

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>RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL</u>		1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>01/01/1973</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)	<u>CHARLES COLE MEMORIAL HOSPITAL</u> <div style="display: flex; justify-content: space-between;"> <div><u>1001 E. SECOND STREET</u> <u>COUDERSPORT, PA 16915</u></div> <div><u>U.S. ROUTE 6 EAST</u> <u>COUDERSPORT, PA 16915</u></div> </div>		2b Employer Identification Number (EIN) <u>24-0802108</u> 2c Plan Sponsor's telephone number <u>814-274-9300</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.	10/15/2015	JAMES EVENS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor		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	586
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)	179
a(2) Total number of active participants at the end of the plan year		6a(2)	170
b Retired or separated participants receiving benefits		6b	217
c Other retired or separated participants entitled to future benefits.....		6c	80
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	467
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	19
f Total. Add lines 6d and 6e		6f	486
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1I 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) ☐ 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 _____

<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 RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL		B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CHARLES COLE MEMORIAL HOSPITAL		D Employer Identification Number (EIN) 24-0802108	
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	19451412	
b Actuarial value	2b	18700768	
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.....	230	10363875	10363875
b For terminated vested participants.....	177	4683078	4683078
c For active participants.....	179	4169556	4265979
d Total.....	586	19216509	19312932
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	6.48%	
6 Target normal cost	6	150000	

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>Signature of actuary</div> <div>AMY B. KRAJCI</div> <div>Type or print name of actuary</div> <div>TOWERS WATSON DELAWARE INC.</div> <div>Firm name</div> <div>TOWERS WATSON DELEWARE INC. SUITE 4940 PITTSBURGH, PA 15219-2742</div> <div>Address of the firm</div>	<div>10/14/2015</div> <div>Date</div> <div>14-07170</div> <div>Most recent enrollment number</div> <div>412-497-3169</div> <div>Telephone number (including area code)</div>
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Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>11.79</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		45729
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>6.32</u> %		2890
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		48619
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	96.83 %
15 Adjusted funding target attainment percentage	15	96.83 %
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	91.42 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2014	183000	0			
07/11/2014	183000	0			
10/14/2014	183000	0			
01/14/2015	183000	0			
09/14/2015	241000	0			
			Totals ▶	18(b)	973000
				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	918971
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 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	150000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	612164	512040	
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	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	662040	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	662040	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	918971	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	256931	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

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 RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CHARLES COLE MEMORIAL HOSPITAL	D Employer Identification Number (EIN) 24-0802108

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

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(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)

EXETER TRUST COMPANY

02-0476209

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	BROKER	139985	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

TOWERS WATSON

53-0181291

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 50	ACTUARY	74278	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 ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 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>RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL</u>		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHARLES COLE MEMORIAL HOSPITAL</u>		D Employer Identification Number (EIN) <u>24-0802108</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	313	509
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	361000	424000
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	26018	16698
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	637134	726583
(2) U.S. Government securities	1c(2)	9045519	1302120
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	764775	486105
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)	2431310	7284788
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	6194373	6584444
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	19460442	16825247

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	0	41528
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	41528

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	19460442	16783719
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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)	973000	
(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)		973000

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	120058	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		120058

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	459165	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		459165

(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)	479689	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		479689

		(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)		
(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)		-260375
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		1771537

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4148501	
(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)		4148501
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)	74278	
(2) Contract administrator fees	2i(2)	17499	
(3) Investment advisory and management fees	2i(3)	126124	
(4) Other	2i(4)	81858	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		299759
j Total expenses. Add all expense amounts in column (b) and enter total	2j		4448260

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-2676723
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: BKD, LLP

(2) EIN: 44-0160260

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.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		3000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?.....	4l		X	
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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 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>RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHARLES COLE MEMORIAL HOSPITAL</u>	D Employer Identification Number (EIN) <u>24-0802108</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>25-1644655</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>94</u>

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

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☒ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Independent Auditor's Report

Governance Oversight Committee
Retirement Plan for Employees of
Charles Cole Memorial Hospital
Coudersport, Pennsylvania

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Retirement Plan for Employees of Charles Cole Memorial Hospital, which comprise the statement of net assets available for benefits as of December 31, 2014 and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 2014 financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion on the 2014 Financial Statements* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2014 financial statements.

Basis for Disclaimer of Opinion on the 2014 Financial Statements

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974*, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Citizens & Northern Bank and Exeter Trust Company, the trustee and custodian of the Plan, except for comparing such information with the related information included in the 2014 financial statements. We have been informed by the plan administrator that the trustee and custodian hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the trustee and custodian as of and for the year ended December 31, 2014, that the information provided to the plan administrator by the trustee and custodian is complete and accurate to the best of their knowledge and belief.

Governance Oversight Committee
Retirement Plan for Employees of
Charles Cole Memorial Hospital
Page 2

Disclaimer of Opinion on the 2014 Financial Statements

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on the 2014 Financial Statements* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2014 financial statements. Accordingly, we do not express an opinion on the 2014 financial statements.

Other Matters – Report on Supplementary Information and Report on 2013 Financial Statements

The supplemental schedules listed in the table of contents are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on the 2014 Financial Statements* paragraph, we do not express an opinion on these supplemental schedules.

We have audited the accompanying 2013 financial statements of the Retirement Plan for Employees of Charles Cole Memorial Hospital, which comprise the statement of the net assets available for benefits as of December 31, 2013 and the statement of changes in net assets available for benefits for the year ended December 31, 2013, and in our report dated October 3, 2014, we expressed our opinion that such financial statement presents fairly, in all material respects, net assets available for benefits of the Plan as of December 31, 2013, and the changes in net assets available for benefits for the year ended December 31, 2013, in accordance with accounting principles generally accepted in the United States of America.

Report on Form and Content in Compliance With DOL Rules and Regulations for 2014 Financial Statements

The form and content of the information included in the 2014 financial statements and supplemental schedules, other than that derived from the information certified by the trustee and custodian, 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*.

