

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2014</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1999</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1999</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/1999</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u> <u>12500 WILLOWBROOK RD.</u> <u>CUMBERLAND, MD 21502</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>52-0591531</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>240-964-7000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>622000</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>52-0591531</u>	2c Plan Sponsor's telephone number <u>240-964-7000</u>	2d Business code (see instructions) <u>622000</u>	
2b Employer Identification Number (EIN) <u>52-0591531</u>					
2c Plan Sponsor's telephone number <u>240-964-7000</u>					
2d Business code (see instructions) <u>622000</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2015	KIMBERLY S. REPAC
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2015	KIMBERLY S. REPAC
	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		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:		4b EIN	
a Sponsor's name		4c PN	
5 Total number of participants at the beginning of the plan year		5	3313
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year		6a(1)	1579
a(2) Total number of active participants at the end of the plan year		6a(2)	1190
b Retired or separated participants receiving benefits		6b	981
c Other retired or separated participants entitled to future benefits.....		6c	976
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	3147
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	73
f Total. Add lines 6d and 6e		6f	3220
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	22
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 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)		9b Plan benefit arrangement (check all that apply)	
(1) ☒ Insurance		(1) ☒ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts		(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust		(3) ☒ Trust	
(4) ☐ General assets of the sponsor		(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		b General Schedules	
(1) ☒ R (Retirement Plan Information)		(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary		(2) ☐ I (Financial Information – Small Plan)	
(3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		(3) ☒ <u>2</u> A (Insurance Information)	
		(4) ☒ C (Service Provider Information)	
		(5) ☒ D (DFE/Participating Plan Information)	
		(6) ☐ G (Financial Transaction Schedules)	

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2014 <hr/> This Form is Open to Public Inspection
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For calendar plan year 2014 or fiscal plan year beginning **01/01/2014** and ending **12/31/2014**

A Name of plan WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 WESTERN MARYLAND HEALTH SYSTEM CORPORATION	D Employer Identification Number (EIN) 52-0591531	

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

(a) Name of insurance carrier

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY CO.

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	003150		01/01/2014	12/31/2014

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4 Current value of plan's interest under this contract in the general account at year end **4** 6648589**5** Current value of plan's interest under this contract in separate accounts at year end **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☐ other ▶**b** Balance at the end of the previous year **7b** 7139235**c** Additions: (1) Contributions deposited during the year **7c(1)**(2) Dividends and credits **7c(2)**(3) Interest credited during the year **7c(3)** 293180(4) Transferred from separate account **7c(4)**(5) Other (specify below) **7c(5)**(6) Total additions **7c(6)** 293180**d** Total of balance and additions (add lines **7b** and **7c(6)**). **7d** 7432415**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 738074(2) Administration charge made by carrier **7e(2)**(3) Transferred to separate account **7e(3)**(4) Other (specify below) **7e(4)** 45752

▶ ADMIN EXPENSE

(5) Total deductions **7e(5)** 783826**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f** 6648589

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Specify nature of costs ▶

Part IV Provision of Information

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

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

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2014 <hr/> This Form is Open to Public Inspection
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For calendar plan year 2014 or fiscal plan year beginning **01/01/2014** and ending **12/31/2014**

A Name of plan WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 WESTERN MARYLAND HEALTH SYSTEM CORPORATION	D Employer Identification Number (EIN) 52-0591531	

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

(a) Name of insurance carrier

PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	619023	3089	01/01/2014	12/31/2014

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	23652

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

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

CBIZ FINANCIAL SOLUTIONS INC
P.O. BOX 643792
CINCINNATI, OH 45264-3792

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	23652	PRORATED INCENTIVE, NOT DEDUCTED FROM PLAN	3

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

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

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

Schedule A (Form 5500) 2014
v. 140124

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	78241778

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

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

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

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

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

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

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Specify nature of costs ▶

Part IV Provision of Information

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

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

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

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 WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF WESTERN MARYLAND HEALTH SYSTEM CORPORATION	D Employer Identification Number (EIN) 52-0591531

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B **F** Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014			
2 Assets:			
a Market value	2a	176332398	
b Actuarial value	2b	173018911	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	1006	76141736	76141736
b For terminated vested participants	691	21624747	21624747
c For active participants	1579	68944276	75170594
d Total	3276	166710759	172937077
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	6.55%	
6 Target normal cost	6	4997323	

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.

<div>SIGN HERE</div>	<div>10/08/2015</div> <div>Signature of actuary</div> <div>ALVIN K. WINTERS, FSA, EA, MAAA</div> <div>Type or print name of actuary</div> <div>CBIZ BENEFITS & INSURANCE SERVICES</div> <div>Firm name</div> <div>44 BALTIMORE STREET CUMBERLAND, MD 21502</div> <div>Address of the firm</div>	<div>Date</div> <div>14-06620</div> <div>Most recent enrollment number</div> <div>301-777-1500</div> <div>Telephone number (including area code)</div>
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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	14111689
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	8144135
9 Amount remaining (line 7 minus line 8)	0	5967554
10 Interest on line 9 using prior year's actual return of <u>8.94</u> %	0	533499
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		8687987
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.74</u> %		36656
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		728086
c Total available at beginning of current plan year to add to prefunding balance		9452729
d Portion of (c) to be added to prefunding balance		9452729
12 Other reductions in balances due to elections or deemed elections	0	900000
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	15053782

Part III Funding Percentages		
14 Funding target attainment percentage	14	91.34 %
15 Adjusted funding target attainment percentage	15	100.04 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.70 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
05/06/2015	10000000	0			
			Totals ▶	18(b)	10000000
				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	9183547
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
		(4) 4th
		0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	4997323	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment.....	14971948		3933187
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	8930510	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	8930510	8930510
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	9183547	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	9183547	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	8930510	
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
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan <u>WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u>	D Employer Identification Number (EIN) <u>52-0591531</u>

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

(b) Enter name and EIN or address of person who provided you 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)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 50 64	CONTRACT ADMIN	151245	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

CBIZ FINANCIAL SOLUTIONS

52-1396995

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 49 55 50	INVESTMENT ADVISOR	114177	Yes ☒ No ☐	Yes ☐ No ☒	26338	Yes ☐ No ☒

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

PRUDENTIAL RETIREMENT INSURANCE

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	CONTRACT ADMIN	45752	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
CBIZ FINANCIAL SOLUTIONS INC	49 55	26338

(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.
PRINCIPAL LIFE INSURANCE COMPANY 42-0127290	PRORATED INCENTIVE, NOT DEDUCTED FROM PLAN

(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 2014 This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan <u>WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ► <u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u>	D Employer Identification Number (EIN) <u>52-0591531</u>

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP BLEND SEP ACCT-I3</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE CO</u>			
c EIN-PN <u>42-0127290-020</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>8853959</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MONEY MARKET SA-I3</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE CO</u>			
c EIN-PN <u>42-0127290-024</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1750804</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL EM MKT SEP ACCT-I4</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE CO</u>			
c EIN-PN <u>42-0127290-013</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>6258856</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN DIV INTL SA-I5</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE CO</u>			
c EIN-PN <u>42-0127290-015</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>11419639</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN SMCAP S&P 600 INDEX SA-I5</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE CO</u>			
c EIN-PN <u>42-0127290-028</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1781485</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INFLATION PROT SA-I2</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE CO</u>			
c EIN-PN <u>42-0127290-099</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INCOME SEP ACCT I3</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE CO</u>			
c EIN-PN <u>42-0127290-118</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>23872828</u>	

