

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</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>UNIVERSITY HOSPITALS HEALTH SYSTEM, INC. RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ▶ <u>333</u> 1c Effective date of plan <u>04/01/1970</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>UNIVERSITY HOSPITALS HEALTH SYSTEM</u> <u>3605 WARRENSVILLE CENTER ROAD</u> <u>SHAKER HEIGHTS, OH 44122</u>	2b Employer Identification Number (EIN) <u>34-0714775</u> 2c Sponsor's telephone number <u>216-844-1000</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.	10/14/2014	THOMAS SNOWBERGER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 20762
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 12352
b Retired or separated participants receiving benefits		6b 1830
c Other retired or separated participants entitled to future benefits.....		6c 7009
d Subtotal. Add lines 6a , 6b , and 6c		6d 21191
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e 255
f Total. Add lines 6d and 6e		6f 21446
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 343
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 1C 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) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

▶ **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>UNIVERSITY HOSPITALS HEALTH SYSTEM, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>333</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>UNIVERSITY HOSPITALS HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-0714775</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 _____ Day _____ Year _____	
2 Assets:	
a Market value	2a <u>494201249</u>
b Actuarial value	2b <u>504208914</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>1757</u> <u>105113339</u>
b For terminated vested participants.....	3b <u>6749</u> <u>82011358</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>17584032</u>
(2) Vested benefits	3c(2) <u>272885191</u>
(3) Total active.....	3c(3) <u>12256</u> <u>290469223</u>
d Total.....	3d <u>20762</u> <u>477593920</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 <u>6.71</u> %
6 Target normal cost	6 <u>37106578</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>10/01/2014</u>
Signature of actuary		Date
<u>JASON M. BRAVO</u>		<u>14-05569</u>
Type or print name of actuary		Most recent enrollment number
<u>HEWITT ASSOCIATES LLC</u>		<u>216-573-9700</u>
Firm name		Telephone number (including area code)
<u>5005 ROCKSIDE ROAD, SUITE 1000</u> <u>INDEPENDENCE, OH 44131-6828</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) 2013
v. 130118

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>5.58</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		64599406
b Interest on (a) using prior year's effective interest rate of <u>7.06</u> % except as otherwise provided (see instructions)		4560718
c Total available at beginning of current plan year to add to prefunding balance		69160124
d Portion of (c) to be added to prefunding balance		69160124
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	69160124

Part III Funding Percentages		
14 Funding target attainment percentage	14	91.09 %
15 Adjusted funding target attainment percentage	15	105.57 %
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	102.92 %
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
12/10/2013	128955500				
			Totals ►	18(b)	128955500 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	121320666
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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.23%	2nd segment: 6.51%	3rd segment: 7.16 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is 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	37106578	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	42545130	7160583	
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	44267161	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	44267161	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	121320666	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	77053505	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2013
		This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>UNIVERSITY HOSPITALS HEALTH SYSTEM, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>333</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>UNIVERSITY HOSPITALS HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-0714775</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

74-2689707

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
ARTIO GLOBAL MAMGEMENT LLC

13-3732995

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
THE VANGUARD GROUP, INC.

23-1945930

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
MANNING AND NAPIER ADVISORS, LLC

45-3328488

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

PIMCO

33-0629048

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

FRANKLIN TEMPLETON INVESTMENTS

ONE FRANKLIN PARKWAY
SAN MATEO, CA 94403-190694-1347393

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

FORUM FUNDS

THREE CANAL PLAZA
PORTLAND, ME 04101

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

BLACKROCK94-3112180

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

J.P. MORGAN ASSET MANAGEMENT

270 PARK AVENUE
NEW YORK, NY 10017

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

LOOMIS, SAYLES & COMPANY

ONE FINANCIAL CENTER
BOSTON, MA 02111

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

TWEEDY, BROWNE COMPANY LLC

ONE STATION PLACE
STAMFORD, CT 06902

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

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)

HEWITT ASSOCIATES LLC

36-2235791

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 15 50 65	NONE	795976	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLINGTON TRUST CO

04-2683227

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 72 50 51 52	NONE	614567	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

THE BANK OF NEW YORK MELLON

25-0659306

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50 51 62	NONE	172675	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)

BANK ONE INV ADV CORP.

31-1192865

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	NONE	70662	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

DEPRINCE RACE AND ZOLLO

59-3299598

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	NONE	65565	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

ALTRINSIC GLOBAL ADVISORS

30-0016268

(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?
27 50 68 71	NONE	19954	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>UNIVERSITY HOSPITALS HEALTH SYSTEM, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>333</u>	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>UNIVERSITY HOSPITALS HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-0714775</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)	

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>AUSTIN CAPITAL SAFE HARBOR S1</u>		
b Name of sponsor of entity listed in (a): <u>AUSTIN CAPITAL</u>		
c EIN-PN <u>74-2689707-000</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>EB TEMPORARY INVESTMENT FDII</u>		
b Name of sponsor of entity listed in (a): <u>TBC, INC.</u>		
c EIN-PN <u>75-2256891-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>64107631</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>WELLINGTON EMLE</u>		
b Name of sponsor of entity listed in (a): <u>WELLINGTON TRUST COMPANY</u>		
c EIN-PN <u>26-0356102-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>20136097</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>WTC-CIF SMALL CAP 2000</u>		
b Name of sponsor of entity listed in (a): <u>WELLINGTON TRUST COMPANY</u>		
c EIN-PN <u>04-2755549-081</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>10872058</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>WTC-CTF GLOBAL TOTAL RETURN</u>		
b Name of sponsor of entity listed in (a): <u>WELLINGTON TRUST COMPANY</u>		
c EIN-PN <u>27-2918974-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>29783494</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>EB DV NON-SL STOCK INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>THE BANK OF NEW YORK MELLON</u>		
c EIN-PN <u>25-6078093-215</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>65342120</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>EB DV NON-SL INT'L STOCK INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>THE BANK OF NEW YORK MELLON</u>		
c EIN-PN <u>25-6078093-213</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>36416825</u>

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

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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>UNIVERSITY HOSPITALS HEALTH SYSTEM, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>333</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>UNIVERSITY HOSPITALS HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-0714775</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1	Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions.....	1b(1)	70000000	0
	(2) Participant contributions.....	1b(2)		
	(3) Other.....	1b(3)	361565	20389613
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	943586	314729
	(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)	107016	0
	(B) Common.....	1c(4)(B)	15255080	18143378
	(5) Partnership/joint venture interests	1c(5)	172586571	165349499
	(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)	114667917	226658225
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities.....	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	121786902	207236890
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	495708637	638092334

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	561589	1138506
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	561589	1138506

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	495147048	636953828
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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)	128955500	
(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)		128955500

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	11	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	191580	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		191591
(2) Dividends: (A) Preferred stock	2b(2)(A)	-5	
(B) Common stock	2b(2)(B)	350991	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	5407573	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		5758559
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	69630836	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	63982204	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		5648632
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	12322382	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		12322382

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		8158144
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		11081300
c Other income.....	2c		483264
d Total income. Add all income amounts in column (b) and enter total.....	2d		172599372

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	26905255	
(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)		26905255
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)		
(3) Investment advisory and management fees.....	2i(3)	770748	
(4) Other.....	2i(4)	3116589	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		3887337
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		30792592

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		141806780
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: **KPMG, LLP**

(2) EIN: **13-5565207**

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		20000000
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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>UNIVERSITY HOSPITALS HEALTH SYSTEM, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>333</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>UNIVERSITY HOSPITALS HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-0714775</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>25-1904625</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>192</u>

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

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☒ Increase	☐ Decrease	☐ Both	☐ No
--	--	-----------------------------------	-------------------------------	-----------------------------

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

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: 4% Investment-Grade Debt: 0% High-Yield Debt: 0% Real Estate: 1% Other: 95%

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):



**UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN**

Financial Statements and Supplemental Schedules

December 31, 2013 and 2012

(With Independent Auditors' Report Thereon)

**UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN**

Table of Contents

	Page
Independent Auditors' Report	1
Statements of Net Assets Available for Benefits, December 31, 2013 and 2012	3
Statements of Changes in Net Assets Available for Benefits, Years ended December 31, 2013 and 2012	4
Notes to Financial Statements	5
Schedules	
1 Schedule H, Line 4i – Schedule of Assets (Held at End of Year) – December 31, 2013	17
2 Schedule H, Line 4j – Schedules of Reportable Transactions – Year ended December 31, 2013	20

Other schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 are omitted because there is no information to report.



KPMG LLP
One Cleveland Center
Suite 2600
1375 East Ninth Street
Cleveland, OH 44114-1796

Independent Auditors' Report

The Plan Administrator
University Hospitals Health System, Inc.
Retirement Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements University Hospitals Health System, Inc. Retirement Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statements of changes in net assets available for 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.

Auditors' 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 the information summarized in notes 3 and 4, which was certified by The Bank of New York Mellon Corporation, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2013 and 2012, and for the years then ended, that the information provided to the plan administrator by the trustee 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 H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2013 and Schedule H, Line 4j – Schedules of Reportable Transactions for the year ended December 31, 2013, are 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 purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with Department of Labor’s Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

KPMG LLP

Cleveland, Ohio
October 13, 2014

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Statements of Net Assets Available for Benefits

December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Assets:		
Investments, at fair value:		
Cash and cash equivalents	\$ 314,729	943,586
Equity securities	18,143,378	15,362,096
Mutual and exchange traded funds	207,236,890	121,786,902
Common/collective trusts	226,658,225	114,667,917
Alternative investments	165,349,499	172,586,571
Total investments at fair value	<u>617,702,721</u>	<u>425,347,072</u>
Receivables:		
Employer contributions receivable	—	17,914,682
Accrued interest and dividends	244,899	286,344
Due from brokers for securities sold	20,144,572	74,999
Other	142	222
Total receivables	<u>20,389,613</u>	<u>18,276,247</u>
Total assets	<u>638,092,334</u>	<u>443,623,319</u>
Liabilities:		
Due to brokers for securities purchased	299,347	194,605
Accrued payables	839,159	366,753
Other	—	231
Total liabilities	<u>1,138,506</u>	<u>561,589</u>
Net assets available for benefits	<u>\$ 636,953,828</u>	<u>443,061,730</u>

See accompanying notes to financial statements.

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Investment income:		
Interest and dividends	\$ 5,950,150	4,363,999
Net appreciation in fair value of investments	<u>37,693,722</u>	<u>20,207,565</u>
Total investment income	43,643,872	24,571,564
Less investment expenses	<u>770,748</u>	<u>820,010</u>
Net investment income	<u>42,873,124</u>	<u>23,751,554</u>
Contributions:		
Employer contributions	<u>181,040,818</u>	<u>37,165,912</u>
Total contributions	<u>181,040,818</u>	<u>37,165,912</u>
Deductions from net assets attributed to:		
Benefits paid to participants	26,905,255	19,351,121
Administrative expenses	<u>3,116,589</u>	<u>2,368,278</u>
Total deductions	<u>30,021,844</u>	<u>21,719,399</u>
Net increase in net assets available for benefits	193,892,098	39,198,067
Net assets available for benefits:		
Beginning of year	<u>443,061,730</u>	<u>403,863,663</u>
End of year	<u>\$ 636,953,828</u>	<u>443,061,730</u>

See accompanying notes to financial statements.

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

(1) Description of the Plan

The following brief description of the University Hospitals Health System, Inc. Retirement Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement for more complete information.

(a) General

The Plan is a noncontributory defined benefit pension plan, covering essentially all employees of University Hospitals Health System, Inc. (the System) who are at least 21 years of age and who have completed one year of service with at least 1,000 hours. The Plan does not cover certain employees of Geneva Medical Center and Conneaut Medical Center or certain members of religious organizations, students, interns, residents, and certain affiliates. The Plan, which is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), was amended and restated effective January 1, 2011 to maintain compliance with the requirements of ERISA.

Employees of the System hired on or after January 1, 2009 and who satisfy the eligibility requirements participate in the Plan under a cash balance formula. Under this formula, eligible participants will receive an employer contribution of 3.0% or 3.5%, depending on years of service, of their base salary as defined in the plan document. Contributions for eligible employees hired before January 1, 2009 will remain unchanged under the existing final average pay formula. The System froze the University Hospitals Medical Group Retirement Plan on December 31, 2010. Participants within the University Hospitals Medical Group Retirement Plan who satisfied the eligibility requirements of the Plan on or after the freeze date participate in the Plan under the cash balance formula.