BKD, LLP

Erie, Pennsylvania
October 14, 2015
Federal Employer Identification Number: 44-0160260

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**
Statements of Net Assets Available for Benefits
December 31, 2014 and 2013

Assets

	<u>2014</u>	<u>2013</u>
Investments, at Fair Value		
Common stocks	\$ 7,284,788	\$ 2,431,310
Mutual funds	6,584,444	6,194,373
Corporate bonds and notes	486,105	764,775
U.S. Government securities	1,302,120	9,045,519
Money market funds	<u>726,583</u>	<u>637,134</u>
	<u>16,384,040</u>	<u>19,073,111</u>
Receivables		
Employer's contribution	424,000	361,000
Accrued income	<u>16,698</u>	<u>26,018</u>
	<u>440,698</u>	<u>387,018</u>
Noninterest-Bearing Cash	<u>509</u>	<u>313</u>
Total assets	<u>16,825,247</u>	<u>19,460,442</u>
Liabilities		
Due to broker for securities purchased	<u>41,528</u>	<u>-</u>
Net Assets Available for Benefits	<u><u>\$ 16,783,719</u></u>	<u><u>\$ 19,460,442</u></u>

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2014 and 2013

	2014	2013
Investment Income		
Net appreciation in fair value of investments	\$ 219,314	\$ 1,503,486
Interest and dividends	<u>579,223</u>	<u>539,960</u>
Net investment income	798,537	2,043,446
Contributions		
Employer	<u>973,000</u>	<u>821,231</u>
Total additions	<u>1,771,537</u>	<u>2,864,677</u>
Deductions		
Benefits paid to participants	4,148,501	1,081,574
Administrative expenses	<u>299,759</u>	<u>174,485</u>
Total deductions	<u>4,448,260</u>	<u>1,256,059</u>
Net Increase (Decrease)	(2,676,723)	1,608,618
Net Assets Available for Benefits, Beginning of Year	<u>19,460,442</u>	<u>17,851,824</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ 16,783,719</u></u>	<u><u>\$ 19,460,442</u></u>

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Note 1: Description of the Plan

The following description of the Retirement Plan for Employees of Charles Cole Memorial Hospital (Plan) provides only general information. Additional information about the vesting and benefit provisions and the Pension Benefit Guarantee Corporation's (PBGC) benefit guarantee is contained in the Plan Document and *Summary Plan Description*, which are available from the Plan Administrator.

General

The Plan is a noncontributory defined benefit plan covering substantially all employees of Charles Cole Memorial Hospital (Plan Sponsor) and related entities employed prior to January 1, 2003, and provides for retirement, death and disability benefits. The Plan is subject to provisions of the *Employee Retirement Income Security Act of 1974* (ERISA). Citizens & Northern Bank is the trustee and a custodian of the Plan. Effective December 1, 2013, the Plan's other custodian changed from Charles Schwab Institutional to Exeter Trust Company.

The Plan Sponsor determined that the Plan's formula for benefit accruals was to be frozen as of December 31, 2002, for all employees so that no employee shall become a participant in the Plan after such date. The Plan Sponsor adopted two defined contribution plans as of January 1, 2003.

The Plan is administered by the Plan Sponsor's Governance Oversight Committee (Committee), which is a committee of the board of directors of the Plan Sponsor. The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan's Board of Directors.

Contributions

The Plan Sponsor has agreed to voluntarily contribute such additional amounts that are necessary to provide assets sufficient to meet the benefits to be paid to Plan members. The Plan Sponsor's present intention is to make annual contributions in amounts as determined by the Board of Directors based on recommendations by the Plan's actuary. The Plan has met the minimum funding requirements established by ERISA.

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

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Pension Benefits

Eligible participants in the Plan will receive a monthly retirement benefit equal to 1.25% of average monthly earnings multiplied by their credited service. Normal retirement age for Plan benefits is the later of age 65 or the fifth anniversary of the participant's participation in the Plan. Participants may elect to receive reduced benefits upon early retirement when they reach the age of 55, provided that they have at least 10 years of service with the Plan Sponsor.

Death and Disability Benefits

The spouse of a participant will receive a 50% survivor annuity, as defined in the Plan, upon the death of the participant. The surviving spouse annuity is equal to 50% of the participant's monthly benefit. This benefit is immediately payable to the spouse if the participant was already receiving benefits. If the participant was not already receiving benefits, payments to the spouse may commence as of the earliest date the participant would have received benefits.

Active employees who become totally disabled receive disability benefits that are equal to the accrued benefit determined at the date of disability plus credited service prior to January 1, 2003 that would have been earned under the Plan until normal retirement benefit payments commence.

Vesting

Eligible employees are fully vested upon completion of five years of vesting service.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

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

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Valuation of Investments 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.

The Committee determines the Plan's valuation policies utilizing information provided by its investment advisers, trustee, and custodian. See Note 6 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) 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.

Administrative Expenses

Administrative expenses may be paid by the Plan Sponsor or the Plan, at the Plan Sponsor's discretion.

Accumulated Plan Benefits

Accumulated Plan benefits (see Note 7) are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated Plan benefits include benefits expected to be paid to:

- a. Retired or terminated employees or their beneficiaries
- b. Present employees or their beneficiaries

Benefits under the Plan are based on employees' compensation during their last five years of credited service. The accumulated Plan benefits for active employees are based on their average compensation during the five years preceding the valuation date. Accrued benefits under all circumstances (retirement, death, and termination of employment), credited service and earnings were frozen as of December 31, 2002. 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 to the valuation date. Benefits to be provided via annuity contracts excluded from Plan assets are excluded from accumulated Plan benefits.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Transfers Between Fair Value Hierarchy Levels

Transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the last day of the Plan year or as circumstances dictate.

Reclassifications

Certain reclassifications have been made to the 2013 financial statements to conform to the 2014 financial statement presentation. These reclassifications had no effect on changes in net assets available for benefits.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

Note 3: Plan Termination

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

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

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

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 for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

Note 4: Certification of the Plan Trustee and Custodian

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Citizens & Northern Bank, the Plan's trustee and custodian and Exeter Trust Company, the Plan's other custodian, have certified the following information included in the accompanying financial statements and supplemental schedules is complete and accurate to the best of their knowledge and belief:

- Investments as shown in the statement of net assets available for benefits as of December 31, 2014.
- Investment income as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2014.
- Investment information included in the accompanying schedule of assets (held at year end) as of December 31, 2014 and schedule of reportable transactions for the year ended December 31, 2014.