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN EQUITY INCOME SA-I3**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO

c EIN-PN 42-0127290-120	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 24304207
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SHORT-TERM INCOME SA-I3**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO

c EIN-PN 42-0127290-124	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

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

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

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

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

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

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

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

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

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

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

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 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN</u>		B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WESTERN MARYLAND HEALTH SYSTEM CORPORATION</u>		D Employer Identification Number (EIN) <u>52-0591531</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	9500000	10000000
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	598897	314062
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	76773356	78241778
(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)	76609856	86679148
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	7139235	6648589
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	5937495	6964192
(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	176558839	188847769

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	176558839	188847769
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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)	10000000	
(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)		10000000

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	79	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)	279306	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		279385

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	3813394	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		3813394

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	462476	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		462476

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		4514476
(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)		2152277
c Other income.....	2c		311585
d Total income. Add all income amounts in column (b) and enter total.....	2d		21533593

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	8358824	
(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)		8358824
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)	114177	
(2) Contract administrator fees.....	2i(2)	196997	
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	574665	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		885839
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		9244663

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		12288930
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: DIXON HUGHES GOODMAN LLP

(2) EIN: 56-0747981

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	
4c			
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	
4d			
e Was this plan covered by a fidelity bond?	X		500000
4e			
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	
4f			
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	
4g			
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	
4h			
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		
4i			
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		
4j			
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	
4k			
l Has the plan failed to provide any benefit when due under the plan?		X	
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
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.			
4n			

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

<div>SCHEDULE R (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>		<div>Retirement Plan Information</div> <div>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014					
A Name of plan WESTERN MARYLAND HEALTH SYSTEM RETIREMENT PLAN				B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 WESTERN MARYLAND HEALTH SYSTEM CORPORATION				D Employer Identification Number (EIN) 52-0591531	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 42-0127290 06-1050034					
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	63
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A					
If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____					
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....				6a	
b Enter the amount contributed by the employer to the plan for this plan year.....				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?..... ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☒ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☒ Increase ☐ Decrease ☐ Both ☐ No					
Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No					
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.					
Schedule R (Form 5500) 2014 v. 140124					

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: 33% Investment-Grade Debt: 64% High-Yield Debt: 0% Real Estate: 0% Other: 3%

- 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):

Western Maryland Health System Corporation Retirement Plan

Financial Statements and Supplemental Schedules – Modified Cash Basis
As of December 31, 2014 and 2013 and for the
Years Then Ended, and
Independent Auditors' Report

Western Maryland Health System Corporation Retirement Plan

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Independent Auditors' Report

The Plan Administrator
Western Maryland Health System Corporation Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the ***Western Maryland Health System Corporation Retirement Plan*** (the Plan), which comprise of the statements of net assets available for benefits – modified cash basis as of December 31, 2014 and 2013, and the related statements of changes in net assets available for plan benefits – modified cash basis 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 the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to certain information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company (Prudential), the custodian, and Principal Trust Company (Principal), the trustee, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the custodian and trustee hold primarily all of the Plan's investment assets and execute investment transactions. The Plan Administrator has obtained certifications from the custodian and trustee as of and for the years ended December 31, 2014 and 2013, that the information provided to the Plan Administrator is complete and accurate.



Disclaimer of Opinion

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

Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter – Supplemental Schedules

The supplemental schedule of assets (held at end of year) as of December 31, 2014 and the supplemental schedule of reportable transactions for the year ended December 31, 2014 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 purposes of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

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

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian and 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.

Dixon Hughes Goodman LLP

Tysons, Virginia
October 12, 2015

Western Maryland Health System Corporation Retirement Plan

***Statements of Net Assets Available for Benefits
and Accumulated Plan Benefits - Modified Cash Basis***

(Dollars in thousands)

Years Ended December 31,	2014	2013
Net assets available for benefits		
Prudential Financial, Inc. investment accounts:		
Immediate participation guarantee fund	\$ 6,648	\$ 7,139
Principal Financial Group investment accounts:		
US government obligations	6,964	5,937
Mutual funds	86,679	76,610
Pooled separate accounts	78,556	77,372
Net assets available for benefits	\$ 178,847	\$ 167,058
Accumulated plan benefits:		
Actuarial present value of vested benefits:		
Participants currently receiving benefits	\$ 76,220	\$ 66,129
Other participants	86,909	77,661
	163,129	143,790
Actuarial present value of nonvested benefits	2,469	7,339
Total actuarial present value of accumulated plan benefits	165,598	151,129
Excess of net assets available for benefits over actuarial present value of accumulated plan benefits	\$ 13,249	\$ 15,929

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

Western Maryland Health System Corporation Retirement Plan

***Statements of Net Assets Available for Benefits
and Accumulated Plan Benefits - Modified Cash Basis***

(Dollars in thousands)

Years Ended December 31,	2014	2013
Net increase in net assets available for benefits:		
Net changes in Prudential Financial, Inc. investment accounts:		
Investment income	\$ 293	\$ 353
Benefits paid to participants	(739)	(801)
Administrative expenses	(45)	(41)
	<u>(491)</u>	<u>(489)</u>
Net changes in CBIZ Financial Solutions investment accounts:		
Withdrawals	-	(6,598)
Investment loss	-	(118)
	<u>-</u>	<u>(6,716)</u>
Net changes in Principal Financial Group investment accounts:		
Contribution	9,518	9,004
Investment income	4,105	2,260
Other cash receipts	13	6,875
Realized gain (loss)	802	(378)
Unrealized gain	6,327	11,838
Benefits paid to participants	(7,633)	(6,641)
Administrative expenses	(840)	(660)
Other cash disbursements	(12)	(163)
	<u>12,280</u>	<u>22,135</u>
Net increase in net assets available for benefits	<u>\$ 11,789</u>	<u>\$ 14,930</u>
Net increase in actuarial present value of accumulated plan benefits:		
Increase during the year attributable to:		
Change in actuarial assumptions	\$ -	\$ 4,039
Benefits accumulated	11,807	5,776
Increase for interest due to decrease in discount period	11,021	11,361
Benefits paid	<u>(8,359)</u>	<u>(7,410)</u>
Net increase in actuarial present value of accumulated plan benefits	<u>14,469</u>	<u>13,766</u>
Change in excess of net assets available for benefits over actuarial present value of accumulated plan benefits	(2,680)	1,164
Excess of net assets available for benefits over actuarial present value of accumulated plan benefits:		
Beginning of year	<u>15,929</u>	<u>14,765</u>
End of year	<u>\$ 13,249</u>	<u>\$ 15,929</u>

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

Western Maryland Health System Corporation Retirement Plan

Notes to the Financial Statements

(Dollars in thousands)

December 31, 2014 and 2013

1. Plan Description

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

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

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

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

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

Retirement Benefits

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

Death Benefits

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

Funding Policy

The funding policy of WMHS is to remit amounts sufficient to provide the Plan with assets with which to pay pension benefits to Plan participants. The Plan has met the minimum funding requirements for 2014 and 2013 under ERISA.

Plan Termination

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

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

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

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

Tax Status

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

Management has also considered the impact of unrelated business activities, and has concluded that the Plan is not subject to unrelated business tax or any other taxes that could be imposed by the Internal Revenue Code or state taxing authorities. As such, no provision is made for income taxes and no asset or liability has been recognized for deferred taxes. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2011.

