benefit reduced 5/12% per month by which commencement precedes 65. There is no reduction on or after age 62 if sum of age and service equals or exceeds 90.

Credited Service: The sum of credited past service and credited future service. Credited past service, if any, is defined by the Western Maryland Health System's Joinder Agreement. Credited future service equals service earned as a result of hours of service with a Participating Institution.

Normal Form of Benefit: The normal form of payment is an annuity payable for the lifetime of the participant.

Compensation: Amounts earned for employment with a Participating Institution including W-2 pay plus pay excluded under IRC Sections 125, 401(k), and 403(b). Earnings exclude IRC section 457 deferred compensation included in the year paid to the employee. Earnings exclude IRC section 107 parsonage rental values. Earnings are subject to the IRC section 401(a)(17) pay cap.

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 52-0591531 / 001

Vesting: 100% vesting on completion of 5 years of service or attainment of normal retirement age, if earlier.

Accrued Benefit: Post 1/1/2008 Formula:

Accrued Benefit as of Prior Valuation Date PLUS 1.05% (1.25% if years of service as of current valuation date equals or exceeds 15) of annual compensation PLUS .50% of the excess, if any, of annual compensation over covered compensation (as limited by permitted disparity rules).

Grandfathered Formula:

1.05% of Highest Average Earnings times years of credited service PLUS .50% of the excess, if any, of Highest Average Earnings over Covered Compensation times years of credited service limited to 35.

Highest Average Earnings is based on the highest 5 consecutive years out of the past 10 years.

There is also a Minimum Annual Benefit of \$180 per year of credited service. This benefit applies to all participants.

Other Benefits: Benefits are payable to or on behalf of vested participants who die prior to retirement, who become disabled and qualify for total disability benefits under the plan and who retire early upon meeting the plans requirements for early retirement. Participants who continue with the company after reaching normal retirement age will generally accrue additional benefits.

Schedule SB, line 26 - Schedule of Active Participants

PN: 001

Years of Service

Age	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		
	Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		
	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	
Under 25	0	85	24,575	5			0			0				0			0		0		90
25 to 29	1	71	34,754	57	37,960		2			0				0			0		0		131
30 to 34	2	51	52,171	78	46,049		46	43,220		1				0			0		0		178
35 to 39	1	43	34,158	46	47,106		41	47,959		24	50,780	1		0			0		0		156
40 to 44	1	48	47,612	54	53,824		52	49,813		41	45,101	46	57,506	2			0		0		244
45 to 49	0	41	53,380	42	48,479		43	39,028		33	52,553	62	58,904	35	54,430		6		0		262
50 to 54	0	38	31,588	48	45,630		42	48,207		30	56,991	49	54,121	41	62,219		69	53,146	2		319
55 to 59	0	38	37,066	34	53,809		44	46,757		34	49,362	31	69,096	40	54,195		43	61,974	55	57,724	326
60 to 64	0	19		10			11			25	47,654	22	59,798	21	51,018		9		27	47,276	165
65 to 69	1	3		6			5			5		4		3			1		3		35
70 & up	0	0		1			0			2		1		0			0		0		6
Total	6	437		381			286			195		216		142		128		87	34		1,912

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 52-0591531

PN: 001

Year: 2012

<u>Type</u>	<u>PV of Remaining Installments</u>	<u>Valuation Date</u>	<u>Yrs Remaining</u>	<u>Installment</u>
Shortfall	(9,549,487)	1/1/2012	7	(1,620,783)
Shortfall	<u>24,546,107</u>	1/1/2011	6	<u>4,702,388</u>
Total:	14,996,620			3,081,605