(b) Pension Benefits

Under terms of the plan agreement, participants are eligible for monthly normal retirement benefit payments upon reaching age 65, or may receive early retirement benefits at age 55, provided that ten years of credited service have been obtained. The amount of a plan participant's benefit is based upon several factors, including compensation, years of service, age, and the estimated Social Security benefit. The compensation formula used for the calculation of a participant's benefit payment is based upon compensation for the highest five consecutive calendar years during the previous ten years prior to the date of termination. The Plan also provides for the payment of early and disability retirement benefits as well as the payment of benefits to the surviving spouse of a participant. An unmarried participant may designate a beneficiary entitled to receive 50% of the participant's monthly retirement benefit, which is to be paid out in a lump sum.

Participants under the cash balance formula are eligible for monthly normal retirement benefit payments upon reaching age 65, or may receive early retirement benefits at age 55. The amount of a plan participant's benefit is based upon pay and interest credits. A participant's cash balance account will be credited with pay credits equal to a percentage of the participant's compensation for that calendar year. The pay credit as a percentage of compensation for a calendar year is 3.00% for participants with less than 5 years service and 3.50% for participants with five or more years of vesting service. Participant cash accounts are increased with interest credits each calendar quarter at

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

a rate equal to the average yield on 10-year Treasury Constant Maturities for the second month prior to the first month of the calendar quarter. Cash balance participants may elect to receive pension benefits in the form of an optional lump sum payment equal to their cash balance account at any time upon termination of employment. The Plan also provides for the payment of early and disability retirement benefits as well as the payment of benefits to the surviving spouse of a participant under the cash balance formula. An unmarried participant may designate a beneficiary entitled to receive 50% of the participant's monthly retirement benefit, which is to be paid out in a lump sum.

(c) Vesting

Plan participants under the final average pay formula who have completed five or more years of credited service are entitled to a retirement benefit, which is payable at the age of 65. Plan participants under the cash balance formula who have completed three or more years of credited service are entitled to a retirement benefit, which is payable at the age of 65.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

(b) Funding Policy

It is the System's policy to make contributions to the Plan based upon actuarial computations which meet the greater of the minimum funding requirements of ERISA or 90% of the actuarial present value of accumulated plan benefits. The System met the minimum funding requirements of ERISA for 2013 and 2012, as determined by consulting actuaries.

(c) Valuation of Investments and Income Recognition

The Plan's investments are stated at fair value. Fair value is 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. See note 4 for discussion of fair value measurements.

Net appreciation in the fair value of investments reported in the statements of changes in net assets available for benefits includes both realized and unrealized gains and losses. Purchases and sales of securities are recorded on a trade date basis. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis.

(d) Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by the employees to 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.

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

Generally, benefits for retired or terminated employees or their beneficiaries are based on the employee's number of years of credited service. The accumulated plan benefits for active employees are based on their number of years of credited service preceding the valuation date.

(e) *Use of Estimates*

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

(f) *Payment of Benefits*

Benefit payments to participants are recorded upon distribution.

(g) *Due from brokers for securities sold*

The financial statements reflect amounts that were remitted to the Plan at the end of 2013, but were not invested in an investment as of December 31, 2013. The Plan includes this in the due from brokers for securities sold line item.

(3) Investments

The Plan is administered by the System. The Plan's trustee is The Bank of New York Mellon Corporation (the trustee).

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator has obtained certification from the trustee that all of the information provided by them is complete and accurate. Information included in the accompanying financial statements and supplemental schedules as to investments administered by the trustee, net investment income, net appreciation and information included in this note is presented in reliance solely upon that certification.

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

The following table presents the investments at December 31, 2013 and 2012 as certified to be complete and accurate by the trustee. Individual investments that represent 5% or more of the Plan's net assets available for benefits are separately identified (*).

	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	\$ 314,729	943,586
Equity securities	18,143,378	15,362,096
Mutual and exchange traded funds:		
JP Morgan Intermediate Bond Trust	60,204,486*	50,678,407*
Pimco Unconstrained Bond Fund	31,004,696	31,703,824*
Templeton Global Bond Fund	31,737,207	—
Other mutual & exchange traded funds	84,290,501	39,404,671
Common/collective trusts:		
EB Temporary Investment FD II	64,107,631*	60,268,825*
EB DV NSL Intl SIF	36,416,825*	—
EB DV NSL	65,342,120*	—
WTC-CTF Global Total Return	—	30,126,044*
Other common/collective trusts	60,791,649	24,273,048
Alternative investments:		
Lighthouse Global Long/Short	21,664,898	34,868,147*
Protege Partners A Series 10	26,415,906	24,438,895*
Other alternative investments	117,268,695	113,279,529
Total investments	\$ <u>617,702,721</u>	<u>425,347,072</u>

During 2013 and 2012, the Plan's investment income, as certified to be complete and accurate by the trustee, was as follows:

	<u>2013</u>	<u>2012</u>
Investment income:		
Interest and dividends:	\$ 5,950,150	4,363,999
Total interest and dividends	<u>5,950,150</u>	<u>4,363,999</u>
Net appreciation in fair value of investments:		
Equity securities	3,661,710	1,842,716
Mutual and exchange traded funds	11,495,591	3,797,028
Common/collective trusts	7,621,466	5,897,500
Alternative investments	14,914,955	8,670,321
Net appreciation in fair value of investments	<u>37,693,722</u>	<u>20,207,565</u>
Total investment income	\$ <u>43,643,872</u>	<u>24,571,564</u>

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

(4) Fair Value Measurements

The Financial Accounting Standards Board established a framework for measuring fair value, and expands disclosures about fair value measurements. The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant judgment. The three levels are defined as follows:

- Level 1 – Assets or liabilities that are valued based on quoted prices in active markets that are accessible at measurement date.
- Level 2 – Assets and liabilities that are valued based upon inputs, other than those included in Level 1; based on quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in inactive markets, or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Assets or liabilities that are based on unobservable inputs, including the reporting entity's own analysis of the underlying economic data that market participants would factor into the pricing of the asset or liability.

The inputs used to fair value Level 1 instruments are unadjusted quoted prices derived from the exchanges and the Chicago Board of Trade. Level 1 instruments primarily consist of cash and cash equivalents, equities, exchange traded funds and certain common/collective trusts comprising of bonds, notes and U.S. government obligations. The Plan invests in a variety of equity securities and mutual funds to diversify the portfolio as part of the investment strategy.

Investments in Level 2 are primarily comprised of corporate bonds and common/collective trusts. Level 2 inputs primarily consist of quotes from independent pricing vendors based on recent trading activity and other relevant information that may include matrix pricing, market corroborated pricing, yield curves, and other indices that are used when Level 1 inputs are not available.

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

Net assets value was used as a practical expedient to approximate fair value for Level 3 investments. Items classified as Level 3 included certain funds recorded as alternative investments, which are comprised of hedge funds, real estate, and distressed debt.

December 31, 2013	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	\$ 314,729	—	—	314,729
Equity securities:				
U.S. equities	17,399,924	—	—	17,399,924
International equities	743,454	—	—	743,454
Total equity securities	18,143,378	—	—	18,143,378
Mutual and exchange traded funds:				
Equity and exchange traded funds	66,476,210	—	—	66,476,210
Corporate bond mutual funds	—	140,760,680	—	140,760,680
Total mutual and exchange traded funds	66,476,210	140,760,680	—	207,236,890
Common/collective trusts	121,895,042	104,763,183	—	226,658,225
Alternative investments:				
Distressed debt	—	—	29,456,937	29,456,937
Hedge funds	—	—	123,169,421	123,169,421
Real estate	—	—	12,723,141	12,723,141
Total alternative investments	—	—	165,349,499	165,349,499
Total assets	\$ 206,829,359	245,523,863	165,349,499	617,702,721

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

<u>December 31, 2012</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 943,586	—	—	943,586
Equity securities:				
U.S. equities	9,384,409	—	—	9,384,409
International equities	5,977,687	—	—	5,977,687
Total equity securities	15,362,096	—	—	15,362,096
Mutual and exchange traded funds:				
Equity and exchange traded funds	18,271,119	—	—	18,271,119
Corporate bond mutual funds	—	103,515,783	—	103,515,783
Total mutual and exchange traded funds	18,271,119	103,515,783	—	121,786,902
Common/collective trusts	16,661,065	98,006,852	—	114,667,917
Alternative investments:				
Distressed debt	—	—	29,250,979	29,250,979
Hedge funds	—	—	135,560,084	135,560,084
Real estate	—	—	7,775,508	7,775,508
Total alternative investments	—	—	172,586,571	172,586,571
Total assets	\$ 51,237,866	201,522,635	172,586,571	425,347,072

The Plan holds certain alternative investments including hedge funds, real estate, and distressed debt. These investments are made through various Fund-of-Funds Limited Partnership structures, whereby the Plan is invested in a Limited Partnership which in turn utilizes its expertise to invest in underlying Limited Partnership Funds and make certain other investments. These investments are not readily marketable and are valued based on the fair value of capital balances reported by the general partner or fund manager, subject to management review and adjustment as necessary.

The General Partner of each Fund-of-Funds Limited Partnership determines the fair market valuation of its underlying Limited Partnership investments. The fair value determination made by the general partner or fund manager is based primarily on the quarterly internal and annual audited financial statements of the underlying Limited Partnership Funds, which report net asset value based on (i) the nature and terms of each underlying investment, (ii) market inputs, and (iii) certain other relevant information.

The determination of fair market values for the alternative investments requires the General Partners, Fund Managers, and the plan management to make estimates and assumptions about certain inputs and other factors that are inherently uncertain. These estimates are subjective and require judgment regarding

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

significant matters such as the amount and timing of future cash flows and the selection of discount rates that appropriately reflect market and credit risks.

Assets categorized as alternative investments may be subject to liquidity restrictions such as gates. These gates prevent short-term liquidation of assets. Hedge funds may be redeemed at quarter-end requiring advanced notice ranging from 45-65 days prior written notice subject to certain limitations that may be imposed by the General Partner of the fund without notice. Private equity and private real estate funds generally have contractual terms of 10 years or greater from the time the commitment to the fund is made. While distributions of capital during this term typically occur, many of these funds have provisions that allow the General Partner to extend the final term and suspend distributions. Distressed debt funds are typically 1-5 years or 6-10 year term structures and although some of the funds offer liquidity, the fund documents allow the General Partner to suspend redemptions if they deem necessary. Resulting from these contractual limitations on liquidity, these alternative assets are generally considered illiquid. The table below classifies the market value at December 31, 2013 of the alternative investment portion of the Pension Plan assets into categories based on the stated contractual liquidity terms of the underlying investments.

Contractual liquidity terms of alternative investments at December 31, 2013 are as follows:

	Fair market value	Unfunded commitments
Less than one year, no contractual restrictions have been imposed	\$ 83,292,137	—
Subject to existing gates or restrictions	8,189,405	—
Limited partnership fund expiring in 1-5 years	32,746,269	750,000
Limited partnership fund expiring in 6-10 years	34,108,143	33,215,018
Limited partnership expiring in 11-12 years	7,013,545	11,532,659
Total alternative investments	<u>\$ 165,349,499</u>	<u>45,497,677</u>

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

	Fair value measurements of alternative investments using significant unobservable inputs (Level 3)			
	Distressed debt	Hedge funds	Real estate	Total
Balance at December 31, 2011	\$ 18,845,205	88,405,724	7,137,210	114,388,139
Unrealized gains	424,976	6,781,301	349,389	7,555,666
Gains	28,025	594,830	94,520	717,375
Disbursements and transfers out	(2,291,664)	(1,003,544)	(1,511,189)	(4,806,397)
Contributions and cash receipts	12,244,437	40,781,773	1,705,578	54,731,788
Balance at December 31, 2012	29,250,979	135,560,084	7,775,508	172,586,571
Unrealized gains	2,666,864	7,448,828	(871,949)	9,243,743
Gains	425,598	5,105,449	331,745	5,862,792
Disbursements and transfers out	(5,426,654)	(45,256,904)	(4,715,675)	(55,399,233)
Contributions and cash receipts	2,540,150	20,311,964	10,203,512	33,055,626
Balance at December 31, 2013	\$ 29,456,937	123,169,421	12,723,141	165,349,499

The Plan evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to the total net assets available for benefits. For the years ended December 31, 2013 and 2012, there were no significant transfers in or out of Level 1, 2, or 3.