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

2. Summary of Significant Accounting Policies

Basis of Accounting

The accounts of the Plan are maintained, and the accompanying financial statements have been prepared on the modified cash basis; investment income and contributions are recognized when received and disbursements are recognized when made. Additionally, investment securities are reflected at fair value. Accordingly, the financial statements are not intended to present the net assets available for benefits and changes in net assets available for benefits of the Plan in conformity with accounting principles generally accepted in the United States of America.

Uses of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported 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.

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income is recorded when received. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Actuarial Present Value of Accumulated Plan Benefits and Summary of Actuarial Assumptions

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

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

Actuarial assumptions at December 31, 2014 and 2013 are as follows:

2014				2013		
Pre-Retirement for Retirement and Spousal Benefits						
Interest Discount	Segment Rates (Four month lookback; reflects MAP-21)			Segment Rates (Four month lookback; reflects MAP-21)		
</						

	<u>2014</u>	<u>2013</u>
<i>Post-Retirement for Retirement Benefits</i>		
Interest Discount	Same as pre-retirement assumption	Same as pre-retirement assumption
Mortality	2014 Static Mortality for annuitants	2013 Static Mortality for annuitants
Asset Valuation Method	24 month average limited by 90%/110% corridor	24 month average limited by 90%/110% corridor
Effective Interest Rate	6.55%	6.74%
Assumed Earnings Rate	7.50%	7.50%
Compliance Testing	Based on the data provided, the plan meets the requirements of IRC Sections 401(a)(4), 401(a)(26), 410(b) and 415(b) for the current Plan year. The Plan is not considered "top heavy" for the current Plan year.	Based on the data provided, the plan meets the requirements of IRC Sections 401(a)(4), 401(a)(26), 410(b) and 415(b) for the current Plan year. The Plan is not considered "top heavy" for the current Plan year.

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

Subsequent Events

Subsequent events have been evaluated by management through October 12, 2015 which is the date the financial statements were available to be issued.

3. Investments

The investment information summarized below and included in the Plan's financial statements is unaudited and has been certified as complete and accurate by Prudential and Principal as of and for the years ended December 31, 2014 and 2013, respectively.

	<u>2014</u>	<u>2013</u>
Investments:		
Unallocated fund account with Prudential		
Immediate participation guarantee fund	\$ 6,648	\$ 7,139
Investments with Principal		
Maryland state municipal bonds	6,964	5,937
Mutual funds	86,679	76,610
Pooled separate accounts	78,556	77,372
	<u>\$ 178,847</u>	<u>\$ 167,058</u>

	2014	2013
Investment income:		
Unallocated fund account with Prudential		
Interest income	\$ 293	\$ 353
Investments with CBIZ Financial Solutions		
Net appreciation in fair value of investments	-	(410)
Dividend and interest income	-	292
Investments with Principal		
Investment income	4,105	2,260
Realized gain (loss)	802	(378)
Unrealized gain	6,327	11,838
	<u>\$ 11,527</u>	<u>\$ 13,955</u>

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

	2014	2013
Gateway Y Fund	\$ 11,485	\$ 17,266
Loomis Sayles Bond Institutional Fund	12,777	14,768
Metro West Total Return Bond Fund	24,032	14,055
Vanguard Growth Index Fund	22,790	20,088
Principal Diversified International Fund	11,420	*
Edge Equity Income Fund	24,304	23,697
Edge Income Account	23,873	17,434
Edge Short Term Fund	*	12,095

**Investment did not represent more than 5% of plan assets at year end.*

4. Fair Value Measurements

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

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

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Plan's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

When quoted prices are available in active markets for identical instruments, investment securities are classified within Level 1 of the fair value hierarchy. Level 1 instruments include mutual funds. Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Level 2 investment securities include pooled separate accounts for which quoted prices are not available in active markets for identical instruments. The fair value has been estimated using the net asset value per unit. The NAV of the account is based on the market value of the underlying investment and is not a publicly quoted price in an active market. Level 2 investments also include Maryland state municipal bonds which are valued at either the bid or ask prices of comparable securities, or, if not available, are valued at amounts provided by reliable sources through matrix pricing models using securities relationship to other benchmark quoted securities.

Due to significant unobservable inputs included in the valuation model for the Prudential Immediate Participation Guarantee Fund (Guarantee Fund), the resulting fair value for this security is classified as Level 3. The Guarantee Fund is an unallocated fund account consisting of assets commingled with other assets of Prudential and is reported at fair value which is estimated by Prudential. Disclosure of unobservable inputs to fair value measurement has not been included for the Guarantee Fund because quantitative unobservable inputs are not developed by the Plan when measuring fair value and have not been made available to the Plan by Prudential.

The level in the fair value hierarchy within which a fair value measurement is determined is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following tables present assets that are measured at fair value on a recurring basis as of December 31, 2014 and 2013:

Fair Value as of December 31, 2014				
	Level 1	Level 2	Level 3	Total
Separate pooled accounts				
Cash and cash equivalent	\$ -	\$ 313	\$ -	\$ 313
Money market (d)	-	1,752	-	1,752
Equity securities				
Blend (a)	-	43,764	-	43,764
Bond (b)	-	8,854	-	8,854
Value (c)	-	23,873	-	23,873
Mutual funds				
Long/Short Equity	11,485	-	-	11,485
Intermediate-Term Bond	24,032	-	-	24,032
Large Growth	22,790	-	-	22,790
Mid-Cap Value	8,567	-	-	8,567
Multisector Bond	12,777	-	-	12,777
Small Growth	3,500	-	-	3,500
Small Blend	3,528	-	-	3,528
Maryland state municipal bond obligations	-	6,964	-	6,964
Immediate Participation Guaranty Fund	-	-	6,648	6,648
	\$ 86,679	\$ 85,520	\$ 6,648	\$ 178,847

Fair Value as of December 31, 2013				
	Level 1	Level 2	Level 3	Total
Separate pooled accounts				
Cash and cash equivalent	\$ -	\$ 599	\$ -	\$ 599
Money market (d)	-	939	-	939
Equity securities				
Blend (a)	-	17,093	-	17,093
Bond (b)	-	41,307	-	41,307
Value (c)	-	17,434	-	17,434
Mutual funds				
Long/Short Equity	17,266	-	-	17,266
Intermediate-Term Bond	14,055	-	-	14,055
Large Growth	20,088	-	-	20,088
Mid-Cap Value	3,639	-	-	3,639
Multisector Bond	14,768	-	-	14,768
Small Growth	1,865	-	-	1,865
Small Blend	4,929	-	-	4,929
Maryland state municipal bond obligations	-	5,937	-	5,937
Immediate Participation Guaranty Fund	-	-	7,139	7,139
	\$ 76,610	\$ 83,309	\$ 7,139	\$ 167,058

- (a) Blend funds seek to invest in securities that are balanced between securities whose primary objective is to appreciate and securities whose primary objectives is to pay dividends.
- (b) Bond funds seek to invest in a diversified portfolio of long duration fixed income securities.
- (c) Value funds seek to invest in corporate securities that are deemed to be undervalued in price and are likely to pay dividends.
- (d) Money market funds seek to provide stable returns that are relatively risk free.

The investments with a reported estimated fair value using net asset value do not have an unfunded commitment, redemption restrictions or a redemption notice period. The redemption frequency is immediate.