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Note 5: Investments

The following presents investments that represented 5% or more of the Plan's net assets available for benefits at December 31, 2014 and 2013:

	2014	2013
Manning & Napier Core Plus Bond Fund	\$ 2,906,711	\$ 3,295,086
Federal Natl Mtg Assn Disc Note due 11/26/2014	***	4,344,867
Fannie Mae 0.875% due 08/28/2014	***	2,913,630

*** Investment did not meet the 5% threshold for each respective year.

The Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in fair value as follows:

	2014	2013
Mutual funds	\$ (260,375)	\$ 506,978
Common stocks	498,667	1,007,639
Corporate bonds and notes	(17,503)	(3,692)
U.S. Government securities	(1,475)	(7,439)
	<u>\$ 219,314</u>	<u>\$ 1,503,486</u>

Note 6: Fair Value Measurements

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Recurring Measurements

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:

Marketable securities are stated at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the Plan year; investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and ask prices.

For certain investments consisting of corporate bonds and notes that do not have an established fair value, the Committee has established a fair value based on yields currently available on comparable securities of issuers with similar credit ratings.

Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year end.

The following tables present the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2014 and 2013:

	Fair Value	2014 Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Mutual funds				
Money market	\$ 726,583	\$ 726,583	\$ -	\$ -
Corporate and high yield bonds	3,384,541	3,384,541	-	-
Foreign bond	475,056	475,056	-	-
Growth	1,099,944	1,099,944	-	-
Real estate	353,689	353,689	-	-
International stock	1,271,214	1,271,214	-	-
Common stocks				
Energy	424,998	424,998	-	-
Financial	555,400	555,400	-	-
Industrials	533,215	533,215	-	-
Materials	1,041,341	1,041,341	-	-
Healthcare	678,690	678,690	-	-
Services	2,128,462	2,128,462	-	-
Technology	1,195,760	1,195,760	-	-
Consumer	726,922	726,922	-	-
Corporate bonds and notes	486,105	-	486,105	-
U.S. Government securities				
Enterprise securities	1,302,120	-	1,302,120	-
	<u>\$ 16,384,040</u>	<u>\$ 14,595,815</u>	<u>\$ 1,788,225</u>	<u>\$ -</u>

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

	Fair Value	2013 Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Mutual funds				
Money market	\$ 637,134	\$ 637,134	\$ -	\$ -
Corporate and high yield bonds	3,863,657	3,863,657	-	-
Foreign bond	566,415	566,415	-	-
Real estate	386,891	386,891	-	-
International stock	1,377,410	1,377,410	-	-
Common stocks				
Energy	863,379	863,379	-	-
Financial	195,575	195,575	-	-
Industrials	265,292	265,292	-	-
Metals / mining	160,619	160,619	-	-
Technology	777,930	777,930	-	-
Other	168,515	168,515	-	-
Corporate bonds and notes	764,775	-	764,775	-
U.S. Government securities				
Enterprise securities	9,045,519	-	9,045,519	-
	<u>\$ 19,073,111</u>	<u>\$ 9,262,817</u>	<u>\$ 9,810,294</u>	<u>\$ -</u>

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2014. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no assets or liabilities measured at fair value on a nonrecurring basis.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Note 7: Accumulated Plan Benefits

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

The accumulated Plan benefit information as of the end of each Plan year was as follows:

	<u>2014</u>	<u>2013</u>
Actuarial present value of accumulated Plan benefits		
Vested benefits		
Participants receiving benefits	\$ 9,743,152	\$ 9,490,938
Active employees	3,832,160	3,692,092
Participants with deferred benefits	<u>2,103,126</u>	<u>4,103,714</u>
	15,678,438	17,286,744
Nonvested benefits	<u>75,657</u>	<u>87,183</u>
Total actuarial present value of accumulated Plan benefits	<u><u>\$ 15,754,095</u></u>	<u><u>\$ 17,373,927</u></u>

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Changes in the actuarial present value of accumulated Plan benefits were as follows:

	2014	2013
Actuarial present value of accumulated Plan benefits, beginning of year	\$ 17,373,927	\$ 17,360,006
Adjustment to prior year ending balance for updated mortality tables	<u>409,659</u>	<u>-</u>
	17,783,586	17,360,006
Increase (decrease) during the year attributable to		
Actuarial (gain) loss	937,997	(191,978)
Increase for interest due to the decrease in the discount period	1,181,013	1,262,175
Benefits paid	(4,148,501)	(1,081,574)
Assumption changes	<u>-</u>	<u>25,298</u>
Net increase (decrease)	<u>(2,029,491)</u>	<u>13,921</u>
Actuarial present value of accumulated Plan benefits, end of year	<u><u>\$ 15,754,095</u></u>	<u><u>\$ 17,373,927</u></u>

Significant assumptions underlying the actuarial computations are:

- Assumed rate of return on investments: 7.50%
- Mortality basis: The 2007 base rates from the RP-2014 “Employees” and “Healthy Annuitants” tables without collar adjustments projected linearly to 2012 to a long-term assumption of 0.8% were used.
- Retirement: Rates varying by age, from 1.2% at 55 to 100% at 62 and older, with an average age 62.
- Termination: Rates varying by age, from 17.2% at 25 to 1.2% at 55.
- Asset valuation: Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable.
- Marital percentage: 85% of participants are assumed to be married. Wives are assumed to be three years younger than their husbands.

Retirement Plan for Employees of Charles Cole Memorial Hospital

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- Administration expenses: An expense assumption of \$190,000 is included in the target normal cost. This assumption is intended to include expected expenses and PBGC premiums to be paid from the Plan during the year. Expected expenses are based on an average of similar expenses paid from the Plan during prior years.

Other changes in actuarial assumptions:

- The present value of accumulated Plan benefits as of January 1, 2014 shown above includes an adjustment to reflect the use of the RP-2014 Mortality Tables projected with Mortality Improvement Scale MP-2014. The prior year report did not utilize the RP-2014 Mortality Tables.
- The segment interest rates used to calculate the funding target and the target normal cost were updated from an applicable month of September 2013 to September 2014 and reflect the interest rate corridors of HAFTA.
- The required mortality table used to calculate the funding target and funding target normal cost was updated to include one additional year of projected mortality improvements.
- The assumed Plan-related expenses added to the target normal cost were changed from \$150,000 to \$190,000.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits. The computations of the actuarial present value of accumulated Plan benefits were made as of January 1, 2015 and 2014. Had the valuations been performed as of December 31, there would be no material differences.