(5) Actuarial Present Value of Accumulated Plan Benefits

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

The actuarial present value of accumulated benefits as of December 31, 2012 and 2011 is as follows:

	2012	2011
Actuarial present value of accumulated plan benefits:		
Participants currently receiving payments	\$ 99,270,557	86,188,815
Other vested participants	339,135,659	327,760,952
Other participants	17,349,174	26,121,729
Total actuarial present value of accumulated plan benefits	\$ 455,755,390	440,071,496

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

The changes in the actuarial present value of accumulated benefits for the years ended December 31, 2012 and 2011 are as follows:

	<u>2012</u>	<u>2011</u>
Actuarial present value of accumulated plan benefits at beginning of year	\$ 440,071,496	399,109,409
Increase (decrease) due to:		
Interest on prior liability	28,952,906	26,346,794
Benefits accumulated	40,623,937	37,232,868
Benefits paid	(19,351,121)	(16,044,868)
Change in actuarial assumptions	<u>(34,541,828)</u>	<u>(6,572,707)</u>
	<u>15,683,894</u>	<u>40,962,087</u>
Actuarial present value of accumulated plan benefits at end of year	<u>\$ 455,755,390</u>	<u>440,071,496</u>

The significant actuarial assumptions used in the valuations as of December 31, 2012 and 2011 include:

Assumed rate of return on investments	7.25% (2012) and 6.75% (2011)
Mortality basis	2013 static mortality table for annuitants and nonannuitants per §1.430 (h)(3)-1(e) (2012) 2012 static mortality table for annuitants and nonannuitants per §1.430 (h)(3)-1(e) (2011)
Average retirement age	61 (2012 and 2011)

(6) Income Tax Status

The Internal Revenue Service (IRS) has determined and informed the plan administrator by a letter dated January 22, 2013 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, management believes that the Plan is designed and is currently being operated in compliance with applicable requirements of the IRC. The plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of GUST and the Economic Growth Tax Relief Reconciliation Act of 2001. GUST comprises The General Agreement on Tariffs and Trade, as a part of the Uruguay Round Agreement Act, the Uniformed Services Employment and Re-employment Act of 1996, the Taxpayer Relief Act of 1997, and the IRS Restructuring and Reform Act of 1998. The plan administrator believes that the Plan currently is designed and being operated in compliance with the applicable requirements of the IRC and that, therefore, the Plan qualifies under Section 401(a) of the IRC and the related trust is tax exempt as of December 31, 2013.

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

The System is required to evaluate tax positions taken by the Plan and recognize a tax liability or asset if the organization has taken an uncertain position that more likely than not would be sustained upon examination by the IRS. The System has concluded that as of December 31, 2013, there are no uncertain tax positions taken or expected to be taken. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The System believes the Plan is no longer subject to income tax examinations for years prior to 2010.

(7) Plan Termination

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

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

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

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested, normal-age retirement benefits, early retirement benefits, and certain survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination; however, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees. The ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination, whichever comes later. For younger annuitants or for those who elect to receive their benefits in some form other than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at 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.

UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN

Notes to Financial Statements

December 31, 2013 and 2012

(8) Administrative Expenses

Actuary, investment management, and trustee fees are paid by the Plan, as prescribed by the plan agreement. Other expenses related to the administration of the Plan are paid by the System.

(9) 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 balances and the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits is 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.

(10) Related-Party Transactions

Certain plan equity securities are managed by the trustee of the Plan. Therefore, transactions in these funds qualify as party-in-interest transactions.

(11) Reconciliation of Financial Statements to Form 5500

As of December 31, 2012, the Plan reported an employer contribution receivable of \$37,165,912; whereas the Form 5500 reflected \$89,251,230. The amount reflected on the 2012 financial statements reflected the amount required to meet the System's funding policy.

The following is a reconciliation of the Plan's employer contributions per the financial statements for the year ended December 31, 2013 to Form 5500:

	December 31, 2013
Employer contributions per the financial statements	\$ 181,040,818
Less additional amount reflected as a 2012 contribution receivable in Form 5500	<u>(52,085,318)</u>
Employer contributions per Form 5500	<u><u>\$ 128,955,500</u></u>

(12) Subsequent Events

All activity of the Plan has been evaluated through October 13, 2014. There were no reportable events.

**UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN**

EIN: 34-0714775

Plan Number: 333

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

December 31, 2013

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment, including par or maturity collateral, or maturity date	(d) Cost	(e) Current value
	Cash and cash equivalents:			
	Nonbase currency		\$ 312,872	314,729
	Total cash and cash equivalents		312,872	314,729
	Equity securities:			
	Abbvie Inc	3,500 shares	133,005	184,835
	Abercrombie & Fitch Co	6,900 shares	234,590	227,079
	American Eagle Outfitters Inc	21,800 shares	336,331	313,920
	AT&T Inc	10,800 shares	371,072	379,728
*	Bank Of New York Mellon Corp/T	8,550 shares	252,136	298,737
	Baxter International Inc	4,300 shares	271,193	299,065
	BB&T Corp	10,700 shares	313,274	399,324
	Bemis Co Inc	4,700 shares	185,896	192,512
	Caterpillar Inc	4,300 shares	376,438	390,483
	CH Robinson Worldwide Inc	4,800 shares	280,413	280,080
	Cisco Systems Inc	12,600 shares	238,136	282,618
	Coach Inc	5,300 shares	275,508	297,489
	Cullen/Frost Bankers Inc	2,600 shares	151,001	193,518
	Deere & Co	2,700 shares	219,240	246,591
	Dow Chemical Co/The	4,100 shares	136,301	182,040
	EI Du Pont De Nemours & Co	5,300 shares	275,264	344,341
	Emerson Electric Co	2,700 shares	142,430	189,486
	Exxon Mobil Corp	3,700 shares	319,797	374,440
	Foot Locker Inc	7,600 shares	272,430	314,944
	Ford Motor Co	5,800 shares	89,122	89,494
	Freeport-Mcmoran Copper & Gold	10,100 shares	331,070	381,174
	General Electric Co	13,600 shares	322,955	381,208
	Guess? Inc	8,700 shares	248,030	270,309
	Harsco Corp	7,200 shares	180,474	201,816
	Huntsman Corp	7,300 shares	107,977	179,580
	Ingredion Inc	2,700 shares	178,094	184,842
	Intel Corp	16,000 shares	361,800	415,280
	International Business Machine	1,900 shares	361,515	356,383
	International Paper Co	3,900 shares	176,394	191,217
	Jabil Circuit Inc	11,100 shares	178,185	193,584
	Johnson & Johnson	2,800 shares	208,046	256,452
	JP Morgan Chase & Co	6,200 shares	266,135	362,576
	Kellogg Co	3,300 shares	183,048	201,531
	Kinder Morgan Inc/Delaware	7,000 shares	236,454	252,000
	Kohl's Corp	4,700 shares	248,529	266,725
	Linear Technology Corp	5,900 shares	213,154	268,745
	M&T Bank Inc	1,600 shares	181,773	186,272
	Macy's Inc	5,400 shares	255,530	288,360
	Marathon Oil Corp	8,940 shares	271,234	315,582
	Marathon Petroleum Corp	2,200 shares	153,342	201,806
	Maxim Integrated Products Inc	6,500 shares	188,078	181,350
	McDonald's Corp	1,900 shares	185,791	184,357
	Medtronic Inc	2,900 shares	125,984	166,431
	Merck & Co Inc	4,100 shares	193,216	205,205

**UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN**

EIN: 34-0714775

Plan Number: 333

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

December 31, 2013

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment, including par or maturity collateral, or maturity date	(d) Cost	(e) Current value
	Mercury General Corp	2,050 shares	\$ 96,469	101,905
	Metlife Inc	3,700 shares	134,116	199,504
	Microsoft Corp	7,150 shares	212,531	267,481
	Molson Coors Brewing Co	3,700 shares	167,985	207,755
	Morgan Stanley	8,150 shares	206,557	255,584
	Mosiac Co/The	4,500 shares	220,313	212,715
	Murphy Oil Corp	3,800 shares	197,227	246,544
	National Fuel Gas Co	2,500 shares	142,982	178,500
	Nextera Energy Inc	2,200 shares	145,499	188,364
	NKSJ Holdings Inc	1 share	28	28
	Northern Trust Corp	4,750 shares	247,191	293,978
	Nucor Corp	4,850 shares	214,715	258,893
	Occidental Petroleum Corp	4,100 shares	340,285	389,910
	People's United Financial Inc	8,100 shares	126,295	122,472
	Philip Morris International In	3,000 shares	275,503	261,390
	PG&E Corp	4,600 shares	191,818	185,288
	Plum Creek Timber Co Inc	4,300 shares	193,066	199,993
	PNC Financial Services Group I	2,400 shares	142,510	186,192
	Prudential Financial Inc	3,800 shares	226,814	350,436
	Qualcomm Inc	4,900 shares	334,303	363,825
	Royal Dutch Shell PLC ADR	2,700 shares	186,365	192,429
	Statoil Asa	11,200 shares	261,390	270,256
	Suntrust Banks Inc	67,500 shares	200,453	248,467
	Teva Pharmaceutical Industries	4,100 shares	173,190	164,328
	Tidewater Inc	4,940 shares	257,132	292,794
	Total Sa	1,900 shares	109,181	116,413
	US Bancorp	4,700 shares	168,544	189,880
	United Pacific Corp	1,100 shares	171,267	184,800
	Valley National Bancorp	9,240 shares	99,858	93,509
	Wal-Mart Stores Inc	4,400 shares	336,432	346,236
	Total equity securities		16,010,404	18,143,378
	Mutual and exchange traded funds:			
	Forum Funds – Dividend Plus+ I	1,023,426 shares	11,020,915	11,206,512
	Ishares MSCI EMU ETF	681,567 shares	24,229,953	28,203,242
	JP Morgan Intermediate Bond Trust	5,839,426 shares	60,468,148	60,204,486
	Loomis High Yield Full Discretion NHIT A	1,024,988 shares	17,400,000	17,814,291
	Pimco Unconstrained Bond Fund	2,795,735 shares	31,740,533	31,004,696
	Templeton Global Bond Fund	2,424,538 shares	31,835,673	31,737,207
	Tweedy Browne Worldwide High D	2,287,951 shares	25,446,907	27,066,456
	Total mutual and exchange funds		202,142,129	207,236,890

**UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN**

EIN: 34-0714775

Plan Number: 333

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

December 31, 2013

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment, including par or maturity collateral, or maturity date	(d) Cost	(e) Current value
	Common/collective trusts:			
	EB DV NSL SIF	248,078 shares	\$ 62,500,000	65,342,120
	EB DV NSL Intl SIF	194,974 shares	35,150,000	36,416,825
	EB Temporary Investment FD II	64,107,631 shares	64,107,631	64,107,631
	Wellington EMLE	1,600,644 shares	18,412,629	20,136,097
	WTC-CIF Small Cap 2000	235,122 shares	5,127,127	10,872,058
	WTC-CTF Global Total Return	2,707,590 shares	27,507,205	29,783,494
	Total common/collective trusts		212,804,592	226,658,225
	Alternative investments:			
	Almanac Realty Securities VI	2,961,238 units	2,893,887	2,961,238
	Alternative Investments	7,903,205 units	6,219,000	7,903,205
	Alydar Fund Limited – Class G1	51,737 units	7,000,000	7,728,789
	AG Core Plus Realty Fund III LP	6,173,928 units	5,579,140	6,173,928
	Artha Emerging Markets Fd Ltd	5,250 units	5,250,000	5,311,625
	Austin Capital Safe Harbor	22 units	336,743	226,471
	Bain Capital ARC	16,000 units	16,000,000	14,267,714
	Blackrock Tempus Fund (ERISA)	8,215 units	7,614,009	8,988,350
	Blackrock Tempus Fund Ltd CI F	5,494 units	5,092,353	6,011,530
	Centerbridge Dist Debt	2,518,922 units	462,596	2,518,922
	DRA Growth & Income Fund VI	654,103 units	678,403	654,103
	Five Arrows Realty Securities	957,053 units	894,216	957,053
	Institutional Ventures Partners XIV	1,431,495 units	1,500,000	1,431,495
	JP Morgan Hedge Fund SPC	175 units	174,771	198,855
	Lighthouse Global Long/Short	19,772 units	17,430,251	21,664,898
	Lone Star Fund VI US LP	918,305 units	225,013	918,305
	Lone Star RE Fund US LP	234,037 units	180,695	234,037
	Lone Star Real Estate Fund II	2,850,804 units	2,155,657	2,850,804
	Mesa West Real Estate Income Fund III	2,248 units	2,347,362	2,248,115
	Mount Kellett Capital Partners II	6,356,085 units	6,464,502	6,356,085
	New Boston Instl Fd VI-UHC	767,908 units	7,099,177	767,908
	Permal Private EQ OPP IV FTE LP	6,661,661 units	4,768,461	6,661,661
	Pinebridge	5,582,050 units	5,875,937	5,582,050
	Protege Partners A Series 10	24,101 units	24,532,648	26,415,906
	Torchlight Debt Opportunity Fund IV	4,092,815 units	4,092,815	4,092,815
	Tranche A 1 Series 1	44 units	47,423	55,686
	Tranche B2 Series 05-05	1,663 units	2,107,262	2,353,572
	Tranche F Series 1	4,949 units	4,948,854	5,354,821
	Valinor Cap Partners Offshore	12,972 units	12,971,732	14,459,558
	Total alternative investments		154,942,907	165,349,499
	Total investments		\$ 586,212,904	617,702,721

* Party-in-Interest

Note: This schedule is based on information that has been certified as complete and accurate by The Bank of New York Mellon Corporation, the Plan's trustee.