No significant transfers were made between the fair value level hierarchies shown above during 2014 and 2013.

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

Balance as of December 31, 2012	\$ 7,628
Withdrawals	(842)
Investment income	353
Balance as of December 31, 2013	7,139
Withdrawals	(784)
Investment income	293
Balance as of December 31, 2014	<u>\$ 6,648</u>

5. Risks and Uncertainties

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

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

6. Differences Between Financial Statements and Federal Form 5500

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

	2014	2013
Net assets available for benefits per the financial statements	\$ 178,847	\$ 167,058
Employer contributions receivable not reflected on the financial statements	10,000	9,500
Net assets available for benefits per the federal Form 5500	<u>\$ 188,847</u>	<u>\$ 176,558</u>

The following is a reconciliation of net change in net assets available for benefits per the financial statements for the year ended December 31, 2014 to Schedule H of Form 5500:

Net change in net assets available for benefits per the financial statements	\$ 11,789
Add current year employer contribution receivable	10,000
Add prior year employer contribution receivable	<u>(9,500)</u>
Net income per Form 5500	<u>\$ 12,289</u>

7. Parties-In-Interest Transactions

Certain Plan investments are managed by Prudential and Principal. Fees paid by the Plan to Prudential amounted to \$45 and \$41 for the years ended December 31, 2014 and 2013, respectively. Fees paid by the Plan to Principal amounted to \$266 and \$164 for the years ended December 31, 2014 and 2013, respectively. Fees paid by the Plan to the PBGC amounted to \$574 and \$496 for the years ended December 31, 2014 and 2013, respectively. Investment management fees to Prudential and Principal are paid from investment income of the Plan. Certain other fees are paid by the Plan Sponsor.

* * * * *

Western Maryland Health System Corporation Retirement Plan

Schedule of Assets (Held At End Of Year) - Modified Cash Basis
Schedule H, line 4i

EIN 52-0591531 Plan 001

(Dollars in thousands)

December 31, 2014

Identity of party involved	Description of investment	Cost	Current Value
* Principal	Edge Equity Income Fund	\$ 18,340	\$ 24,304
* Principal	Metro West Total Return Bond Fund	23,990	24,032
* Principal	Edge Income Account	22,854	23,873
* Principal	Vanguard Growth Index Fund	16,733	22,790
* Principal	Loomis Sayles Bond Institutional Fund	13,176	12,777
* Principal	Gateway Y Fund	10,783	11,485
* Principal	Principal Diversified International Fund	10,734	11,420
* Principal	Principal Mid Cap Fund	6,942	8,854
* Principal	Janus Perkins Mid Cap Value Fund	9,608	8,567
* Prudential	Immediate Participation Guarantee Fund	6,648	6,648
* Principal	Principal Emerging Markets Fund	6,592	6,259
* Principal	MD St Health & Higher Ed 5.0 7/1/36	161	3,840
* Principal	AM. Century Small Company Investment Fund	3,051	3,528
* Principal	Vanguard Small Cap Growth Index Fund	2,885	3,500
* Principal	MD St Health & Higher Ed 5.0 7/1/22	17	1,805
* Principal	Principal Small Cap S&P 500 Index Fund	1,210	1,781
* Principal	Principal Money Market Select Fund	1,752	1,752
* Principal	MD St Health & Higher Ed 5.0 7/1/34	220	378
* Principal	Northern Government Select Fund	313	313
* Principal	MD St Health & Higher Ed 5.0 7/1/21	2	261
* Principal	MD St Health & Higher Ed 5.0 1/1/25	108	229
* Principal	MD St Health & Higher Ed 5.0 7/1/25	1	106
* Principal	MD St Health & Higher Ed 4.5 1/1/22	1	100
* Principal	MD St Health & Higher Ed 5.0 7/1/24	27	80
* Principal	MD St Health & Higher Ed 5.0 7/1/16	1	52
* Principal	MD St Health & Higher Ed 5.0 7/1/26	48	48
* Principal	MD St Health & Higher Ed 5.0 1/1/26	37	37
* Principal	MD St Health & Higher Ed 5.0 7/1/23	1	28
		\$ 156,235	\$ 178,847

*Represents a party-in-interest.

Western Maryland Health System Corporation Retirement Plan

Schedule of Reportable Transactions - Modified Cash Basis

Schedule H, part 4, line 4(j)

EIN 52-0591531 Plan 001

Year Ended December 31, 2014

Identity of party involved	Description of asset (including interest rate and maturity in case of loan	Units	Purchase Price	Selling Price	Cost of Asset	Current value of asset on transaction date	Net gain or loss
Principal	Gateway Y Fund	387,406	\$ -	11,180	\$ 11,232	\$ -	\$ (52)

SB Actuary Signature

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

► File as an attachment to Form 5500 or 5500-SF.

OMB No. 1210-0110

2014

This Form is Open to Public
Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

► 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 Western Maryland Health System Retirement Plan
B Three-digit plan number (PN) 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Western Maryland Health System Corporation
D Employer Identification Number (EIN) 52-0591531

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2014

2 Assets:
a Market value 176,332,398
b Actuarial value 173,018,911

3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	1,006	76,141,736	76,141,736
b For terminated vested participants.....	691	21,624,747	21,624,747
c For active participants.....	1,579	68,944,276	75,170,594
d Total.....	3,276	166,710,759	172,937,077

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 6.55%

6 Target normal cost 6 4,997,323

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  Date 10/8/2015

Signature of actuary

Date

Alvin K. Winters, FSA, EA, MAAA

Type or print name of actuary

14-06620

Most recent enrollment number

CBIZ Benefits & Insurance Services

Firm name

(301) 777-1500

Telephone number (including area code)

44 Baltimore Street

Cumberland MD 21502

Address of the firm

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

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

Schedule SB (Form 5500) 2014
v. 140124

SB Actuary Signature

Schedule SB (Form 5500) 2014

Page 2 -

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	14,111,689
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	8,144,135
9 Amount remaining (line 7 minus line 8)	0	5,967,554
10 Interest on line 9 using prior year's actual return of <u>8.94%</u>	0	533499
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		8687987
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.74%</u>		36656
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		728,086
c Total available at beginning of current plan year to add to prefunding balance		9452729
d Portion of (c) to be added to prefunding balance		9452729
12 Other reductions in balances due to elections or deemed elections	0	900000
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	15053782

Part III Funding Percentages		
14 Funding target attainment percentage	14	91.34 %
15 Adjusted funding target attainment percentage	15	100.04 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.70 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
05/06/2015	10,000,000	0			
Totals ▶			18(b)	10,000,000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	9,183,547

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

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

SB Actuary Signature

Schedule SB (Form 5500) 2014

Page **3**

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

21 Discount rate:			
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 % ☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 64
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	4,997,323	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	14,971,948	3,933,187	
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	8,930,510	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	8,930,510	8,930,510
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	9,183,547	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	9,183,547	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	8,930,510	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

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

EIN: 52-0591531

PN: 001

Year: 2014

Retirement Rates:

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

Weighted retirement age: 64

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

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

EIN: 52-0591531

PN: 001

Year: 2014

Actuarial Cost Method

Traditional Unit Credit

Actuarial Value of Assets

24 month average limited by 90%/110% corridor

Date of Calculations

January 1, 2014

Employees Included in the Calculations

All active employees hired on or before June 30, 2011 who have met the Plan's eligibility requirements as of the valuation date are included in the calculations. Former employees or their survivors who are receiving or are entitled to receive an immediate or deferred benefit under the provisions of the Plan are also included.