Note 8: Related Party and Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association, or relatives of such persons.

Citizens & Northern Bank is the Plan's trustee and custodian. Certain Plan investments are shares of mutual funds managed by Manning & Napier, the Plan's investment advisor and State Street Bank, a sub-custodian of Exeter Trust Company, the Plan's custodian, and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation (depreciation) in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

The Plan paid trust and management service fees to the trustee of \$3,638 for 2014 and \$4,711 for 2013. Investment advisory and custodian fees paid to the custodian in 2014 were \$139,985. Brokerage fees of \$50,049 were paid to the former Plan broker in 2013. The Plan has a number of service providers. Such providers are parties in interest under ERISA. Actuarial fees paid by the Plan totaled \$74,278 for 2014 and \$47,454 for 2013. PBGC premiums totaled \$81,858 for 2014 and \$72,231 for 2013.

The Plan Sponsor provides certain administrative services at no cost to the Plan.

Note 9: Plan Amendment

Effective December 1, 2014, the Plan was amended to permit terminated vested participants, without regard to whether they had attained age 55 and were credited with 10 years of service as of December 1, 2014, to voluntarily receive their frozen accrued benefit in a lump sum payment on December 1, 2014. This election was required to be made between August 1, 2014 and October 31, 2014.

Note 10: Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated May 30, 2014, stating that the Plan and related trust, as then designed, were in compliance with the applicable requirements of the Internal Revenue Code and, therefore, not subject to tax. The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

Note 11: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Possible Decline in Investments

It is reasonably possible that there will be a significant decline in the fair value of investments during the next year which would change the assumed rates of return used to discount the benefit obligation and, therefore, could significantly affect the present value of accumulated Plan benefits.

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2014 and 2013

Note 12: 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 statements 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 estimation and assumption 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.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2014

Attained Age	Years of Credited 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 & Over	
	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		0		0		0		0		0		0		0		0	
25 - 29	0		0		0		0		0		0		0		0		0		0	
30 - 34	1		2		0		0		0		0		0		0		0		0	
35 - 39	5		15		5		0		0		0		0		0		0		0	
40 - 44	1		9		6		4		0		0		0		0		0		0	
45 - 49	1		7		3		7		1		0		0		0		0		0	
50 - 54	2		12		10		7		9		8		0		0		0		0	
55 - 59	3		5		4		7		4		11		5		0		0		0	
60 - 64	0		6		1		8		2		3		3		1		0		0	
65 - 69	1		0		0		0		0		0		0		0		0		0	
70 & Over	0		0		0		0		0		0		0		0		0		0	

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
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SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- | | |
|-----------------------|-----------------|
| ● Applicable month | September 2013 |
| ● Interest rate basis | 3-Segment Rates |

Interest rates:

- | | Reflecting
Corridors | Not Reflecting
Corridors |
|---------------------------|-------------------------|-----------------------------|
| ● First segment rate | 4.99% | 1.37% |
| ● Second segment rate | 6.32% | 4.05% |
| ● Third segment rate | 6.99% | 5.06% |
| ● Effective interest rate | 6.48% | 4.36% |

Annual rates of increase

- | | |
|-------------------------------------|-----|
| ● Compensation | N/A |
| ● Future Social Security wage bases | N/A |
| ● Statutory limits on compensation | N/A |

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SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

- ▶ **Healthy** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2029 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2021 using Scale AA)
- ▶ **Disabled** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2029 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2021 using Scale AA)

Termination Rates varying by age

Representative Rates

Percentage leaving during the year	
Attained Age	Rate
25	17.2%
40	11.3%
54	2.3%
55	1.2%

Disability Rates varying by age and gender

Representative Rates

Percentage becoming disabled during the year		
Age	Males	Females
25	0.05%	0.02%
40	0.16%	0.32%
55	0.91%	0.81%

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SCHEDULE SB ATTACHMENTS

Retirement

Rates varying by age, average age 62

Representative Rates

Percentage retiring during the year	
Age	Rates
55	1.2%
56	0.8%
57	0.5%
58	0.3%
59	0.2%
60	0.1%
61	0.0%
62	100%
63	100%
64	100%
65	100%

Benefit commencement date:

- ▶ Preretirement death benefit The later of the death of the active participant or the date the participant would have become eligible for early retirement
- ▶ Deferred vested benefit Normal retirement date
- ▶ Disability benefit Normal retirement date
- ▶ Retirement benefit Upon termination of employment
- ▶ In service Upon election, age 62 or later

Form of payment 100% elect a life annuity

Percent married 85%

Spouse age Wife three years younger than husband

Administrative expenses An expense assumption of \$150,000 is included in the target normal cost. This assumption is intended to include expected expenses and PBGC premiums to be paid from the plan during the year. Expected expenses are based on an average of similar expenses paid from the plan during prior years.

Loads None

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SCHEDULE SB ATTACHMENTS

Timing of benefit payments Annuity payments are payable monthly at the beginning of the month

Methods

Valuation date First day of plan year

Funding target Present value of accrued benefits

Target normal cost Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year

Actuarial value of assets for determining minimum required contributions Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2013 plan year.)

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued All benefits described in the Plan Provisions section of this report were valued based on discussions with Charles Cole Memorial Hospital regarding the likelihood that these benefits will be paid. Towers Watson has reviewed the plan provisions with Charles Cole Memorial Hospital; and, based on that review, is not aware of any significant benefits required to be valued that were not.

Change in assumptions and methods since prior valuation The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2012 to September 2013 and subsequently revised by applying the corridors of HATFA to determine minimum funding requirements and benefit restrictions.

The required mortality table used to calculate the funding target and funding target normal cost was updated to include one additional year of projected mortality improvements.

The assumed plan-related expenses added to the target normal cost were changed from \$130,000 to \$150,000.