See accompanying independent auditors' report.

**UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN**

EIN: 34-0714775

Plan Number: 333

Schedule H, Line 4j – Schedule of Reportable Transactions

Year ended December 31, 2013

Individual transactions involving an amount in excess of 5% of the current value of Plan assets:

(a) Identity of party involved	(b) Description of assets	(c) Purchase price	(d) Sale price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of assets on transaction date	(i) Net gain (loss)
Ishares	Ishares MSCI EAFE ETF							
	1 sale	\$ —	26,276,934	—	12,424	24,393,899	26,276,934	1,883,035
SPDR	SPDR S&P 500 ETF Trust							
	1 purchase	29,999,845	—	—	3,612	29,999,845	29,999,845	—
	1 sale		52,214,111	—	9,802	43,976,909	52,214,111	8,237,202
EB DV	EB DV NSL Intl Sif							
	1 purchase	26,950,000	—	—	—	26,950,000	26,950,000	—
EB DV	EB DV NSL Sif							
	1 purchase	52,500,000	—	—	—	52,500,000	52,500,000	—
* BNY Mellon	BNY Mellon Cash Reserve							
	1 purchase	128,955,500	—	—	—	128,955,500	128,955,500	—
	1 sale	—	128,955,500	—	—	128,955,500	128,955,500	—
EB	EB Temporary Investment FD							
	1 purchase	70,048,473	—	—	—	70,048,473	70,048,473	—
	1 sale	—	35,538,814	—	—	35,538,814	35,538,814	—
	1 purchase	29,489,822	—	—	—	29,489,822	29,489,822	—
	1 sale	—	29,220,359	—	—	29,220,359	29,220,359	—
	1 sale	—	29,999,846	—	—	29,999,846	29,999,846	—
	1 purchase	52,522,625	—	—	—	52,522,625	52,522,625	—
	1 purchase	26,276,934	—	—	—	26,276,934	26,276,934	—
	1 sale	—	52,529,438	—	—	52,529,438	52,529,438	—
	1 sale	—	26,736,486	—	—	26,736,486	26,736,486	—
	1 purchase	108,955,500	—	—	—	108,955,500	108,955,500	—

**UNIVERSITY HOSPITALS HEALTH SYSTEM, INC.
RETIREMENT PLAN**

EIN: 34-0714775

Plan Number: 333

Schedule H, Line 4j – Schedule of Reportable Transactions

Year ended December 31, 2013

Series of transactions involving an amount in excess of 5% of the current value of Plan assets:

(a) Identity of party involved	(b) Description of assets	(c) Purchase price	(d) Sale price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of assets on transaction date	(i) Net gain (loss)
Ishares	Ishares MSCI EMU ETF 3 purchases	\$ 24,229,953	—	—	—	24,229,953	24,229,953	—
Ishares	Ishares MSCI EAFE ETF 3 purchases	24,393,899	—	—	—	24,393,899	24,393,899	—
	1 sale	—	26,276,934	—	—	24,393,899	26,276,934	1,883,035
SPDR	SPDR S&P 500 ETF Trust 2 purchases	42,499,760	—	—	—	42,499,760	42,499,760	—
	2 sales	—	64,374,122	—	—	54,617,848	64,374,122	9,756,274
Tweedy	Tweedy Browene Worldwide High D 8 purchases	25,446,907	—	—	—	25,446,907	25,446,907	—
Valinor	Valinor Cap Partners offshore LTD Class 1 – A series Sept 2011 1 purchase	12,465,439	—	—	—	12,465,439	12,465,439	—
	2 sales	—	12,718,100	—	—	12,465,439	12,718,100	252,661
EB DV	EB DV NSL Intl Sif 2 purchases	35,150,000	—	—	—	35,150,000	35,150,000	—
EB DV	EB DV NSL Sif 2 purchases	62,500,000	—	—	—	62,500,000	62,500,000	—
* BNY Mellon	BNY Mellon Cash Reserve 50 purchases	136,324,322	—	—	—	136,324,322	136,324,322	—
	50 sales	—	136,951,812	—	—	136,951,812	136,951,812	—
EB	EB Temporary Investment FD 319 purchases	397,839,325	—	—	—	397,839,325	397,839,325	—
	227 sales	—	394,000,519	—	—	394,000,519	394,000,519	—

* Party-in-Interest

Note: This schedule is based on information which has been certified as complete and accurate by The Bank of New York Mellon Corporation, the trustee of the Plan.

See accompanying independent auditors' report.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment 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

2013**This Form is Open to Public
Inspection**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

► **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 University Hospitals Health System Retirement Plan		B Three-digit plan number (PN) ► 333
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF University Hospitals Health System		D Employer Identification Number (EIN) 34-0714775
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2013</u>			
2 Assets:			
a Market value		2a	494,201,249
b Actuarial value		2b	504,208,914
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment		3a	1,757
b For terminated vested participants		3b	6,749
c For active participants:			
(1) Non-vested benefits		3c(1)	17,584,032
(2) Vested benefits		3c(2)	272,885,191
(3) Total active		3c(3)	12,256
d Total		3d	20,762
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	6.71 %
6 Target normal cost		6	37,106,578

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	Jason Bravo	10/01/2014
	Signature of actuary	Date
Jason M. Bravo		14-05569
Type or print name of actuary		Most recent enrollment number
Hewitt Associates LLC		(216) 573-9700
Firm name		Telephone number (including area code)
5005 Rockside Road, Suite 1000		
Independence OH 44131-6828		
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) 2013
v. 130118

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>5.58</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		64,599,406
b Interest on (a) using prior year's effective interest rate of <u>7.06</u> % except as otherwise provided (see instructions)		4,560,718
c Total available at beginning of current plan year to add to prefunding balance		69,160,124
d Portion of (c) to be added to prefunding balance		69,160,124
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	69,160,124

Part III Funding Percentages

14 Funding target attainment percentage	14	91.09 %
15 Adjusted funding target attainment percentage	15	105.57 %
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	102.92 %
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
12/10/2013	128,955,500				
Totals ►			18(b)	128,955,500	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	121,320,666

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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.23 %	2nd segment: 6.51 %	3rd segment: 7.16 %	☐ N/A, full yield curve used
b Applicable month (enter code).....	21b			4
22 Weighted average retirement age	22			63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is 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	37,106,578	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	42,545,130	7,160,583	
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	44,267,161	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	44,267,161	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	121,320,666	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	77,053,505	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2013

Date	Amount	Days to Discount to 1/1/2013 at 6.71%	Interest Adjusted Contribution
December 10, 2013	\$ 128,955,500	343	\$ 121,320,666
Total Contribution	\$ 128,955,500		\$ 121,320,666

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

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

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

(a)	(b)	(c)	(d)
Age	Rate	Weight	Product (a) × (b) × (c)
55.5	7.00%	1.0000	3.89
56.5	7.00%	0.9300	3.68
57.5	7.00%	0.8649	3.48
58.5	8.00%	0.8044	3.76
59.5	8.00%	0.7400	3.52
60.5	8.00%	0.6808	3.30
61.5	12.00%	0.6263	4.62
62.5	14.00%	0.5512	4.82
63.5	14.00%	0.4740	4.21
64.5	18.00%	0.4077	4.73
65.5	30.00%	0.3343	6.57
66.5	25.00%	0.2340	3.89
67.5	15.00%	0.1755	1.78
68.5	20.00%	0.1492	2.04
69.5	25.00%	0.1193	2.07
70	100.00%	0.0895	6.27
Weighted Average			62.63

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

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

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month look-back (as of September 2012), each adjusted as needed to fall within the 25-year average interest rate corridor under HATFA
-	
1st Segment Rate	5.23%
2nd Segment Rate	6.51%
3rd Segment Rate	7.16%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month look-back (as of September 2012), without regard interest rate stabilization
1st Segment Rate	1.75%
2nd Segment Rate	4.62%
3rd Segment Rate	5.72%
Salary Increases	
Minimum Funding Target Normal Cost	4.50%
Maximum Tax Expected Benefit Increase	4.50%
Cash Balance Interest Crediting Rate	4.00%
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 3.00% per year.
Optional Payment Form Election Percentage	60% of eligible participants elect lump sum. 100% of cash balance participants elect lump sum. All others elect single life annuity.
Optional Payment Form Conversion Interest Rate	Same as funding interest rates above for lump sums
Optional Payment Form Conversion Mortality	2013 417(e) table for lump sums
Retirement Age	
Active Participants	See Table 2
Terminated Vested Participants	Age 61
Mortality Rates	
Healthy and Disabled	2013 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e)
Withdrawal Rates	See Table 3

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Disability Rates	See Table 4
Decrement Timing	Middle of year decrements, with 100% retirement occurring at beginning of year
Surviving Spouse Benefit	It is assumed that 75% of males and 75% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation Compensation	2012 Pensionable earnings rolled forward one year with the salary increase assumption
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$205,000 and the IRC section 401(a)(17) compensation limit of \$255,000.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).
Expected Return on Assets	
2011 Plan Year	6.75%, limited to 6.57%
2012 Plan Year	6.75%
Trust Expenses Included in Target Normal Cost	\$3,300,000 based on the prior year's actual plan administrative expenses, rounded to the nearest \$100,000
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2013

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 1

Salary Merit Increase Rates

Age	Rate	Age	Rate
15	4.75%	45	3.75%
16	4.75%	46	3.75%
17	4.75%	47	3.75%
18	4.75%	48	3.75%
19	4.75%	49	3.75%
20	4.75%	50	3.25%
21	4.75%	51	3.25%
22	4.75%	52	3.25%
23	4.75%	53	3.25%
24	4.75%	54	3.25%
25	4.75%	55+	2.75%
26	4.75%		
27	4.75%		
28	4.75%		
29	4.75%		
30	4.50%		
31	4.50%		
32	4.50%		
33	4.50%		
34	4.50%		
35	4.25%		
36	4.25%		
37	4.25%		
38	4.25%		
39	4.25%		
40	4.00%		
41	4.00%		
42	4.00%		
43	4.00%		
44	4.00%		

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 2

Retirement Rates

Age	Rate
55	7.00%
56	7.00%
57	7.00%
58	8.00%
59	8.00%
60	8.00%
61	12.00%
62	14.00%
63	14.00%
64	18.00%
65	30.00%
66	25.00%
67	15.00%
68	20.00%
69	25.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 3—Page 1 of 2

Withdrawal Rates

Age	Years of Service				
	0–1	2	3	4	5+
15	20.00%	20.00%	20.00%	20.00%	17.97%
16	20.00%	20.00%	20.00%	20.00%	17.97%
17	20.00%	20.00%	20.00%	20.00%	17.97%
18	20.00%	20.00%	20.00%	20.00%	17.97%
19	20.00%	20.00%	20.00%	20.00%	17.97%
20	20.00%	20.00%	20.00%	20.00%	17.97%
21	20.00%	20.00%	20.00%	20.00%	17.50%
22	20.00%	20.00%	20.00%	20.00%	17.05%
23	20.00%	20.00%	20.00%	20.00%	16.61%
24	20.00%	20.00%	20.00%	20.00%	16.18%
25	18.00%	16.00%	15.00%	14.00%	14.18%
26	18.00%	16.00%	15.00%	14.00%	13.82%
27	18.00%	16.00%	15.00%	14.00%	13.46%
28	18.00%	16.00%	15.00%	14.00%	13.11%
29	18.00%	16.00%	15.00%	14.00%	12.49%
30	18.00%	16.00%	15.00%	14.00%	11.76%
31	18.00%	16.00%	15.00%	14.00%	11.45%
32	18.00%	16.00%	15.00%	14.00%	11.15%
33	18.00%	16.00%	15.00%	14.00%	10.86%
34	18.00%	16.00%	15.00%	14.00%	10.58%
35	18.00%	16.00%	13.00%	13.00%	9.70%
36	18.00%	16.00%	13.00%	13.00%	9.46%
37	18.00%	16.00%	13.00%	13.00%	9.21%
38	18.00%	16.00%	13.00%	13.00%	8.97%
39	18.00%	16.00%	13.00%	13.00%	8.74%
40	18.00%	16.00%	13.00%	13.00%	8.30%
41	18.00%	16.00%	13.00%	13.00%	8.09%
42	18.00%	16.00%	13.00%	13.00%	7.88%
43	18.00%	16.00%	13.00%	13.00%	7.68%
44	18.00%	16.00%	13.00%	13.00%	7.47%