Source of Data

Data is as of the valuation date and is supplied to us by the Employer.

We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break-in-service. These employees may have participation requirements different from other new employees.

Although we believe these to be accurate and complete, the data and financial information have not been audited by us.

Pre-retirement for Retirement and Spousal Benefits:

Investment Return - Segment Rates (4-month lookback)

		<u>For 404</u>	<u>For 430 and 436</u>
Sample Rates:	Rate 1:	1.37%	4.99%
	Rate 2:	4.05%	6.32%
	Rate 3:	5.06%	6.99%

Mortality: 2014 Static Mortality for non-annuitants

Termination of Employment: Varying by age and service as illustrated below:

Select (Service-Based)

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

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

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

EIN: 52-0591531

PN: 001

Year: 2014

Ultimate (Age-Based)

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

Salary Scale: 3.50%

Retirement Age: Varying by age as shown below:

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

Post-retirement for Retirement Benefits:

Investment Return - Segment Rates (4-month lookback)

		<u>For 404</u>	<u>For 430 and 436</u>
Sample Rates:	Rate 1:	1.37%	4.99%
	Rate 2:	4.05%	6.32%
	Rate 3:	5.06%	6.99%

Mortality: 2014 Static Mortality for annuitants

Plan Expenses: Based on estimated administrative expenses paid from plan assets.

Form of Benefit Payment: 100% of Participants are assumed to elect the Normal Form.

Effective Rate of Interest: 6.55%

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

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Statement of Plan Provisions

EIN: 52-0591531

PN: 001

Year: 2014

The following summary describes Principal Plan Provisions assumed in calculating the cost of the Pension Plan.

General Information

Original Effective Date	1/1/1999
Plan Year	January 1 through December 31
Employer ID No.	52-0591531
Plan Number	001

Eligibility

All employees of the Employer who have completed a year of eligibility service may participate in the Plan, excluding leased employees, individuals covered by a collective bargaining agreement that does not provide for participation in the plan, leased employees and non-resident aliens. A year of eligibility service is defined as a plan year in which the employee receives credit for at least 832 hours of service. Notwithstanding the above, no employee hired or rehired after 6/30/2011 shall be eligible to participate in the Plan.

Service

Effective 1/1/1999, service is credited for each plan year an employee is credited with at least 832 hours. Partial credit for completed months worked is granted for years of hire, rehire or termination in which the employee worked at the rate of 832 hours.

Service prior to the effective date of the plan is determined under prior plan provisions, as applicable.

Normal Retirement Date

Normal Retirement Date is the first of the month coinciding with or next following attainment of age 65.

Normal Retirement Benefit

The amount of annual benefit based on service to Normal Retirement Date is:

Post 1/1/2008 Career Average Formula:

Accrued Benefit as of 1/01/2008 **PLUS** for each subsequent year, 1.05% (1.25% if years of service as of the valuation date equals or exceeds 15) of Compensation **PLUS** .50% of the excess, if any, of Compensation over Covered Compensation (as limited by permitted disparity regulations). The participant must receive full or partial service credit to receive benefit accrual for the year.

OR

Grandfathered Formula:

1.05% of Final Average Compensation times years of credited service **PLUS** .50% of the excess, if any, of Final Average Compensation over Covered Compensation times years of Service limited to 35 total years.

Only employees participating in the Plan who had at least 25 years of continuous "Years of Hospital Service" as of 12/31/2007 are eligible for the Grandfathered Formula after 1/01/2008.

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Statement of Plan Provisions

EIN: 52-0591531

PN: 001

Year: 2014

Normal Retirement Benefit [continued]

A minimum annual benefit of \$180 per year of Service applies to all active participants.

Compensation

Amounts earned during the plan year for employment including W-2 pay plus pay excluded under IRC Sections 125, 401(k) and 403(b). Earnings exclude IRC Section 457 deferred compensation included in the year paid to the Employee and IRC Section 107 parsonage rental values. Earnings are subject to IRC 401(a)(17) limitations.

Final Average Compensation (Grandfathered Formula)

The average of the highest five consecutive plan years of Compensation paid during the ten years preceding actual retirement date. Years in which the participant is not credited with at least 832 hours are excluded.

Covered Compensation

The monthly average of the Social Security Wage Bases in effect for each calendar year during the 35 year period ending with the calendar year in which the Participant attains Social Security Retirement Age.

Accrued Benefit

The Accrued Benefit at any time prior to a participant's Normal Retirement Date shall be the Normal Retirement Benefit calculated using Compensation and Service as of the accrual date.

Early Retirement Benefit

Upon the completion of five years of Service and the attainment of age 55, a participant may elect to retire. The participant may receive an immediate benefit equal to the Normal Retirement Benefit based on service and compensation at early retirement, reduced by 5/12 of 1% for each month by which actual retirement precedes normal retirement. There is no reduction on or after age 62 if the sum of age and Service equals or exceeds 90.

Delayed Retirement

A participant may continue in the employment of the Employer after Normal Retirement Date. In such event, the participant will receive, at actual retirement, the greater of the actuarial equivalent of the prior year's Accrued Benefit or the benefit based on service and compensation as of the actual termination date.

Disability Retirement Benefit

For participants who become disabled on or after 1/01/2008, there is no disability benefit payable under the Plan. For participants who met the requirements for disability prior to 1/01/2008, the disability benefit is calculated under the grandfathered benefit formula based on projected salary and Service through the elected retirement date.

Death Benefit

A pre-retirement death benefit is generally payable to the beneficiary of an active participant and to the beneficiary of a vested, married terminated participant. For retired participants, the only death benefit payable is based on the elected annuity option.

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Statement of Plan Provisions

EIN: 52-0591531

PN: 001

Year: 2014

Severance Benefit

Upon termination of employment after five years of Service, a participant shall have a vested interest in their accrued benefit, which will be payable at Normal Retirement Date. The percentage vested shall be:

<u>Years of Vesting Service</u>	<u>Vested Percent</u>
Fewer than five	0%
Five or more	100%

An employee is also deemed fully-vested upon attainment of normal retirement age.

Normal Form of Payment

The Normal Form of Payment is an annuity paid in monthly installments for life, or if married, an actuarially equivalent Joint & 50% Survivor Annuity.

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the Normal Form of Payment.

The options available are as follows:

- (1) An equivalent benefit to be paid during the participant's lifetime with 50%, 66.67%, 75% or 100% of the adjusted benefit to be continued to the spouse for their lifetime after the participant's death.
- (2) An equivalent benefit to be paid for life with 60, 120 or 180 monthly payments guaranteed.
- (3) An equivalent benefit to be paid for life with no death benefit.
- (4) A lump sum benefit if the value is less than \$5,000.
- (5) For employees with a prior match account balance or employee contribution balance, they may elect a lump sum withdrawal of either or both balances, as applicable.

Optional Methods of Settlement are actuarially equivalent to the Normal Form of Payment based on the 1983 GAM (male) Table with a 4 year setback for participants (2 year setback for non-participants) and an 8.50% interest rate. Lump sum equivalence is generally based on the Applicable Mortality and Applicable Interest Rates as determined under IRC Section 417(e)(3). The lookback month is the second month preceding the first day of the plan year in which distribution occurs. The stability period is the plan year.