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Retirement Plan for Employees of Charles Cole Memorial Hospital

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Schedule H, Line 4j – Schedule of Reportable Transactions Year Ended December 31, 2014

Identity	Description	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset	Net Gain or (Loss)
Category (i) Individual Transactions in Excess of 5% of Plan Assets						
Fannie Mae	FNMA 0.875% due 8/28/2014	\$ -	\$ 1,034,841	\$ 1,034,841	\$ 1,032,730	\$ 2,112
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	1,032,980	-	1,032,980	1,032,980	-
Fannie Mae	FNMA Discount Note due 11/26/2014	-	1,737,947	1,737,947	1,738,596	(649)
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	2,217,505	-	2,217,505	2,217,505	-
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	-	2,208,335	2,208,335	2,208,335	-
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	3,400,000	-	3,400,000	3,400,000	-
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	-	3,400,000	3,400,000	3,400,000	-
Category (iii) Series of Transactions in Excess of 5% of Plan Assets - Same Security						
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	13,823,893	-	13,823,893	13,823,893	-
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	-	13,665,663	13,665,663	13,665,663	-
* Manning & Napier	Core Plus Bond Fund	224,582	-	224,582	224,582	-
* Manning & Napier	Core Plus Bond Fund	-	719,029	749,546	719,029	(30,517)
Fannie Mae	Fannie Mae 0.875% due 8/28/2014	-	2,909,022	2,913,630	2,909,022	4,608
Fannie Mae	FNMA Discount Note due 11/26/2014	-	4,343,506	4,344,867	4,343,506	(1,361)

Retirement Plan for Employees of Charles Cole Memorial Hospital

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Schedule H, Line 4j – Schedule of Reportable Transactions (Continued)

Year Ended December 31, 2014

Identity	Description	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset	Net Gain or (Loss)
Category (iv) Series of Transactions in Excess of 5% of Plan Assets - Same Party						
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	6,650,485	-	6,650,485	6,650,485	-
* State Street Global Advisors	SSGA Inst Liquid Reserves Inv Class	-	5,608,335	5,608,335	5,608,335	-
JP Morgan Chase Bank/G.X. Clark & Co.	FNMA 0.875% due 8/28/2014	294,623	-	294,623	294,623	-
JP Morgan Chase Bank/G.X. Clark & Co.	FNMA 0.875% due 8/28/2014	-	2,909,022	2,913,630	2,909,022	(4,608)
JP Morgan Chase Bank/G.X. Clark & Co.	FNMA Discount Note due 11/26/2014	-	4,343,506	4,344,867	4,343,506	(1,361)
JP Morgan Chase Bank/G.X. Clark & Co.	Freddie Mac 0.875% due 3/7/2018	-	515,565	509,980	515,565	5,585

* Party-in-interest

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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
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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 RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Charles Cole Memorial Hospital	D Employer Identification Number (EIN) 24-0802108	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information				
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2014</u>				
2 Assets:				
a Market value	2a	19451412		
b Actuarial value	2b	18700768		
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.....	230	10363875	10363875	
b For terminated vested participants.....	177	4683078	4683078	
c For active participants.....	179	4169556	4265979	
d Total.....	586	19216509	19312932	
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	6.48%		
6 Target normal cost.....	6	150000		

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	Amy B. Krajci 	<div style="text-align: right;">10/5/15</div> Date 1407170
Signature of actuary Amy B. Krajci Type or print name of actuary Towers Watson Delaware Inc. Firm name		Most recent enrollment number 412-497-3169 Telephone number (including area code)
Towers Watson Delaware Inc. Suite 4940 Pittsburgh PA 15219-2742 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 ☐

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>11.79%</u>	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		45729
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>6.32%</u>		2890
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		48619
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

14	Funding target attainment percentage	14	96.83 %
15	Adjusted funding target attainment percentage	15	96.83 %
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	91.42%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2014	183000	0			
07/11/2014	183000	0			
10/14/2014	183000	0			
01/14/2015	183000	0			
09/14/2015	241000	0			
Totals ►			18(b)	973000	18(c)
					0

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	918971

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:			
a Segment rates:	1st segment: 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 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	150000
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		612164	512040
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	0
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34	662040
		Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement		0	0
36 Additional cash requirement (line 34 minus line 35)		36	662040
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	918971
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	256931
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected		☐ 2 plus 7 years ☐ 15 years	
b Eligible plan year(s) for which the election in line 41a was made		☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011	
42 Amount of acceleration adjustment		42 0	
43 Excess installment acceleration amount to be carried over to future plan years		43 0	

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Charles Cole Memorial Hospital
EIN/PN	24-0802108/001
Plan Name	Retirement Plan for Employees of Charles Cole Memorial Hospital
Valuation Date	January 1, 2014
Enrolled Actuary	Amy B. Krajci
Enrollment Number	14-07170

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2014

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

X	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.012	1,000,000	1.000000	0.012000	0.660000
56	0.008	988,000	0.988000	0.007904	0.442624
57	0.005	980,096	0.980096	0.004900	0.279327
58	0.003	975,196	0.975196	0.002926	0.169684
59	0.002	972,270	0.972270	0.001945	0.114728
60	0.001	970,325	0.970325	0.000970	0.058220
61	0.000	969,355	0.969355	0.000000	0.000000
62	1.000	969,355	0.969355	0.969355	60.100014
Average age at retirement					61.824597
Rounded for Schedule SB item 22					62

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
 EIN / PN: 24-0802108 / 001
 Plan Sponsor: Charles Cole Memorial Hospital
 Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- | | |
|-----------------------|-----------------|
| ● Applicable month | September 2013 |
| ● Interest rate basis | 3-Segment Rates |

Interest rates:

- | | Reflecting
Corridors | Not Reflecting
Corridors |
|---------------------------|-------------------------|-----------------------------|
| ● First segment rate | 4.99% | 1.37% |
| ● Second segment rate | 6.32% | 4.05% |
| ● Third segment rate | 6.99% | 5.06% |
| ● Effective interest rate | 6.48% | 4.36% |

Annual rates of increase

- | | |
|-------------------------------------|-----|
| ● Compensation | N/A |
| ● Future Social Security wage bases | N/A |
| ● Statutory limits on compensation | N/A |

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108 / 001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date:	January 1, 2014