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 3—Page 2 of 2

Withdrawal Rates

Age	Years of Service				
	0–1	2	3	4	5+
45	15.00%	15.00%	13.00%	13.00%	7.29%
46	15.00%	15.00%	13.00%	13.00%	7.09%
47	15.00%	15.00%	13.00%	13.00%	6.91%
48	15.00%	15.00%	13.00%	13.00%	6.73%
49	15.00%	15.00%	13.00%	13.00%	6.56%
50	15.00%	12.00%	12.00%	12.00%	6.39%
51	15.00%	12.00%	12.00%	12.00%	6.22%
52	15.00%	12.00%	12.00%	12.00%	6.06%
53	15.00%	12.00%	12.00%	12.00%	5.90%
54	15.00%	12.00%	12.00%	12.00%	5.76%
55	15.00%	12.00%	12.00%	12.00%	5.60%
56	15.00%	12.00%	12.00%	12.00%	5.46%
57	15.00%	12.00%	12.00%	12.00%	5.32%
58	15.00%	12.00%	12.00%	12.00%	5.18%
59	15.00%	12.00%	12.00%	12.00%	5.05%
60+	15.00%	12.00%	12.00%	12.00%	0.00%

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 4

Disability Rates

Age	Male	Female	Age	Male	Female
15	0.03%	0.03%	45	0.16%	0.24%
16	0.03%	0.03%	46	0.18%	0.27%
17	0.03%	0.03%	47	0.21%	0.30%
18	0.03%	0.03%	48	0.25%	0.33%
19	0.03%	0.03%	49	0.28%	0.36%
20	0.03%	0.03%	50	0.33%	0.40%
21	0.03%	0.03%	51	0.39%	0.44%
22	0.03%	0.03%	52	0.46%	0.49%
23	0.03%	0.03%	53	0.53%	0.54%
24	0.03%	0.03%	54	0.61%	0.59%
25	0.03%	0.03%	55	0.69%	0.64%
26	0.03%	0.03%	56	0.77%	0.69%
27	0.03%	0.03%	57	0.86%	0.74%
28	0.03%	0.04%	58	0.95%	0.80%
29	0.03%	0.04%	59	1.05%	0.85%
30	0.03%	0.04%	60	1.15%	0.90%
31	0.03%	0.05%	61	1.26%	0.96%
32	0.03%	0.05%	62	1.38%	1.01%
33	0.03%	0.06%	63	1.51%	1.05%
34	0.03%	0.06%	64	1.64%	1.09%
35	0.04%	0.07%	65+	0.00%	0.00%
36	0.04%	0.08%			
37	0.05%	0.09%			
38	0.06%	0.10%			
39	0.07%	0.12%			
40	0.08%	0.13%			
41	0.09%	0.15%			
42	0.10%	0.17%			
43	0.12%	0.19%			
44	0.14%	0.22%			

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, Part V—Summary of Plan Provisions

Summary of Plan Provisions for UHC Non-Cash Balance Participants

Effective Date	As amended and restated effective July 1, 2001.
Participant Eligibility	Age 21 and one year of Credited Service. Hired prior to January 1, 2009.
Normal Retirement Eligibility	First day of the month on or after attaining age 65. For participants hired after age 60, normal retirement date is five years after date of hire.
Benefit	The greater of (a) and (b): (a) 1.20% of Average Monthly Compensation plus 0.65% of Average Monthly Compensation in excess of Social Security Covered Compensation, the sum multiplied by Benefit Service up to a maximum of 25 years. (b) Accrued benefit under the plan provisions in effect as of June 30, 1989.
Early Retirement Eligibility	Age 55 and five years of Credited Service.
Benefit	Accrued Benefit actuarially reduced for commencement at Early Retirement Date. Participants who are 55 or older with at least 10 years of service may elect to receive a single lump-sum payment equal to the actuarial present value of the Normal Retirement Benefit.
Disabled Retirement Eligibility	Ten years of Credited Service and termination of employment due to a permanent disability.
Benefit	Accrued Benefit commencing on the first of the month following five months of disability.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Deferred Vested Retirement

Eligibility

Five years of Credited Service.

Benefit

Accrued Benefit commencing at Normal Retirement Date or the actuarially reduced Accrued Benefit commencing at Early Retirement Date.

Survivor Benefit

Eligibility

Any participant eligible for a vested retirement benefit.

Benefit

50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Definitions

Average Monthly Compensation

The sum of a participant's compensation (annualized if participant's compensated hours in any calendar year is less than 1,800) during the five highest consecutive completed calendar years out of the last 10 years prior to the Date of Termination, divided by 60.

Compensated Hours

Hours of Service for which a participant was compensated.

Noncompensated Hours

Hours of Service for which participant was scheduled to work, but did not and was not compensated.

Credited Service

One year is credited for each calendar year in which a participant's actual hours (compensated plus noncompensated) are at least 1,000 hours.

Benefit Service¹

Determined according to the following schedule based on Compensated Hours of Service in a calendar year:

Compensated Hours	Benefit Service
+ 1,800	12 months
1,640–1,799	10 months
1,480–1,639	9 months
1,320–1,479	8 months
1,160–1,319	7 months
1,000–1,159	6 months
0–999	0 months

¹ Calculation for credited service and benefit service begins on January 1, 1988, for employees of Home Care Inc. and Health Care, Inc.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Social Security Covered
Compensation

The average of the maximum taxable wage bases for the
35 calendar years ending with the year of termination.

Accrued Benefit

The Normal Retirement Benefit multiplied by the Credited
Service Ratio. In determining the Normal Retirement Benefit,
Benefit Service is computed as the sum of:

- (a) Benefit Service at determination date; and
- (b) The ratio of (a) to elapsed time from date of plan entry to
the determination date, multiplied by number of years from
the date of determination to Normal Retirement Age.

Credited Service Ratio

The numerator equals Credited Service at the date of
determination and the denominator equals Credited Service at
the determination date plus the number of years from the date
of determination to Normal Retirement Age.

Normal Form of Payment

Single Life Annuity.

Optional Forms of Payment

50%, 66-2/3%, 75%, and 100% Joint and Survivor Annuity;
5- and 10-year Certain and Life Annuity; Lump Sum

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for Cash Balance Participants

Eligibility Attainment of age 21 and completion of 1,000 hours of service. Hired or rehired on or after January 1, 2009 (including UHMG employees who reentered the UHHS controlled group on January 1, 2011).

Accrued Benefit The monthly benefit derived from the cash balance account, based on Pay Credits and Interest Credits.

Normal Retirement Benefit
Normal Retirement Date

Age 65.

Benefit Accrued Benefit.

Vested Termination Benefit
Eligibility

Three years of Credited Service.

Benefit Accrued Benefit payable at Normal Retirement Age, or actuarially equivalent benefit payable prior to Normal Retirement Age. Pay Credits are not granted after termination, but Interest Credits continue until benefit commencement.

Preretirement Surviving Spouse Benefit
Eligibility

Any participant eligible for a vested retirement benefit.

Benefit 50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Definitions

Actuarial Equivalence

For purposes of converting the account balance to an annuity, the applicable interest rates and mortality pursuant to Code section 417(e).

Pay Credits

Credited annually based on the following table:

Years of Credited Service	Percent of Compensation
Less than 5	3.0%
5 or Greater	3.5%

Interest Credits

Credited quarterly based on the average yield on 10-year Treasury Constant Maturities for the second month prior to the quarter.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Normal Form of Payment

Single Life Annuity.

Optimal Forms of Payment

50%, 66-2/3%, 75%, and 100% Joint and Survivor Annuity;
5- and 10-year Certain and Life Annuity; Lump Sum

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for Bedford Medical Center (Pre—06/01/2004 Accruals)

Participant Eligibility	Age 21 and one year of Credited Service.
Normal Retirement Eligibility	First day of the month on or after attaining age 65. For participants hired after age 60, normal retirement date is five years after date of hire.
Benefit	\$20 times years of Benefit Service at Normal Retirement Date, with maximum of 30 years.
Early Retirement Eligibility	Age 55 and five years of Credited Service.
Benefit	Accrued Benefit actuarially reduced for commencement prior to Normal Retirement Date.
Disabled Retirement Eligibility	Ten years of Credited Service and termination of employment due to a permanent disability.
Benefit	Accrued Benefit commencing on the first of the month following five months of disability.
Deferred Vested Retirement Eligibility	Five years of Credited Service.
Benefit	Accrued Benefit commencing at Normal Retirement Date or the actuarially reduced Accrued Benefit commencing at Early Retirement Date.
Survivor Benefit Eligibility	Any participant eligible for a vested retirement benefit.
Benefit	50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.
Definitions	
Compensated Hours	Hours of Service for which a participant was compensated.
Noncompensated Hours	Hours of Service for which participant was scheduled to work, but did not and was not compensated.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Benefit Service

Determined according to the following schedule based on
Compensated Hours of Service in a calendar year:

Compensated Hours	Benefit Service
+ 1,950	12 months
1,725–1,949	10 months
1,500–1,724	9 months
1,275–1,499	8 months
1,050–1,274	7 months
832–1,049	6 months
0–831	0 months

Credited Service

One year is credited for each calendar year in which a
participant's actual hours (compensated plus noncompensated)
are at least 832 hours.

June 1, 2004 Benefit Changes

Benefits for Bedford participants who moved to the UHC benefit
structure on June 1, 2004 equal the greater of (a) and (b):

- (a) The accrued benefit determined under the Bedford formula
as of May 31, 2004, plus the benefit determined under the
UHC formula for service after May 31, 2004.
- (b) The benefit determined under the Bedford formula for all
service.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for Geauga Regional Hospital (Pre-06/01/2004 Accruals)

Participant Eligibility

Age 21 and one year of Credited Service.

Normal Retirement

Eligibility

First day of the month on or after attaining age 65. For participants hired after age 60, normal retirement date is five years after date of hire.

Benefit

The greater of (a) and (b):

- (a) 1.20% of Average Monthly Compensation plus 0.50% of Average Monthly Compensation in excess of Social Security Covered Compensation, the sum multiplied by Benefit Service up to a maximum of 25 years.
- (b) Accrued Normal Retirement Benefit under the plan provisions in effect as of June 30, 1989.

Early Retirement

Eligibility

Age 55 and five years of Credited Service.

Benefit

Accrued Benefit actuarially reduced for commencement at Early Retirement Date. Actuarial reduction is waived for employees retiring at or after age 62.

Participants who are 55 or older with at least 10 years of service may elect to receive a single lump-sum payment equal to the actuarial present value of the Normal Retirement Benefit.

Disabled Retirement

Eligibility

Ten years of Credited Service and termination of employment due to a permanent disability.

Benefit

Accrued Benefit commencing on the first of the month following five months of disability.

Deferred Vested Retirement

Eligibility

Five years of Credited Service.

Benefit

Accrued Normal Retirement Benefit commencing at Normal Retirement Date or the actuarially reduced Accrued Normal Retirement Benefit commencing at Early Retirement Date.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Survivor Benefit

Eligibility

Any participant eligible for a vested retirement benefit.

Benefit

50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Definitions

Average Monthly Compensation

The sum of a participant's compensation (annualized if participant's compensated hours in any calendar year is less than 1,800) during the three highest consecutive completed calendar years out of the last 10 years prior to the Date of Termination, divided by 36.

Compensated Hours

Hours of Service for which a participant was compensated.

Noncompensated Hours

Hours of Service for which participant was scheduled to work, but did not and was not compensated.