Additional Information

The above description is a summary only; for additional details, reference should be made to the formal Plan Document.

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, line 26 - Schedule of Active Participants

EIN: 52-0591531

PN: 001

Year: 2014

Schedule of Active Participants

Age	Years of Service																				
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	
Under 25	0	0	33	18,286	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	38
25 to 29	0	0	47	34,004	47	44,716	3	0	0	0	0	0	0	0	0	0	0	0	0	0	97
30 to 34	1	0	21	43,335	53	47,935	42	49,523	1	0	0	0	0	0	0	0	0	0	0	0	118
35 to 39	0	0	29	33,190	39	50,719	44	50,497	20	52,552	1	0	0	0	0	0	0	0	0	0	133
40 to 44	0	0	23	48,985	44	43,962	48	56,545	43	55,814	35	55,442	0	0	0	0	0	0	0	0	193
45 to 49	0	0	19	0	38	52,233	37	45,245	28	49,545	50	62,259	43	62,710	0	0	0	0	0	0	215
50 to 54	0	0	18	0	41	51,026	44	54,083	35	58,612	33	58,521	59	56,258	41	54,788	3	0	0	0	274
55 to 59	0	0	17	0	34	41,541	40	48,598	24	52,917	27	56,702	34	69,587	56	59,891	42	58,061	2	0	276
60 to 64	0	0	16	0	12	0	22	49,368	14	0	29	59,087	23	52,005	30	61,321	25	63,639	31	56,308	202
65 to 69	1	0	2	0	6	0	5	0	3	0	3	0	3	0	0	0	0	0	2	0	25
70 & up	0	0	0	0	2	0	1	0	1	0	2	0	0	0	0	0	0	0	2	0	8
Total	2	0	225	177,800	321	332,132	286	353,859	169	269,440	180	292,011	162	240,560	127	176,000	70	121,700	37	56,308	1,579

SB Actuary Signature

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 52-0591531

PN: 001

Year: 2014

<u>Type</u>	<u>PV of</u> <u>Remaining</u>	<u>Valuation</u> <u>Date</u>	<u>Yrs</u> <u>Remaining</u>	<u>Installment</u>
Shortfall	2,864,854	1/1/2014	7	479,459
Shortfall	1,965,872	1/1/2013	6	372,123
Shortfall	(7,369,335)	1/1/2012	5	(1,620,783)
Shortfall	<u>17,510,557</u>	1/1/2011	4	<u>4,702,388</u>
Total:	14,971,948			3,933,187

Plan Name: Western Maryland Health System Retirement Plan

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

EIN: 52-0591531

PN: 001

Year: 2014

Retirement Rates:

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

Weighted retirement age: 64

Plan Name: Western Maryland Health System Retirement Plan

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

EIN: 52-0591531

PN: 001

Year: 2014

Actuarial Cost Method

Traditional Unit Credit

Actuarial Value of Assets

24 month average limited by 90%/110% corridor

Date of Calculations

January 1, 2014

Employees Included in the Calculations

All active employees hired on or before June 30, 2011 who have met the Plan's eligibility requirements as of the valuation date are included in the calculations. Former employees or their survivors who are receiving or are entitled to receive an immediate or deferred benefit under the provisions of the Plan are also included.

Source of Data

Data is as of the valuation date and is supplied to us by the Employer.

We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break-in-service. These employees may have participation requirements different from other new employees.

Although we believe these to be accurate and complete, the data and financial information have not been audited by us.

Pre-retirement for Retirement and Spousal Benefits:

Investment Return - Segment Rates (4-month lookback)

		<u>For 404</u>	<u>For 430 and 436</u>
Sample Rates:	Rate 1:	1.37%	4.99%
	Rate 2:	4.05%	6.32%
	Rate 3:	5.06%	6.99%

Mortality: 2014 Static Mortality for non-annuitants

Termination of Employment: Varying by age and service as illustrated below:

Select (Service-Based)

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

Plan Name: Western Maryland Health System Retirement Plan

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

EIN: 52-0591531

PN: 001

Year: 2014

Ultimate (Age-Based)

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

Salary Scale: 3.50%

Retirement Age: Varying by age as shown below:

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

Post-retirement for Retirement Benefits:

Investment Return - Segment Rates (4-month lookback)

		<u>For 404</u>	<u>For 430 and 436</u>
Sample Rates:	Rate 1:	1.37%	4.99%
	Rate 2:	4.05%	6.32%
	Rate 3:	5.06%	6.99%

Mortality: 2014 Static Mortality for annuitants

Plan Expenses: Based on estimated administrative expenses paid from plan assets.

Form of Benefit Payment: 100% of Participants are assumed to elect the Normal Form.

Effective Rate of Interest: 6.55%

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

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Statement of Plan Provisions

EIN: 52-0591531

PN: 001

Year: 2014

The following summary describes Principal Plan Provisions assumed in calculating the cost of the Pension Plan.

General Information

Original Effective Date	1/1/1999
Plan Year	January 1 through December 31
Employer ID No.	52-0591531
Plan Number	001

Eligibility

All employees of the Employer who have completed a year of eligibility service may participate in the Plan, excluding leased employees, individuals covered by a collective bargaining agreement that does not provide for participation in the plan, leased employees and non-resident aliens. A year of eligibility service is defined as a plan year in which the employee receives credit for at least 832 hours of service. Notwithstanding the above, no employee hired or rehired after 6/30/2011 shall be eligible to participate in the Plan.

Service

Effective 1/1/1999, service is credited for each plan year an employee is credited with at least 832 hours. Partial credit for completed months worked is granted for years of hire, rehire or termination in which the employee worked at the rate of 832 hours.

Service prior to the effective date of the plan is determined under prior plan provisions, as applicable.

Normal Retirement Date

Normal Retirement Date is the first of the month coinciding with or next following attainment of age 65.

Normal Retirement Benefit

The amount of annual benefit based on service to Normal Retirement Date is:

Post 1/1/2008 Career Average Formula:

Accrued Benefit as of 1/01/2008 **PLUS** for each subsequent year, 1.05% (1.25% if years of service as of the valuation date equals or exceeds 15) of Compensation **PLUS** .50% of the excess, if any, of Compensation over Covered Compensation (as limited by permitted disparity regulations). The participant must receive full or partial service credit to receive benefit accrual for the year.

OR

Grandfathered Formula:

1.05% of Final Average Compensation times years of credited service **PLUS** .50% of the excess, if any, of Final Average Compensation over Covered Compensation times years of Service limited to 35 total years.

Only employees participating in the Plan who had at least 25 years of continuous "Years of Hospital Service" as of 12/31/2007 are eligible for the Grandfathered Formula after 1/01/2008.

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Statement of Plan Provisions

EIN: 52-0591531

PN: 001

Year: 2014

Normal Retirement Benefit [continued]

A minimum annual benefit of \$180 per year of Service applies to all active participants.

Compensation

Amounts earned during the plan year for employment including W-2 pay plus pay excluded under IRC Sections 125, 401(k) and 403(b). Earnings exclude IRC Section 457 deferred compensation included in the year paid to the Employee and IRC Section 107 parsonage rental values. Earnings are subject to IRC 401(a)(17) limitations.