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

- ▶ **Healthy** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2029 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2021 using Scale AA)
- ▶ **Disabled** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2029 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2021 using Scale AA)

Termination

Rates varying by age

Representative Rates

Percentage leaving during the year	
Attained Age	Rate
25	17.2%
40	11.3%
54	2.3%
55	1.2%

Disability

Rates varying by age and gender

Representative Rates

Percentage becoming disabled during the year		
Age	Males	Females
25	0.05%	0.02%
40	0.16%	0.32%
55	0.91%	0.81%

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN: 24-0802108 / 001
Plan Sponsor: Charles Cole Memorial Hospital
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Retirement Rates varying by age, average age 62

Representative Rates

Percentage retiring during the year	
Age	Rates
55	1.2%
56	0.8%
57	0.5%
58	0.3%
59	0.2%
60	0.1%
61	0.0%
62	100%
63	100%
64	100%
65	100%

Benefit commencement date:

- ▶ Preretirement death benefit The later of the death of the active participant or the date the participant would have become eligible for early retirement
- ▶ Deferred vested benefit Normal retirement date
- ▶ Disability benefit Normal retirement date
- ▶ Retirement benefit Upon termination of employment
- ▶ In service Upon election, age 62 or later

Form of payment 100% elect a life annuity

Percent married 85%

Spouse age Wife three years younger than husband

Administrative expenses An expense assumption of \$150,000 is included in the target normal cost. This assumption is intended to include expected expenses and PBGC premiums to be paid from the plan during the year. Expected expenses are based on an average of similar expenses paid from the plan during prior years.

Loads None

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN: 24-0802108 / 001
Plan Sponsor: Charles Cole Memorial Hospital
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Timing of benefit payments

Annuity payments are payable monthly at the beginning of the month

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year
Actuarial value of assets for determining minimum required contributions	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2013 plan year.)</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued based on discussions with Charles Cole Memorial Hospital regarding the likelihood that these benefits will be paid. Towers Watson has reviewed the plan provisions with Charles Cole Memorial Hospital; and, based on that review, is not aware of any significant benefits required to be valued that were not.
Change in assumptions and methods since prior valuation	<p>The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2012 to September 2013 and subsequently revised by applying the corridors of HATFA to determine minimum funding requirements and benefit restrictions.</p> <p>The required mortality table used to calculate the funding target and funding target normal cost was updated to include one additional year of projected mortality improvements.</p> <p>The assumed plan-related expenses added to the target normal cost were changed from \$130,000 to \$150,000.</p>

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108 / 001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date:	January 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

The most recent amended reflected in the following plan provisions was adopted on January 1, 2009. The plan was originally effective January 1, 1973.

Covered employees	Employees of the hospital
Participation date	Age 21 and at least 1,000 hours in any plan year No new participants after December 31, 2002

Definitions

Vesting service	One year for each 1,000-hour calendar year of employment by Charles Cole Memorial Hospital
Credited service	<p>Prior to January 1, 1976: Elapsed time in completed years and months.</p> <p>January 1, 1976 to December 31, 1982: A year of Credited Service is earned for each year an employee completes 1,000 hours of service.</p> <p>January 1, 1983 to December 31, 2002: A year of Credited Service is earned for each year an employee completes 2,080 hours of service. A fraction of a year is earned if the employee completes 1,000 or more hours of service.</p> <p>January 1, 2003 and later: No Credited Service is earned for time worked after December 31, 2002.</p>
Pensionable pay	Basic monthly full-time rate of pay
Average earnings	Average pensionable pay over the five calendar years preceding termination. For terminations after December 31, 2002, average basic pensionable pay over the five calendar years preceding that date.
Normal retirement date (NRD)	Age 65, or after 5 years of vesting service, if later
Monthly pension benefit	1.25% of average monthly earnings times years of credited service
Monthly preretirement death benefit	50% of the accrued monthly benefit, actuarially adjusted for the joint and 50% survivor payment form and early commencement, if applicable, payable commencing on the earliest date the participant could have retired, to the surviving spouse and continuing for the remaining lifetime of the surviving spouse.

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108 / 001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date:	January 1, 2014

SCHEDULE SB ATTACHMENTS

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Age 55 and age plus service is greater than or equal to 65, or five years of vesting service, if later
Postponed retirement	Retirement after NRD
Vested termination	Termination for reasons other than death or retirement after completing five years of vesting service
Disability	Permanent and total disability prior to NRD
Preretirement death benefit	Death occurring while: <ul style="list-style-type: none">▶ Actively employed with five years of vesting service, or▶ Terminated with a vested deferred benefit but before benefit commencement
In-Service commencement	Age 62 or later

Benefits Paid Upon the Following Events

Normal retirement	The monthly pension benefit determined as of NRD
Early retirement	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. The payments are reduced 5/12% for each month retirement precedes age 65.
Postponed retirement	The monthly pension benefit determined as of the actual retirement date
Deferred vested termination	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. Payments may begin when the participant meets the early retirement criteria above, reduced 5/12% for each month retirement precedes age 65.
Disablement	The monthly pension benefit determined as of the date of disablement assuming participant had continued employment to NRD, payable at NRD
Preretirement death	Monthly preretirement death benefit is payable
In-Service commencement	Monthly pension benefit based on retirement eligibility on commencement date

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108 / 001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date:	January 1, 2014

SCHEDULE SB ATTACHMENTS

Other Plan Provisions

Forms of payment

Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 100% joint and survivor annuity, a 75% joint and survivor annuity, a ten-year certain and life annuity, a five-year certain and life annuity or (for married participants) a life annuity. Basis for actuarial equivalence is UP-1984 Unisex Mortality Table and 7.00% interest.