Benefit Service

Determined according to the following schedule based on Compensated Hours of Service in a calendar year:

Compensated Hours	Benefit Service
+ 1,800	12 months
1,640–1,799	10 months
1,480–1,639	9 months
1,320–1,479	8 months
1,160–1,319	7 months
1,000–1,159	6 months
0–999	0 months

Credited Service

One year is credited for each calendar year in which a participant's actual hours (compensated plus noncompensated) are at least 1,000 hours.

Social Security Covered Compensation

The average of the maximum taxable wage bases for the 35 calendar years ending with the year an individual attains Social Security Retirement Age. In determining an individual's covered compensation in any given year, the current year's wage base is assumed to remain level in future years.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

June 1, 2004 Benefit Changes

Benefits for Geauga participants who moved to the UHC benefit structure on June 1, 2004 equal the sum of (a) and (b):

- (a) The benefit determined under the Geauga formula, based on service as of May 31, 2004; and
- (b) The benefit determined under the UHC formula, based on service after May 31, 2004.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for Heather Hill Hospital (Pre-06/01/2004 Accruals)

Participant Eligibility

Age 21 and one year of Credited Service.

Normal Retirement

Eligibility

First day of the month on or after attaining age 65. For participants hired after age 60, normal retirement date is five years after date of hire.

Benefit

The greater of (a) and (b):

- (a) 1.20% of Average Monthly Compensation plus 0.65% of Average Monthly Compensation in excess of Social Security Covered Compensation, the sum multiplied by Benefit Service up to a maximum of 25 years.
- (b) Accrued benefit under the plan provisions in effect as of June 30, 1989.

Early Retirement

Eligibility

Age 55 and five years of Credited Service.

Benefit

Accrued Benefit actuarially reduced for commencement at Early Retirement Date.

Disabled Retirement

Eligibility

Ten years of Credited Service and termination of employment due to a permanent disability.

Benefit

Accrued Benefit commencing on the first of the month following five months of disability.

Deferred Vested Retirement

Eligibility

Five years of Credited Service.

Benefit

Accrued Benefit commencing at Normal Retirement Date or the actuarially reduced Accrued Benefit commencing at Early Retirement Date.

Survivor Benefit

Eligibility

Any participant eligible for a vested retirement benefit.

Benefit

50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Definitions

Average Monthly Compensation

The sum of a participant's compensation (annualized if participant's compensated hours in any calendar year is less than 1,800) during the five highest consecutive completed calendar years out of the last 10 years prior to the Date of Termination, divided by 60.

Compensated Hours

Hours of Service for which a participant was compensated.

Noncompensated Hours

Hours of Service for which participant was scheduled to work, but did not and was not compensated.

Credited Service

One year is credited for each calendar year in which a participant's actual hours (compensated plus noncompensated) are at least 1,000 hours.

Benefit Service

Determined according to the following schedule based on Compensated Hours of Service in a calendar year:

Compensated Hours	Benefit Service
+ 1,800	12 months
1,640–1,799	10 months
1,480–1,639	9 months
1,320–1,479	8 months
1,160–1,319	7 months
1,000–1,159	6 months
0–999	0 months

Social Security Covered Compensation

The average of the maximum taxable wage bases for the 35 calendar years ending with the year an individual attains Social Security Retirement Age. In determining an individual's Covered Compensation in any given year, the current year's wage base is assumed to remain level in future years.

Accrued Benefit

The Normal Retirement Benefit multiplied by the Credited Service Ratio. In determining the Normal Retirement Benefit, Benefit Service is computed as the sum of:

- (a) Benefit Service at determination date; and
- (b) The ratio of (a) to elapsed time from date of plan entry to the determination date, multiplied by number of years from the date of determination to Normal Retirement Age.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Credited Service Ratio

The numerator equals Credited Service at the date of determination and the denominator equals Credited Service at the determination date plus the number of years from the date of determination to Normal Retirement Age.

June 1, 2004 Benefit Changes

Benefits for Heather Hill participants who moved to the UHC benefit structure on June 1, 2004 equal the sum of (a) and (b), divided by projected Benefit Service (up to 25 years):

- (a) The benefit determined under the Heather Hill formula, based on all service, multiplied by Benefit Service earned through May 31, 2004; and
- (b) The benefit determined under the UHC formula, based on all service, multiplied by Benefit Service earned after May 31, 2004.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for University MEDNET

Participant Eligibility	One year of service with at least 1,000 hours of service.
Normal Retirement Eligibility	First day of the month on or after attaining age 65.
Benefit	The sum of (a), (b), (c), and (d) below: (a) The greater of (1) and (2) below: (1) 1% of Past Service Compensation plus 0.8% of Past Service Compensation in excess of 8,400 —times— service to December 31, 1978. (2) The benefit accrued to December 31, 1978, under the prior plan. (b) For each calendar year of service beginning with 1979 and before 1988, 1% of compensation plus 1% of compensation in excess of \$20,000. (c) For calendar year of service in 1988, 1.25% of compensation up to 50% of the Social Security wage base and 2% of compensation above 50% of the Social Security wage base. (d) For each calendar year of service beginning with 1989, 1.309% of compensation up to the greater of \$10,000 or 50% of the Social Security Covered Compensation for individuals retiring in the calculation year and 1.941% of compensation above the greater of \$10,000 or 50% of the Social Security Covered Compensation. After 35 years of service, the annual incremental accrued benefit becomes, for each calendar year of service, 1.745% of compensation.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Early Retirement

Eligibility

Age 55 and 10 years of Vesting Service.

Benefit

Accrued Benefit reduced 1/15 for each year between ages 60 and 65 and 1/30 for each year between ages 55 and 60 for commencement at Early Retirement Date.

Participants aged 55 with 10 years of service may elect to receive a single lump-sum payment equal to the actuarial present value of the Normal Retirement Benefit.

Disabled Retirement

Eligibility

Five years of Vesting Service and termination of employment due to a permanent disability.

Benefit

Reduced Early Retirement Benefit commencing on the first of the month following disability.

Deferred Vested Retirement

Eligibility

Five years of Vesting Service.

Benefit

Accrued Benefit commencing at Normal Retirement Date or the reduced Accrued Benefit commencing at Early Retirement Date.

Employees who became participants prior to January 1, 1996, may elect to receive a single lump-sum payment equal to the actuarial present value of the Normal Retirement Benefit.

Survivor Benefit

Eligibility

Any participant eligible for a vested retirement benefit.

Benefit

50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Definitions

Average Monthly Compensation	The sum of a participant's W-2 compensation and Section 401(k), 403(b), and 125 compensation.
Past Service Compensation	The lesser of (a) and (b) below: (a) The greater of compensation during 1978, or the average of the compensation for the period January 1, 1974, through December 31, 1978. (b) The average of the five highest consecutive calendar years of compensation prior to termination of employment.
Service	One year is credited for each calendar year in which a participant worked at least 1,000 hours. Partial service is credited in year of termination.
Vesting Service	One year is credited for each calendar year in which a participant worked at least 1,000 hours.
Social Security Covered Compensation	The average of the maximum taxable wage bases for the 35 calendar years ending with the year of termination for a participant who attained Social Security retirement age during the year.

Plan Changes Since the Prior Year

The funding valuation reflects the following plan changes:

- A change in the mortality basis for lump-sum payments from the 2012 plan year IRC section 417(e)(3) mortality table to the 2013 plan year IRC section 417(e)(3) mortality table.
- An increase in the annual pay limit under IRC section 401(a)(17) from \$250,000 in 2012 to \$255,000 in 2013.
- An increase in the annual maximum benefit limit under IRC section 415 from \$200,000 in 2012 to \$205,000 in 2013.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following assumption changes:

- A change in the interest rate assumption from segment rates as of September 2011 to segment rates as of September 2012, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.
- A change in the mortality assumption from the 2012 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) to the 2013 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e).
- A change in the retirement rates to better reflect anticipated plan experience.

The interest rate and mortality assumption changes are prescribed, so approval of the Commissioner is not required. The change in the retirement rates assumption for active participants was made to better reflect the anticipated plan experience. This assumption change did not reduce the funding shortfall by more than \$50 million or 5% of the Funding Target; as such, approval of the Commissioner is not required.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2013

Number of Participants and Average Compensation

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25	2	375 \$36,930	27 \$33,356							
25-29	5	955 \$49,005	329 \$51,978	5	1					
30-34	5	650 \$62,926	532 \$57,045	128 \$58,741	12					
35-39	7	501 \$75,457	545 \$71,230	248 \$66,465	75 \$71,831	9	4			
40-44	11	510 \$71,641	465 \$84,243	258 \$71,799	182 \$73,593	89 \$66,369	7	2		1
45-49	18	425 \$67,828	431 \$92,286	283 \$73,500	203 \$78,917	197 \$74,223	64 \$71,097	9	3	4
50-54	10	386 \$67,665	452 \$93,570	258 \$68,808	225 \$71,356	198 \$71,058	162 \$79,121	116 \$68,561	10	12
55-59	9	273 \$72,427	366 \$87,122	220 \$75,265	183 \$73,835	158 \$72,077	98 \$74,257	133 \$68,970	82 \$66,293	18
60-64	5	130 \$84,059	214 \$103,038	138 \$70,616	118 \$68,412	111 \$73,844	73 \$71,537	56 \$71,393	78 \$70,800	40 \$55,267
65-69	4	35 \$88,781	51 \$131,389	42 \$67,674	25 \$65,143	15	19	17	19	25 \$59,744
70+	9	19	29 \$129,693	12	8	6	2	3		7

N-12,256

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 42,545,130	January 1, 2013	7	\$ 7,160,583

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2013

Date	Amount	Days to Discount to 1/1/2013 at 6.71%	Interest Adjusted Contribution
December 10, 2013	\$ 128,955,500	343	\$ 121,320,666
Total Contribution	\$ 128,955,500		\$ 121,320,666

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

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

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55.5	7.00%	1.0000	3.89
56.5	7.00%	0.9300	3.68
57.5	7.00%	0.8649	3.48
58.5	8.00%	0.8044	3.76
59.5	8.00%	0.7400	3.52
60.5	8.00%	0.6808	3.30
61.5	12.00%	0.6263	4.62
62.5	14.00%	0.5512	4.82
63.5	14.00%	0.4740	4.21
64.5	18.00%	0.4077	4.73
65.5	30.00%	0.3343	6.57
66.5	25.00%	0.2340	3.89
67.5	15.00%	0.1755	1.78
68.5	20.00%	0.1492	2.04
69.5	25.00%	0.1193	2.07
70	100.00%	0.0895	6.27
Weighted Average			62.63

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

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

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month look-back (as of September 2012), each adjusted as needed to fall within the 25-year average interest rate corridor under HATFA
1st Segment Rate	5.23%
2nd Segment Rate	6.51%
3rd Segment Rate	7.16%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month look-back (as of September 2012), without regard interest rate stabilization
1st Segment Rate	1.75%
2nd Segment Rate	4.62%
3rd Segment Rate	5.72%
Salary Increases	
Minimum Funding Target Normal Cost	4.50%
Maximum Tax Expected Benefit Increase	4.50%
Cash Balance Interest Crediting Rate	4.00%
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 3.00% per year.
Optional Payment Form Election Percentage	60% of eligible participants elect lump sum. 100% of cash balance participants elect lump sum. All others elect single life annuity.
Optional Payment Form Conversion Interest Rate	Same as funding interest rates above for lump sums
Optional Payment Form Conversion Mortality	2013 417(e) table for lump sums
Retirement Age	
Active Participants	See Table 2
Terminated Vested Participants	Age 61
Mortality Rates	
Healthy and Disabled	2013 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e)

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Withdrawal Rates	See Table 3
Disability Rates	See Table 4
Decrement Timing	Middle of year decrements, with 100% retirement occurring at beginning of year
Surviving Spouse Benefit	It is assumed that 75% of males and 75% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation Compensation	2012 Pensionable earnings rolled forward one year with the salary increase assumption
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$205,000 and the IRC section 401(a)(17) compensation limit of \$255,000.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).
Expected Return on Assets	
2011 Plan Year	6.75%, limited to 6.57%
2012 Plan Year	6.75%
Trust Expenses Included in Target Normal Cost	\$3,300,000 based on the prior year's actual plan administrative expenses, rounded to the nearest \$100,000
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2013