Final Average Compensation (Grandfathered Formula)

The average of the highest five consecutive plan years of Compensation paid during the ten years preceding actual retirement date. Years in which the participant is not credited with at least 832 hours are excluded.

Covered Compensation

The monthly average of the Social Security Wage Bases in effect for each calendar year during the 35 year period ending with the calendar year in which the Participant attains Social Security Retirement Age.

Accrued Benefit

The Accrued Benefit at any time prior to a participant's Normal Retirement Date shall be the Normal Retirement Benefit calculated using Compensation and Service as of the accrual date.

Early Retirement Benefit

Upon the completion of five years of Service and the attainment of age 55, a participant may elect to retire. The participant may receive an immediate benefit equal to the Normal Retirement Benefit based on service and compensation at early retirement, reduced by 5/12 of 1% for each month by which actual retirement precedes normal retirement. There is no reduction on or after age 62 if the sum of age and Service equals or exceeds 90.

Delayed Retirement

A participant may continue in the employment of the Employer after Normal Retirement Date. In such event, the participant will receive, at actual retirement, the greater of the actuarial equivalent of the prior year's Accrued Benefit or the benefit based on service and compensation as of the actual termination date.

Disability Retirement Benefit

For participants who become disabled on or after 1/01/2008, there is no disability benefit payable under the Plan. For participants who met the requirements for disability prior to 1/01/2008, the disability benefit is calculated under the grandfathered benefit formula based on projected salary and Service through the elected retirement date.

Death Benefit

A pre-retirement death benefit is generally payable to the beneficiary of an active participant and to the beneficiary of a vested, married terminated participant. For retired participants, the only death benefit payable is based on the elected annuity option.

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, Part V - Statement of Plan Provisions

EIN: 52-0591531

PN: 001

Year: 2014

Severance Benefit

Upon termination of employment after five years of Service, a participant shall have a vested interest in their accrued benefit, which will be payable at Normal Retirement Date. The percentage vested shall be:

<u>Years of Vesting Service</u>	<u>Vested Percent</u>
Fewer than five	0%
Five or more	100%

An employee is also deemed fully-vested upon attainment of normal retirement age.

Normal Form of Payment

The Normal Form of Payment is an annuity paid in monthly installments for life, or if married, an actuarially equivalent Joint & 50% Survivor Annuity.

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the Normal Form of Payment.

The options available are as follows:

- (1) An equivalent benefit to be paid during the participant's lifetime with 50%, 66.67%, 75% or 100% of the adjusted benefit to be continued to the spouse for their lifetime after the participant's death.
- (2) An equivalent benefit to be paid for life with 60, 120 or 180 monthly payments guaranteed.
- (3) An equivalent benefit to be paid for life with no death benefit.
- (4) A lump sum benefit if the value is less than \$5,000.
- (5) For employees with a prior match account balance or employee contribution balance, they may elect a lump sum withdrawal of either or both balances, as applicable.

Optional Methods of Settlement are actuarially equivalent to the Normal Form of Payment based on the 1983 GAM (male) Table with a 4 year setback for participants (2 year setback for non-participants) and an 8.50% interest rate. Lump sum equivalence is generally based on the Applicable Mortality and Applicable Interest Rates as determined under IRC Section 417(e)(3). The lookback month is the second month preceding the first day of the plan year in which distribution occurs. The stability period is the plan year.

Additional Information

The above description is a summary only; for additional details, reference should be made to the formal Plan Document.

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, line 26 - Schedule of Active Participants

EIN: 52-0591531

PN: 001

Year: 2014

Schedule of Active Participants

Age	Years of Service																			Total	
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		
	Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		
	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.			
Under 25	0	0	33	18,286	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	38	
25 to 29	0	0	47	34,004	47	44,716	3	0	0	0	0	0	0	0	0	0	0	0	0	97	
30 to 34	1	0	21	43,335	53	47,935	42	49,523	1	0	0	0	0	0	0	0	0	0	0	118	
35 to 39	0	0	29	33,190	39	50,719	44	50,497	20	52,552	1	0	0	0	0	0	0	0	0	133	
40 to 44	0	0	23	48,985	44	43,962	48	56,545	43	55,814	35	55,442	0	0	0	0	0	0	0	193	
45 to 49	0	0	19	0	38	52,233	37	45,245	28	49,545	50	62,259	43	62,710	0	0	0	0	0	215	
50 to 54	0	0	18	0	41	51,026	44	54,083	35	58,612	33	58,521	59	56,258	41	54,788	3	0	0	274	
55 to 59	0	0	17	0	34	41,541	40	48,598	24	52,917	27	56,702	34	69,587	56	59,891	42	58,061	2	0	276
60 to 64	0	0	16	0	12	0	22	49,368	14	0	29	59,087	23	52,005	30	61,321	25	63,639	31	56,308	202
65 to 69	1	0	2	0	6	0	5	0	3	0	3	0	3	0	0	0	0	0	2	0	25
70 & up	0	0	0	0	2	0	1	0	1	0	2	0	0	0	0	0	0	0	2	0	8
Total	2	0	225	177,800	321	332,132	286	353,859	169	269,440	180	292,011	162	240,560	127	176,000	70	121,700	37	56,308	1,579

Plan Name: Western Maryland Health System Retirement Plan

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 52-0591531

PN: 001

Year: 2014

<u>Type</u>	<u>PV of</u> <u>Remaining</u>	<u>Valuation</u> <u>Date</u>	<u>Yrs</u> <u>Remaining</u>	<u>Installment</u>
Shortfall	2,864,854	1/1/2014	7	479,459
Shortfall	1,965,872	1/1/2013	6	372,123
Shortfall	(7,369,335)	1/1/2012	5	(1,620,783)
Shortfall	<u>17,510,557</u>	1/1/2011	4	<u>4,702,388</u>
Total:	14,971,948			3,933,187

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

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

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of Investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
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*	Principal Trust Company	Contract #6-19023 - Cash Equivalents		
		Northern Inst Govt Select	314,058	314,058
		Contract #6-19023 - Employer Bonds		
		MD St Health & Higher Ed 5.0 7/1/16	69,252	69,406
		MD St Health & Higher Ed 5.0 1/1/16	53,984	52,241
		MD St Health & Higher Ed 5.0 7/1/21	250,341	260,849
		MD St Health & Higher Ed 4.5 1/1/22	95,025	100,444
		MD St Health & Higher Ed 5.0 7/1/22	1,763,893	1,804,650
		MD St Health & Higher Ed 5.0 7/1/23	25,475	26,617
		MD St Health & Higher Ed 5.0 1/1/24	77,503	79,852
		MD St Health & Higher Ed 5.0 1/1/25	220,319	228,908
		MD St Health & Higher Ed 5.0 7/1/25	98,766	106,469
		MD St Health & Higher Ed 5.0 1/1/26	37,290	37,264
		MD St Health & Higher Ed 5.0 7/1/26	47,944	47,911
		MD St Health & Higher Ed 5.0 7/1/34	287,628	308,760
		MD St Health & Higher Ed 5.0 7/1/36	3,504,909	3,840,820
		Contract #6-19023 - Reg Investment Co		
		Gateway Y Fund	10,782,739	11,485,170
		American Century Small Company Inv	3,050,898	3,528,483
		Janus Perkins Mid Cap Value I	9,608,402	8,567,217
		Vanguard Growth Index Inst	18,733,465	22,790,168
		Vanguard SmCap Grth Index Adm	2,885,095	3,499,158
		Loomis Sayles Bd Inst Fd	13,178,609	12,777,345
		Melro West Total Rtn Bd I	23,989,904	24,031,608
		Contract #6-19023 - Pooled Sep Acct's		
		Principal Div Intl SA-I5	10,734,339	11,419,639
		Principal Intl Emg Mkts SA-I4	6,591,784	6,258,856
		Principal MidCap Blend I3	8,942,469	8,853,969
		Principal MM SA-I3	1,752,066	1,750,804
		Principal SmallCap S&P 600 Index SA-1	1,207,839	1,761,484
		BlackRock Inflation Prot SA-I2		
		Edge Asset Mgmt Eqty Income SA-I3	18,340,263	24,304,207
		Edge Asset Mgmt Income SA-I3	22,854,081	23,872,828
		Edge Asset Mgmt Sh Term Inc SA-I3		
*	Prudential Retirement Insurance and Annuity Co	Contract IN-3150 - Ins Gen Acct		
		General Account	6,648,689	6,648,589
			<hr/>	<hr/>
			162,144,930	178,847,765
*	Party -in-interest to plan			