Maximum on benefits and pay

All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Future Plan Changes

No future plan changes were recognized in determining the funded target.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN: 24-0802108 / 001
Plan Sponsor: Charles Cole Memorial Hospital
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data as of January 1, 2014

Years of Credited 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 & Over		
Attained Age	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.	No.	Avg. Comp.
Under 25	0		0		0		0		0		0		0		0		0		0		0	
25 - 29	0		0		0		0		0		0		0		0		0		0		0	
30 - 34	1		2		0		0		0		0		0		0		0		0		0	
35 - 39	5		15		5		0		0		0		0		0		0		0		0	
40 - 44	1		9		6		4		0		0		0		0		0		0		0	
45 - 49	1		7		3		7		1		0		0		0		0		0		0	
50 - 54	2		12		10		7		9		8		0		0		0		0		0	
55 - 59	3		5		4		7		4		11		5		0		0		0		0	
60 - 64	0		6		1		8		2		3		3		1		0		0		0	
65 - 69	1		0		0		0		0		0		0		0		0		0		0	
70 & Over	0		0		0		0		0		0		0		0		0		0		0	

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
 EIN / PN: 24-0802108 / 001
 Plan Sponsor: Charles Cole Memorial Hospital
 Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32 Schedule of Amortization Bases as of January 1, 2014

	Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1	Shortfall	01/01/2014	(523,748)	7	(523,748)	(87,654)
2	Shortfall	01/01/2013	1,289,469	6	1,136,880	215,202
3	Shortfall	01/01/2012	(2,348,794)	5	(1,812,561)	(398,648)
4	Shortfall	01/01/2011	1,087,660	4	666,374	178,952
5	Shortfall	01/01/2010	1,967,259	3	946,762	331,074
6	Shortfall	01/01/2009	(441,724)	2	(153,040)	(78,383)
7	Shortfall	01/01/2008	2,101,535	1	351,497	351,497
Total					612,164	512,040

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
 EIN / PN: 24-0802108 / 001
 Plan Sponsor: Charles Cole Memorial Hospital
 Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2014

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

x	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.012	1,000,000	1.000000	0.012000	0.660000
56	0.008	988,000	0.988000	0.007904	0.442624
57	0.005	980,096	0.980096	0.004900	0.279327
58	0.003	975,196	0.975196	0.002926	0.169684
59	0.002	972,270	0.972270	0.001945	0.114728
60	0.001	970,325	0.970325	0.000970	0.058220
61	0.000	969,355	0.969355	0.000000	0.000000
62	1.000	969,355	0.969355	0.969355	60.100014
Average age at retirement					61.824597
Rounded for Schedule SB item 22					62

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
 EIN / PN: 24-0802108 / 001
 Plan Sponsor: Charles Cole Memorial Hospital
 Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Charles Cole Memorial Hospital
EIN/PN	24-0802108/001
Plan Name	Retirement Plan for Employees of Charles Cole Memorial Hospital
Valuation Date	January 1, 2014
Enrolled Actuary	Amy B. Krajci
Enrollment Number	14-07170

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

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Definitions

Vesting service	One year for each 1,000-hour calendar year of employment by Charles Cole Memorial Hospital
Credited service	<p>Prior to January 1, 1976: Elapsed time in completed years and months.</p> <p>January 1, 1976 to December 31, 1982: A year of Credited Service is earned for each year an employee completes 1,000 hours of service.</p> <p>January 1, 1983 to December 31, 2002: A year of Credited Service is earned for each year an employee completes 2,080 hours of service. A fraction of a year is earned if the employee completes 1,000 or more hours of service.</p> <p>January 1, 2003 and later: No Credited Service is earned for time worked after December 31, 2002.</p>
Pensionable pay	Basic monthly full-time rate of pay
Average earnings	Average pensionable pay over the five calendar years preceding termination. For terminations after December 31, 2002, average basic pensionable pay over the five calendar years preceding that date.
Normal retirement date (NRD)	Age 65, or after 5 years of vesting service, if later
Monthly pension benefit	1.25% of average monthly earnings times years of credited service
Monthly preretirement death benefit	50% of the accrued monthly benefit, actuarially adjusted for the joint and 50% survivor payment form and early commencement, if applicable, payable commencing on the earliest date the participant could have retired, to the surviving spouse and continuing for the remaining lifetime of the surviving spouse.

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Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Age 55 and age plus service is greater than or equal to 65, or five years of vesting service, if later
Postponed retirement	Retirement after NRD
Vested termination	Termination for reasons other than death or retirement after completing five years of vesting service
Disability	Permanent and total disability prior to NRD
Preretirement death benefit	Death occurring while: <ul style="list-style-type: none">▶ Actively employed with five years of vesting service, or▶ Terminated with a vested deferred benefit but before benefit commencement
In-Service commencement	Age 62 or later

Benefits Paid Upon the Following Events

Normal retirement	The monthly pension benefit determined as of NRD
Early retirement	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. The payments are reduced 5/12% for each month retirement precedes age 65.
Postponed retirement	The monthly pension benefit determined as of the actual retirement date
Deferred vested termination	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. Payments may begin when the participant meets the early retirement criteria above, reduced 5/12% for each month retirement precedes age 65.
Disablement	The monthly pension benefit determined as of the date of disablement assuming participant had continued employment to NRD, payable at NRD
Preretirement death	Monthly preretirement death benefit is payable
In-Service commencement	Monthly pension benefit based on retirement eligibility on commencement date

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Other Plan Provisions

Forms of payment

Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 100% joint and survivor annuity, a 75% joint and survivor annuity, a ten-year certain and life annuity, a five-year certain and life annuity or (for married participants) a life annuity. Basis for actuarial equivalence is UP-1984 Unisex Mortality Table and 7.00% interest.

Maximum on benefits and pay

All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Future Plan Changes

No future plan changes were recognized in determining the funded target.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

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Retirement Plan for Employees of Charles Cole Memorial Hospital

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Schedule H, Line 4i – Schedule of Assets (Held at End of Year) December 31, 2014