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 1

Salary Merit Increase Rates

Age	Rate	Age	Rate
15	4.75%	45	3.75%
16	4.75%	46	3.75%
17	4.75%	47	3.75%
18	4.75%	48	3.75%
19	4.75%	49	3.75%
20	4.75%	50	3.25%
21	4.75%	51	3.25%
22	4.75%	52	3.25%
23	4.75%	53	3.25%
24	4.75%	54	3.25%
25	4.75%	55+	2.75%
26	4.75%		
27	4.75%		
28	4.75%		
29	4.75%		
30	4.50%		
31	4.50%		
32	4.50%		
33	4.50%		
34	4.50%		
35	4.25%		
36	4.25%		
37	4.25%		
38	4.25%		
39	4.25%		
40	4.00%		
41	4.00%		
42	4.00%		
43	4.00%		
44	4.00%		

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 2

Retirement Rates

Age	Rate
55	7.00%
56	7.00%
57	7.00%
58	8.00%
59	8.00%
60	8.00%
61	12.00%
62	14.00%
63	14.00%
64	18.00%
65	30.00%
66	25.00%
67	15.00%
68	20.00%
69	25.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 3—Page 1 of 2

Withdrawal Rates

Age	Years of Service				
	0–1	2	3	4	5+
15	20.00%	20.00%	20.00%	20.00%	17.97%
16	20.00%	20.00%	20.00%	20.00%	17.97%
17	20.00%	20.00%	20.00%	20.00%	17.97%
18	20.00%	20.00%	20.00%	20.00%	17.97%
19	20.00%	20.00%	20.00%	20.00%	17.97%
20	20.00%	20.00%	20.00%	20.00%	17.97%
21	20.00%	20.00%	20.00%	20.00%	17.50%
22	20.00%	20.00%	20.00%	20.00%	17.05%
23	20.00%	20.00%	20.00%	20.00%	16.61%
24	20.00%	20.00%	20.00%	20.00%	16.18%
25	18.00%	16.00%	15.00%	14.00%	14.18%
26	18.00%	16.00%	15.00%	14.00%	13.82%
27	18.00%	16.00%	15.00%	14.00%	13.46%
28	18.00%	16.00%	15.00%	14.00%	13.11%
29	18.00%	16.00%	15.00%	14.00%	12.49%
30	18.00%	16.00%	15.00%	14.00%	11.76%
31	18.00%	16.00%	15.00%	14.00%	11.45%
32	18.00%	16.00%	15.00%	14.00%	11.15%
33	18.00%	16.00%	15.00%	14.00%	10.86%
34	18.00%	16.00%	15.00%	14.00%	10.58%
35	18.00%	16.00%	13.00%	13.00%	9.70%
36	18.00%	16.00%	13.00%	13.00%	9.46%
37	18.00%	16.00%	13.00%	13.00%	9.21%
38	18.00%	16.00%	13.00%	13.00%	8.97%
39	18.00%	16.00%	13.00%	13.00%	8.74%
40	18.00%	16.00%	13.00%	13.00%	8.30%
41	18.00%	16.00%	13.00%	13.00%	8.09%
42	18.00%	16.00%	13.00%	13.00%	7.88%
43	18.00%	16.00%	13.00%	13.00%	7.68%
44	18.00%	16.00%	13.00%	13.00%	7.47%

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 3—Page 2 of 2

Withdrawal Rates

Age	Years of Service				
	0–1	2	3	4	5+
45	15.00%	15.00%	13.00%	13.00%	7.29%
46	15.00%	15.00%	13.00%	13.00%	7.09%
47	15.00%	15.00%	13.00%	13.00%	6.91%
48	15.00%	15.00%	13.00%	13.00%	6.73%
49	15.00%	15.00%	13.00%	13.00%	6.56%
50	15.00%	12.00%	12.00%	12.00%	6.39%
51	15.00%	12.00%	12.00%	12.00%	6.22%
52	15.00%	12.00%	12.00%	12.00%	6.06%
53	15.00%	12.00%	12.00%	12.00%	5.90%
54	15.00%	12.00%	12.00%	12.00%	5.76%
55	15.00%	12.00%	12.00%	12.00%	5.60%
56	15.00%	12.00%	12.00%	12.00%	5.46%
57	15.00%	12.00%	12.00%	12.00%	5.32%
58	15.00%	12.00%	12.00%	12.00%	5.18%
59	15.00%	12.00%	12.00%	12.00%	5.05%
60+	15.00%	12.00%	12.00%	12.00%	0.00%

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Table 4

Disability Rates

Age	Male	Female	Age	Male	Female
15	0.03%	0.03%	45	0.16%	0.24%
16	0.03%	0.03%	46	0.18%	0.27%
17	0.03%	0.03%	47	0.21%	0.30%
18	0.03%	0.03%	48	0.25%	0.33%
19	0.03%	0.03%	49	0.28%	0.36%
20	0.03%	0.03%	50	0.33%	0.40%
21	0.03%	0.03%	51	0.39%	0.44%
22	0.03%	0.03%	52	0.46%	0.49%
23	0.03%	0.03%	53	0.53%	0.54%
24	0.03%	0.03%	54	0.61%	0.59%
25	0.03%	0.03%	55	0.69%	0.64%
26	0.03%	0.03%	56	0.77%	0.69%
27	0.03%	0.03%	57	0.86%	0.74%
28	0.03%	0.04%	58	0.95%	0.80%
29	0.03%	0.04%	59	1.05%	0.85%
30	0.03%	0.04%	60	1.15%	0.90%
31	0.03%	0.05%	61	1.26%	0.96%
32	0.03%	0.05%	62	1.38%	1.01%
33	0.03%	0.06%	63	1.51%	1.05%
34	0.03%	0.06%	64	1.64%	1.09%
35	0.04%	0.07%	65+	0.00%	0.00%
36	0.04%	0.08%			
37	0.05%	0.09%			
38	0.06%	0.10%			
39	0.07%	0.12%			
40	0.08%	0.13%			
41	0.09%	0.15%			
42	0.10%	0.17%			
43	0.12%	0.19%			
44	0.14%	0.22%			

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, Part V—Summary of Plan Provisions

Summary of Plan Provisions for UHC Non-Cash Balance Participants

Effective Date	As amended and restated effective July 1, 2001.
Participant Eligibility	Age 21 and one year of Credited Service. Hired prior to January 1, 2009.
Normal Retirement Eligibility	First day of the month on or after attaining age 65. For participants hired after age 60, normal retirement date is five years after date of hire.
Benefit	The greater of (a) and (b): (a) 1.20% of Average Monthly Compensation plus 0.65% of Average Monthly Compensation in excess of Social Security Covered Compensation, the sum multiplied by Benefit Service up to a maximum of 25 years. (b) Accrued benefit under the plan provisions in effect as of June 30, 1989.
Early Retirement Eligibility	Age 55 and five years of Credited Service.
Benefit	Accrued Benefit actuarially reduced for commencement at Early Retirement Date. Participants who are 55 or older with at least 10 years of service may elect to receive a single lump-sum payment equal to the actuarial present value of the Normal Retirement Benefit.
Disabled Retirement Eligibility	Ten years of Credited Service and termination of employment due to a permanent disability.
Benefit	Accrued Benefit commencing on the first of the month following five months of disability.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Deferred Vested Retirement

Eligibility

Five years of Credited Service.

Benefit

Accrued Benefit commencing at Normal Retirement Date or the actuarially reduced Accrued Benefit commencing at Early Retirement Date.

Survivor Benefit

Eligibility

Any participant eligible for a vested retirement benefit.

Benefit

50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Definitions

Average Monthly Compensation

The sum of a participant's compensation (annualized if participant's compensated hours in any calendar year is less than 1,800) during the five highest consecutive completed calendar years out of the last 10 years prior to the Date of Termination, divided by 60.

Compensated Hours

Hours of Service for which a participant was compensated.

Noncompensated Hours

Hours of Service for which participant was scheduled to work, but did not and was not compensated.

Credited Service

One year is credited for each calendar year in which a participant's actual hours (compensated plus noncompensated) are at least 1,000 hours.

Benefit Service¹

Determined according to the following schedule based on Compensated Hours of Service in a calendar year:

Compensated Hours	Benefit Service
+ 1,800	12 months
1,640–1,799	10 months
1,480–1,639	9 months
1,320–1,479	8 months
1,160–1,319	7 months
1,000–1,159	6 months
0–999	0 months

¹ Calculation for credited service and benefit service begins on January 1, 1988, for employees of Home Care Inc. and Health Care, Inc.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Social Security Covered Compensation	The average of the maximum taxable wage bases for the 35 calendar years ending with the year of termination.
Accrued Benefit	The Normal Retirement Benefit multiplied by the Credited Service Ratio. In determining the Normal Retirement Benefit, Benefit Service is computed as the sum of: (a) Benefit Service at determination date; and (b) The ratio of (a) to elapsed time from date of plan entry to the determination date, multiplied by number of years from the date of determination to Normal Retirement Age.
Credited Service Ratio	The numerator equals Credited Service at the date of determination and the denominator equals Credited Service at the determination date plus the number of years from the date of determination to Normal Retirement Age.
Normal Form of Payment	Single Life Annuity.
Optional Forms of Payment	50%, 66-2/3%, 75%, and 100% Joint and Survivor Annuity; 5- and 10-year Certain and Life Annuity; Lump Sum

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for Cash Balance Participants

Eligibility Attainment of age 21 and completion of 1,000 hours of service. Hired or rehired on or after January 1, 2009 (including UHMG employees who reentered the UHHS controlled group on January 1, 2011).

Accrued Benefit The monthly benefit derived from the cash balance account, based on Pay Credits and Interest Credits.

Normal Retirement Benefit
Normal Retirement Date

Age 65.

Benefit Accrued Benefit.

Vested Termination Benefit
Eligibility

Three years of Credited Service.

Benefit Accrued Benefit payable at Normal Retirement Age, or actuarially equivalent benefit payable prior to Normal Retirement Age. Pay Credits are not granted after termination, but Interest Credits continue until benefit commencement.

Preretirement Surviving Spouse Benefit
Eligibility

Any participant eligible for a vested retirement benefit.

Benefit 50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Definitions
Actuarial Equivalence

For purposes of converting the account balance to an annuity, the applicable interest rates and mortality pursuant to Code section 417(e).

Pay Credits

Credited annually based on the following table:

Years of Credited Service	Percent of Compensation
Less than 5	3.0%
5 or Greater	3.5%

Interest Credits

Credited quarterly based on the average yield on 10-year Treasury Constant Maturities for the second month prior to the quarter.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Normal Form of Payment

Single Life Annuity.

Optimal Forms of Payment

50%, 66-2/3%, 75%, and 100% Joint and Survivor Annuity;
5- and 10-year Certain and Life Annuity; Lump Sum

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for Bedford Medical Center (Pre-06/01/2004 Accruals)

Participant Eligibility	Age 21 and one year of Credited Service.
Normal Retirement Eligibility	First day of the month on or after attaining age 65. For participants hired after age 60, normal retirement date is five years after date of hire.
Benefit	\$20 times years of Benefit Service at Normal Retirement Date, with maximum of 30 years.
Early Retirement Eligibility	Age 55 and five years of Credited Service.
Benefit	Accrued Benefit actuarially reduced for commencement prior to Normal Retirement Date.
Disabled Retirement Eligibility	Ten years of Credited Service and termination of employment due to a permanent disability.
Benefit	Accrued Benefit commencing on the first of the month following five months of disability.
Deferred Vested Retirement Eligibility	Five years of Credited Service.
Benefit	Accrued Benefit commencing at Normal Retirement Date or the actuarially reduced Accrued Benefit commencing at Early Retirement Date.
Survivor Benefit Eligibility	Any participant eligible for a vested retirement benefit.
Benefit	50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.
Definitions	
Compensated Hours	Hours of Service for which a participant was compensated.
Noncompensated Hours	Hours of Service for which participant was scheduled to work, but did not and was not compensated.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Benefit Service

Determined according to the following schedule based on
Compensated Hours of Service in a calendar year:

Compensated Hours	Benefit Service
+ 1,950	12 months
1,725–1,949	10 months
1,500–1,724	9 months
1,275–1,499	8 months
1,050–1,274	7 months
832–1,049	6 months
0–831	0 months

Credited Service

One year is credited for each calendar year in which a
participant's actual hours (compensated plus noncompensated)
are at least 832 hours.