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

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

(a) Identity of party involved	(b) Description of asset	Units	(c) Purchase Price	(d) Selling Price	(e)	(f)	(g) Cost of Asset	(h) Current Value of asset on transaction date	(i) Net gain or (loss)
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Principal Financial Gro Contract #6-19023 - Pooled Sep Acct's

Principal MM SA-I3	163,881	8,880,291				8,880,291	8,880,291	
Principal MM SA-I3	148,855		8,064,081			8,067,702	8,067,462	(3,620)
Edge Asset Mgmt Income SA-I3	225	3,189				3,189	3,189	
	114,478	1,646,350				1,646,350	1,646,350	
	20,031	288,881				288,881	288,881	
	186,742	2,722,175				2,722,175	2,722,175	
	1,388		19,185			19,140	19,161	45
	52		728			714	715	13
	56		786			767	768	19
	346		4,886			4,768	4,773	119
	120		1,685			1,650	1,652	35
	228		3,222			3,141	3,145	81
	270		3,816			3,724	3,728	92
	77		1,099			1,065	1,067	34
	135		1,935			1,860	1,862	75
	282		4,059			3,903	3,907	156
	342,844		4,934,232			4,738,873	4,743,788	195,359
	182		2,621			2,518	2,520	103
	50,249		727,683			694,949	695,660	32,734
Edge Asset Mgmt Sh Term Inc S.	140	1,515				1,515	1,515	
	71,717	781,850				781,850	781,850	
	11,655	127,122				127,122	127,122	
	845		9,111			9,003	9,110	107
	368,940		4,000,000			3,933,098	3,979,730	66,902
	32		345			340	344	6
	34		373			367	371	7
	214		2,321			2,280	2,307	41
	74		800			787	796	14
	141		1,530			1,503	1,521	27
	115		1,245			1,224	1,239	20
	48		522			512	518	10
	84		919			900	910	19
	177		1,928			1,890	1,910	38
	68,137		743,050			727,811	735,671	15,239
	114		1,245			1,221	1,234	23
	23,718		259,114			253,422	256,117	5,692

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

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

(a) Identity of party involved	(b) Description of asset	Units	(c) Purchase Price	(d) Selling Price	(e)	(f)	(g) Cost of Asset	(h) Current Value of asset on transaction date	(i) Net gain or (loss)
		742,127		8,132,931			7,929,647	8,013,953	203,283
Contract #6-19023 - Reg Invesment Co.									
Metro West Total Rtn Bd I		2,014	21,243				21,243	21,243	
		2,291	24,465				24,465	24,465	
		2,645	28,332				28,332	28,332	
		132,262	1,411,239				1,411,239	1,411,239	
		2,985	31,885				31,885	31,885	
		166	1,776				1,776	1,776	
		3,307	35,522				35,522	35,522	
		84,727	916,750				916,750	916,750	
		416,166	4,502,921				4,502,921	4,502,921	
		3,449	37,423				37,423	37,423	
		4,072	44,141				44,141	44,141	
		26,872	290,216				290,216	290,216	
		4,225	45,667				45,667	45,667	
		3,836	41,770				41,770	41,770	
		3,766	40,713				40,713	40,713	
		247,768	2,705,627				2,705,627	2,705,627	
		3,298	35,878				35,878	35,878	
		3,582	39,153				39,153	39,153	
		5,422	59,206				59,206	59,206	
		1,013		10,683			11,058	10,683	(376)
		38		405			415	401	(10)
		41		438			447	432	(9)
		254		2,721			2,777	2,683	(56)
		88		938			960	928	(22)
		168		1,794			1,829	1,767	(35)
		137		1,460			1,489	1,443	(30)
		57		612			622	603	(10)
		100		1,078			1,088	1,055	(11)
		209		2,260			2,278	2,211	(17)
		135		1,460			1,470	1,437	(10)
		78,062		846,188			848,993	829,924	(2,805)
Gateway Y Fund		2,879	77,339				77,339	77,339	
		138,983	4,016,604				4,016,604	4,016,604	
		70	2,017				2,017	2,017	
		35,706	1,041,200				1,041,200	1,041,200	

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

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

(a) Identity of party involved	(b) Description of asset	Units	(c) Purchase Price	(d) Selling Price	(e)	(f)	(g) Cost of Asset	(h) Current Value of asset on transaction date	(i) Net gain or (loss)
		13,414	393,312				393,312	393,312	
		3,119	91,753				91,753	91,753	
		3,175	93,788				93,788	93,788	
		2,809	86,142				86,142	86,142	
		1,274	37,552				37,552	37,552	
		419		12,133			11,453	12,146	680
		16		460			437	463	23
		17		497			469	497	28
		107		3,090			2,914	3,090	176
		37		1,066			1,006	1,067	60
		71		2,038			1,933	2,050	105
		57		1,658			1,578	1,654	80
		24		695			669	701	26
		42		1,224			1,163	1,219	61
		88		2,567			2,430	2,542	137
		97		2,852			2,691	2,812	161
		20,122		589,764			558,492	583,390	31,272
		387,406		11,180,539			10,752,785	11,232,148	427,754
	Vanguard Growth Index Inst	1,247	59,954				59,954	59,954	
		40	1,914				1,914	1,914	
		20,439	988,000				988,000	988,000	
		1,039	52,577				52,577	52,577	
		1,100	56,532				56,532	56,532	
		70,251	3,447,938				3,447,938	3,447,938	
		1,635	88,357				88,357	88,357	
		243		11,513			8,947	11,642	2,666
		9		437			332	432	104
		10		472			351	457	121
		59		2,932			2,182	2,839	750
		21		1,011			757	986	254
		40		1,934			1,468	1,910	466
		33		1,573			1,204	1,565	369
		14		660			518	674	141
		24		1,161			891	1,158	270
		50		2,436			1,860	2,385	576
		73,188		3,602,319			2,734,118	3,505,148	868,202
		31		1,573			1,172	1,501	401
		10,883		558,967			406,978	521,310	151,989

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

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

(a) Identity of party involved	(b) Description of asset	Units	(c) Purchase Price	(d) Selling Price	(e)	(f)	(g) Cost of Asset	(h) Current Value of asset on transaction date	(i) Net gain or (loss)
		6,388		323,216			239,139	306,037	84,077