Identity of Issuer	Description of Investment	Cost	Current Value
U.S. Government securities			
Fannie Mae	\$294,000, .875%, due 8/28/2017	\$ 294,623	\$ 292,973
FHLMC Gold Pool #C91176	\$210,457, 5.50%, due 5/01/2028	228,609	235,395
FHLMC Gold Pool #J26759	\$217,451, 3.00%, due 12/01/2028	222,616	225,973
FHLMC Gold Pool #Q12898	\$161,886, 3.50%, due 11/01/2042	161,481	168,517
FNMA Pool #AE9156	\$90,522, 4.50%, due 11/01/2040	96,406	98,327
FNMA Pool #AL3365	\$247,575, 6.00%, due 5/01/2041	275,041	280,935
Corporate bonds and notes			
American Express Credit	\$50,000, 2.8%, 9/19/2016	52,467	51,471
Bear Stearns Co Inc	\$50,000, 7.25%, 2/01/2018	60,186	57,628
Comcast Corp	\$50,000, 5.875%, 2/15/2018	58,024	56,256
Goldman Sachs Group Inc	\$50,000, 2.375%, 1/22/2018	50,285	50,505
Hartford Finl Svcs	\$50,000, 6.30%, 3/15/2018	58,017	56,505
Hewlett Packard Co	\$50,000, 3.00%, 9/15/2016	52,066	51,339
Morgan Stanley	\$50,000, 4.75%, 3/22/2017	54,798	53,259
Textron Inc	\$50,000, 5.60%, 12/01/2017	56,172	54,945
Time Warner Inc	\$50,000, 5.875%, 11/15/2016	56,687	54,197
Mutual funds			
*Manning & Napier Dymanic Opportunities Fund	50,640 shares	516,110	500,324
*Manning & Napier Focused Opportunities Fund	59,783 shares	622,041	599,618
*Manning & Napier Emerging Markets Fund	18,448 shares	223,557	170,463
*Manning & Napier Inflation Focus Equity Fund	17,479 shares	210,293	191,220
*Manning & Napier Core Plus Bond Fund	276,041 shares	3,016,637	2,906,711
*Manning & Napier High Yield Bond Fund	47,593 shares	521,224	477,831
*Manning & Napier International Fund	79,528 shares	781,358	644,175
*Manning & Napier Real Estate Fund	22,878 shares	328,781	353,690
*Manning & Napier World Opportunities Fund	36,201 shares	318,099	265,356
*Manning & Napier Global Financial Insitutions Fund	49,025 shares	486,381	475,056
Common stocks			
Alcoa, Inc.	11,600 shares	108,884	183,164
Amazon.com, Inc.	430 shares	139,339	133,451
Ambev	13,220 shares	88,997	82,228
AMC Networks, Inc.	4,080 shares	257,194	260,182
Anheuser Busch	1,930 shares	185,868	219,200
Apache, Corp.	830 shares	70,111	52,016
Apollo Education Group, Inc.	3,540 shares	113,011	120,749
Bio Med Realty Trust, Inc.	1,090 shares	20,390	23,479
Cameron International, Corp.	3,370 shares	189,932	168,332
Catamaran, Corp.	3,720 shares	157,692	192,510
Cerner, Corp.	3,780 shares	196,529	244,415
Corporate Office Properties	850 shares	18,548	24,115
D R Horton, Inc.	3,090 shares	62,121	78,146
Diageo	5,590 shares	156,797	161,008
Ebay, Inc.	3,690 shares	186,523	207,083
EMC, Corp.	7,970 shares	191,180	237,028

Retirement Plan for Employees of Charles Cole Memorial Hospital

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

December 31, 2014

Identity of Issuer	Description of Investment	Cost	Current Value
EOG Resources, Inc.	440 shares	36,733	40,511
Express Scripts Holding Co.	2,130 shares	157,396	180,347
Gannet Co.	3,200 shares	101,645	102,176
General Electric Co.	9,890 shares	258,015	249,920
Google, Inc. Class A	150 shares	82,087	79,599
Google, Inc. Class C	140 shares	82,318	73,696
HSBC Holdings	18,760 shares	191,859	177,921
Johnson & Johnson	1,180 shares	110,109	123,393
Joy Global, Inc.	3,320 shares	189,652	154,446
Juniper Networks, Inc.	12,180 shares	255,826	271,857
Lennar, Corp.	1,560 shares	59,999	69,904
Liberty Global	1,890 shares	79,085	94,887
Lululemon Athletica, Inc.	3,340 shares	157,072	186,339
Mastercard, Inc.	1,220 shares	87,727	105,115
Monsanto Co.	3,280 shares	393,563	391,862
Mosaic Co.	3,790 shares	183,311	173,014
Peabody Energy, Corp.	15,390 shares	250,909	119,119
Popular, Inc.	2,710 shares	93,860	92,276
Range Resources, Corp.	1,230 shares	91,404	65,744
Realogy Holdings, Corp.	2,550 shares	104,036	113,450
Sanofi-Aventis	4,000 shares	198,821	182,440
Schlumberger LTD	2,190 shares	190,589	187,048
Sinclair Broadcast Group	4,910 shares	141,084	134,338
Starz	3,410 shares	101,228	101,277
The Priceline Group, Inc.	130 shares	160,765	148,227
Time Warner, Inc.	2,610 shares	199,892	222,946
Toll Brothers, Inc.	1,720 shares	62,451	58,944
Tribune Company New	1,260 shares	73,106	75,310
Trip Advisor, Inc.	1,490 shares	126,626	111,243
Twenty-First Century Fox, Inc.	6,090 shares	201,968	233,886
Viacom Class B	2,580 shares	199,174	194,145
Visa, Inc.	190 shares	39,672	49,818
Weatherford International	7,470 shares	113,315	85,532
Weyerhaeuser Co.	4,100 shares	119,311	147,148
Yum Brands, Inc.	1,370 shares	92,999	99,804
Money market funds			
Federated Government Obligations Tax-Managed Fund	183,254 shares	183,254	183,254
*State Street Global Advisors Inst Liquid Reserves	543,329 shares	543,329	543,329
Cash			
*Exeter Trust	Cash	509	509
		<u>\$ 16,659,774</u>	<u>\$ 16,384,549</u>

* Party in interest

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Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2014

	Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1	Shortfall	01/01/2014	(523,748)	7	(523,748)	(87,654)
2	Shortfall	01/01/2013	1,289,469	6	1,136,880	215,202
3	Shortfall	01/01/2012	(2,348,794)	5	(1,812,561)	(398,648)
4	Shortfall	01/01/2011	1,087,660	4	666,374	178,952
5	Shortfall	01/01/2010	1,967,259	3	946,762	331,074
6	Shortfall	01/01/2009	(441,724)	2	(153,040)	(78,383)
7	Shortfall	01/01/2008	2,101,535	1	351,497	351,497
Total					612,164	512,040

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