June 1, 2004 Benefit Changes

Benefits for Bedford participants who moved to the UHC benefit
structure on June 1, 2004 equal the greater of (a) and (b):

- (a) The accrued benefit determined under the Bedford formula
as of May 31, 2004, plus the benefit determined under the
UHC formula for service after May 31, 2004.
- (b) The benefit determined under the Bedford formula for all
service.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for Geauga Regional Hospital (Pre-06/01/2004 Accruals)

Participant Eligibility	Age 21 and one year of Credited Service.
Normal Retirement Eligibility	First day of the month on or after attaining age 65. For participants hired after age 60, normal retirement date is five years after date of hire.
Benefit	The greater of (a) and (b): (a) 1.20% of Average Monthly Compensation plus 0.50% of Average Monthly Compensation in excess of Social Security Covered Compensation, the sum multiplied by Benefit Service up to a maximum of 25 years. (b) Accrued Normal Retirement Benefit under the plan provisions in effect as of June 30, 1989.
Early Retirement Eligibility	Age 55 and five years of Credited Service.
Benefit	Accrued Benefit actuarially reduced for commencement at Early Retirement Date. Actuarial reduction is waived for employees retiring at or after age 62. Participants who are 55 or older with at least 10 years of service may elect to receive a single lump-sum payment equal to the actuarial present value of the Normal Retirement Benefit.
Disabled Retirement Eligibility	Ten years of Credited Service and termination of employment due to a permanent disability.
Benefit	Accrued Benefit commencing on the first of the month following five months of disability.
Deferred Vested Retirement Eligibility	Five years of Credited Service.
Benefit	Accrued Normal Retirement Benefit commencing at Normal Retirement Date or the actuarially reduced Accrued Normal Retirement Benefit commencing at Early Retirement Date.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Survivor Benefit

Eligibility

Any participant eligible for a vested retirement benefit.

Benefit

50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Definitions

Average Monthly Compensation

The sum of a participant's compensation (annualized if participant's compensated hours in any calendar year is less than 1,800) during the three highest consecutive completed calendar years out of the last 10 years prior to the Date of Termination, divided by 36.

Compensated Hours

Hours of Service for which a participant was compensated.

Noncompensated Hours

Hours of Service for which participant was scheduled to work, but did not and was not compensated.

Benefit Service

Determined according to the following schedule based on Compensated Hours of Service in a calendar year:

Compensated Hours	Benefit Service
+ 1,800	12 months
1,640–1,799	10 months
1,480–1,639	9 months
1,320–1,479	8 months
1,160–1,319	7 months
1,000–1,159	6 months
0–999	0 months

Credited Service

One year is credited for each calendar year in which a participant's actual hours (compensated plus noncompensated) are at least 1,000 hours.

Social Security Covered Compensation

The average of the maximum taxable wage bases for the 35 calendar years ending with the year an individual attains Social Security Retirement Age. In determining an individual's covered compensation in any given year, the current year's wage base is assumed to remain level in future years.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

June 1, 2004 Benefit Changes

Benefits for Geauga participants who moved to the UHC benefit structure on June 1, 2004 equal the sum of (a) and (b):

- (a) The benefit determined under the Geauga formula, based on service as of May 31, 2004; and
- (b) The benefit determined under the UHC formula, based on service after May 31, 2004.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for Heather Hill Hospital (Pre-06/01/2004 Accruals)

Participant Eligibility	Age 21 and one year of Credited Service.
Normal Retirement Eligibility	First day of the month on or after attaining age 65. For participants hired after age 60, normal retirement date is five years after date of hire.
Benefit	The greater of (a) and (b): (a) 1.20% of Average Monthly Compensation plus 0.65% of Average Monthly Compensation in excess of Social Security Covered Compensation, the sum multiplied by Benefit Service up to a maximum of 25 years. (b) Accrued benefit under the plan provisions in effect as of June 30, 1989.
Early Retirement Eligibility	Age 55 and five years of Credited Service.
Benefit	Accrued Benefit actuarially reduced for commencement at Early Retirement Date.
Disabled Retirement Eligibility	Ten years of Credited Service and termination of employment due to a permanent disability.
Benefit	Accrued Benefit commencing on the first of the month following five months of disability.
Deferred Vested Retirement Eligibility	Five years of Credited Service.
Benefit	Accrued Benefit commencing at Normal Retirement Date or the actuarially reduced Accrued Benefit commencing at Early Retirement Date.
Survivor Benefit Eligibility	Any participant eligible for a vested retirement benefit.
Benefit	50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Definitions

Average Monthly Compensation	The sum of a participant's compensation (annualized if participant's compensated hours in any calendar year is less than 1,800) during the five highest consecutive completed calendar years out of the last 10 years prior to the Date of Termination, divided by 60.
Compensated Hours	Hours of Service for which a participant was compensated.
Noncompensated Hours	Hours of Service for which participant was scheduled to work, but did not and was not compensated.
Credited Service	One year is credited for each calendar year in which a participant's actual hours (compensated plus noncompensated) are at least 1,000 hours.
Benefit Service	Determined according to the following schedule based on Compensated Hours of Service in a calendar year:

Compensated Hours	Benefit Service
+ 1,800	12 months
1,640–1,799	10 months
1,480–1,639	9 months
1,320–1,479	8 months
1,160–1,319	7 months
1,000–1,159	6 months
0–999	0 months

Social Security Covered Compensation	The average of the maximum taxable wage bases for the 35 calendar years ending with the year an individual attains Social Security Retirement Age. In determining an individual's Covered Compensation in any given year, the current year's wage base is assumed to remain level in future years.
Accrued Benefit	The Normal Retirement Benefit multiplied by the Credited Service Ratio. In determining the Normal Retirement Benefit, Benefit Service is computed as the sum of:

- (a) Benefit Service at determination date; and
- (b) The ratio of (a) to elapsed time from date of plan entry to the determination date, multiplied by number of years from the date of determination to Normal Retirement Age.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Credited Service Ratio

The numerator equals Credited Service at the date of determination and the denominator equals Credited Service at the determination date plus the number of years from the date of determination to Normal Retirement Age.

June 1, 2004 Benefit Changes

Benefits for Heather Hill participants who moved to the UHC benefit structure on June 1, 2004 equal the sum of (a) and (b), divided by projected Benefit Service (up to 25 years):

- (a) The benefit determined under the Heather Hill formula, based on all service, multiplied by Benefit Service earned through May 31, 2004; and
- (b) The benefit determined under the UHC formula, based on all service, multiplied by Benefit Service earned after May 31, 2004.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Summary of Plan Provisions for University MEDNET

Participant Eligibility	One year of service with at least 1,000 hours of service.
Normal Retirement Eligibility	First day of the month on or after attaining age 65.
Benefit	The sum of (a), (b), (c), and (d) below: (a) The greater of (1) and (2) below: (1) 1% of Past Service Compensation plus 0.8% of Past Service Compensation in excess of 8,400 —times— service to December 31, 1978. (2) The benefit accrued to December 31, 1978, under the prior plan. (b) For each calendar year of service beginning with 1979 and before 1988, 1% of compensation plus 1% of compensation in excess of \$20,000. (c) For calendar year of service in 1988, 1.25% of compensation up to 50% of the Social Security wage base and 2% of compensation above 50% of the Social Security wage base. (d) For each calendar year of service beginning with 1989, 1.309% of compensation up to the greater of \$10,000 or 50% of the Social Security Covered Compensation for individuals retiring in the calculation year and 1.941% of compensation above the greater of \$10,000 or 50% of the Social Security Covered Compensation. After 35 years of service, the annual incremental accrued benefit becomes, for each calendar year of service, 1.745% of compensation.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Early Retirement
Eligibility

Age 55 and 10 years of Vesting Service.

Benefit

Accrued Benefit reduced 1/15 for each year between ages 60 and 65 and 1/30 for each year between ages 55 and 60 for commencement at Early Retirement Date.

Participants aged 55 with 10 years of service may elect to receive a single lump-sum payment equal to the actuarial present value of the Normal Retirement Benefit.

Disabled Retirement
Eligibility

Five years of Vesting Service and termination of employment due to a permanent disability.

Benefit

Reduced Early Retirement Benefit commencing on the first of the month following disability.

Deferred Vested Retirement
Eligibility

Five years of Vesting Service.

Benefit

Accrued Benefit commencing at Normal Retirement Date or the reduced Accrued Benefit commencing at Early Retirement Date.

Employees who became participants prior to January 1, 1996, may elect to receive a single lump-sum payment equal to the actuarial present value of the Normal Retirement Benefit.

Survivor Benefit
Eligibility

Any participant eligible for a vested retirement benefit.

Benefit

50% of the participant's Accrued Benefit reduced for both Joint and 50% Survivor form and early receipt and payable at the participant's earliest retirement age.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Definitions

Average Monthly Compensation	The sum of a participant's W-2 compensation and Section 401(k), 403(b), and 125 compensation.
Past Service Compensation	The lesser of (a) and (b) below: (a) The greater of compensation during 1978, or the average of the compensation for the period January 1, 1974, through December 31, 1978. (b) The average of the five highest consecutive calendar years of compensation prior to termination of employment.
Service	One year is credited for each calendar year in which a participant worked at least 1,000 hours. Partial service is credited in year of termination.
Vesting Service	One year is credited for each calendar year in which a participant worked at least 1,000 hours.
Social Security Covered Compensation	The average of the maximum taxable wage bases for the 35 calendar years ending with the year of termination for a participant who attained Social Security retirement age during the year.

Plan Changes Since the Prior Year

The funding valuation reflects the following plan changes:

- A change in the mortality basis for lump-sum payments from the 2012 plan year IRC section 417(e)(3) mortality table to the 2013 plan year IRC section 417(e)(3) mortality table.
- An increase in the annual pay limit under IRC section 401(a)(17) from \$250,000 in 2012 to \$255,000 in 2013.
- An increase in the annual maximum benefit limit under IRC section 415 from \$200,000 in 2012 to \$205,000 in 2013.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following assumption changes:

- A change in the interest rate assumption from segment rates as of September 2011 to segment rates as of September 2012, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.
- A change in the mortality assumption from the 2012 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) to the 2013 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e).
- A change in the retirement rates to better reflect anticipated plan experience.

The interest rate and mortality assumption changes are prescribed, so approval of the Commissioner is not required. The change in the retirement rates assumption for active participants was made to better reflect the anticipated plan experience. This assumption change did not reduce the funding shortfall by more than \$50 million or 5% of the Funding Target; as such, approval of the Commissioner is not required.

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2013

Attained Age	Number of Participants and Average Compensation									
	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25	2	375 \$36,930	27 \$33,356							
25-29	5	955 \$49,005	329 \$51,978	5	1					
30-34	5	650 \$62,926	532 \$57,045	128 \$58,741	12					
35-39	7	501 \$75,457	545 \$71,230	248 \$66,465	75 \$71,831	9	4			
40-44	11	510 \$71,641	465 \$84,243	258 \$71,799	182 \$73,593	89 \$66,369	7	2		1
45-49	18	425 \$67,828	431 \$92,286	283 \$73,500	203 \$78,917	197 \$74,223	64 \$71,097	9	3	4
50-54	10	386 \$67,665	452 \$93,570	258 \$68,808	225 \$71,356	198 \$71,058	162 \$79,121	116 \$68,561	10	12
55-59	9	273 \$72,427	366 \$87,122	220 \$75,265	183 \$73,835	158 \$72,077	98 \$74,257	133 \$68,970	82 \$66,293	18
60-64	5	130 \$84,059	214 \$103,038	138 \$70,616	118 \$68,412	111 \$73,844	73 \$71,537	56 \$71,393	78 \$70,800	40 \$55,267
65-69	4	35 \$88,781	51 \$131,389	42 \$67,674	25 \$65,143	15	19	17	19	25 \$59,744
70+	9	19	29 \$129,693	12	8	6	2	3		7

N-12,256

Schedule SB Attachment (Form 5500)—2013 Plan Year
University Hospitals Health System, Inc. Retirement Plan
EIN: 34-0714775 PN: 333

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 42,545,130	January 1, 2013	7	\$ 7,160,583

Plan Name	University Hospitals Health System, Inc. Retirement Plan
Plan Sponsor EIN	34-0714775
ERISA Plan No.	333
Plan Year End	December 31, 2013

The required attachment noted below is included within the Accountant's Opinion attachment to the Form 5500 Schedule H, Part III, which consists of the entire Audit report issued by the Plan's Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4i	Schedule of Assets (Held at End of Year)

Plan Name	University Hospitals Health System, Inc. Retirement Plan
Plan Sponsor EIN	34-0714775
ERISA Plan No.	333
Plan Year End	December 31, 2013

The required attachment noted below is included within the Accountant's Opinion attachment to the Form 5500 Schedule H, Part III, which consists of the entire Audit report issued by the Plan's Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4j	Schedule of Reportable Transactions