

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 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>07/01/2016</u> and ending <u>12/31/2016</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.) ☒ 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>PENSION PLAN FOR EMPLOYEES OF ST. FRANCIS HOSPITAL OF NEW CASTLE</u>	1b	Three-digit plan number (PN) ► <u>003</u>
		1c	Effective date of plan <u>07/01/1968</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>JAMESON HEALTH SYSTEM INC.</u> <u>1211 WILMINGTON AVENUE</u> <u>NEW CASTLE, PA 16105-2516</u>	2b	Employer Identification Number (EIN) <u>25-1536036</u>
		2c	Plan Sponsor's telephone number <u>724-656-4117</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.	10/10/2017	BRIAN FRITZ
	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)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 395
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..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 0 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 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 b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 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 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 07/01/2016 and ending 12/31/2016

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>PENSION PLAN FOR EMPLOYEES OF ST. FRANCIS HOSPITAL OF NEW CASTLE</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>JAMESON HEALTH SYSTEM INC.</u>	D Employer Identification Number (EIN) <u>25-1536036</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>07</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>8571558</u>
b Actuarial value	2b <u>8933225</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>268</u> (2) Vested Funding Target <u>4894292</u> (3) Total Funding Target <u>4894292</u>
b For terminated vested participants	<u>127</u> <u>2243930</u> <u>2243930</u>
c For active participants	<u>0</u> <u>0</u> <u>0</u>
d Total	<u>395</u> <u>7138222</u> <u>7138222</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>5.95 %</u>
6 Target normal cost	6 <u>0</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>03/24/2017</u>
	Signature of actuary	Date
<u>ROBERT CRNJARICH</u>	Type or print name of actuary	<u>14-05141</u>
		Most recent enrollment number
<u>COWDEN ASSOCIATES, INC.</u>	Firm name	<u>412-394-9951</u>
<u>444 LIBERTY AVENUE, SUITE 605</u> <u>PITTSBURGH, PA 15222-1222</u>	Address of the firm	Telephone number (including area code)

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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)		
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>-0.10</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)		1775847
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>6.16</u> %		109392
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c	Total available at beginning of current plan year to add to prefunding balance		1885239
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections		
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	125.14%
15	Adjusted funding target attainment percentage	15	125.14%
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	98.08%
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
Totals ►			18(b)	0	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 0
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:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">1st segment: 4.43%</td> <td style="width: 33%;">2nd segment: 5.91%</td> <td style="width: 33%;">3rd segment: 6.65%</td> </tr> </table>	1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%	☐ N/A, full yield curve used
1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%				
b	Applicable month (enter code)	21b	0			
22	Weighted average retirement age	22	65			
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	0			
b	Excess assets, if applicable, but not greater than line 31a	31b	0			
32	Amortization installments:	Outstanding Balance	Installment			
a	Net shortfall amortization installment	0	0			
b	Waiver amortization installment					
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33			
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34			
			0			
	Carryover balance	Prefunding balance	Total balance			
35	Balances elected for use to offset funding requirement		0			
36	Additional cash requirement (line 34 minus line 35)		36			
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37			
38	Present value of excess contributions for current year (see instructions)					
a	Total (excess, if any, of line 37 over line 36)	38a	0			
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b				
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39			
40	Unpaid minimum required contributions for all years		40			
41			0			
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)					
41	If an election was made to use PRA 2010 funding relief for this plan:					
a	Schedule elected ☒ 2 plus 7 years ☐ 15 years					
b	Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☒ 2010 ☒ 2011					
42	Amount of acceleration adjustment	42				
43	Excess installment acceleration amount to be carried over to future plan years	43				

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.
For calendar plan year 2016 or fiscal plan year beginning 07/01/2016 and ending 12/31/2016		
A Name of plan PENSION PLAN FOR EMPLOYEES OF ST. FRANCIS HOSPITAL OF NEW CASTLE	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 JAMESON HEALTH SYSTEM INC.	D Employer Identification Number (EIN) 25-1536036	

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)

PNC BANK

25-1211909

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 27	TRUSTEE AND INVST.ADVISO	23110	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 ☐

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
(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
(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
(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
(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
(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>Internal Revenue Service</small> <small>Department of Labor</small> <small>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> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning <u>07/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>PENSION PLAN FOR EMPLOYEES OF ST. FRANCIS HOSPITAL OF NEW CASTLE</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>JAMESON HEALTH SYSTEM INC.</u>	D Employer Identification Number (EIN) <u>25-1536036</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	2025288	0
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	8349	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	68606	0
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)	2969620	0
(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)	3581798	0
(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	8653661	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	11707	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	11707	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	8641954	0
---	-----------	---------	---

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(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)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	76	
(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)		76
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	27823	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	56038	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		83861
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	7971229	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	7862486	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		108743
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		192680

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	285946	
(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)		285946
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	23110	
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	25	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		23135
j Total expenses. Add all expense amounts in column (b) and enter total	2j		309081

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-116401
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		8525553

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: ARNETT CARBIS TOOTHMAN, LLP

(2) EIN: 55-0486667

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		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	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			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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)
UPMC BASIC RETIREMENT PLAN	25-1423657	333

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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

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 sections 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 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 07/01/2016 and ending 12/31/2016

A Name of plan <u>PENSION PLAN FOR EMPLOYEES OF ST. FRANCIS HOSPITAL OF NEW CASTLE</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>JAMESON HEALTH SYSTEM INC.</u>	D Employer Identification Number (EIN) <u>25-1536036</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>25-1211909</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>0</u>

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

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

Part III	Amendments
-----------------	-------------------

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

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
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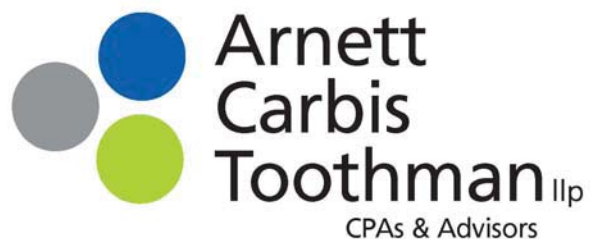
18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding 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: <u>0.0</u> % 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): _____	

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

PENSION PLAN FOR EMPLOYEES OF ST. FRANCIS HOSPITAL OF NEW CASTLE

**Financial Report
December 31, 2016**



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INDEPENDENT AUDITOR'S REPORT

UPMC Jameson Board of Directors
Pension Plan for Employees of
St. Francis Hospital of New Castle
New Castle, Pennsylvania

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Pension Plan for Employees of St. Francis Hospital of New Castle (Plan), which comprise the statements of net assets available for benefits as of December 31, 2016, and June 30, 2016, and the related statements of changes in net assets available for benefits for the period from July 1, 2016, to December 31, 2016, and the year ended June 30, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by PNC Bank, the Custodian of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Custodian holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the Custodian as of December 31, 2016, and June 30, 2016, and for the period from July 1, 2016, to December 31, 2016, and the year ended June 30, 2016, that the information provided to the Plan Administrator by the Custodian is complete and accurate.

Disclaimer of Opinion

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

Other Matter - Plan Merger

As discussed in Note 2 to the financial statements, St. Francis Hospital of New Castle, the Plan's Sponsor, elected on December 30, 2016, to merge the Plan into the UPMC Basic Retirement Plan effective December 31, 2016. The rights to all Plan assets were transferred to the UPMC Basic Retirement Plan immediately after close of business on December 30, 2016, and effective at the beginning of business on December 31, 2016. In accordance with accounting principles generally accepted in the United States of America, the Plan has changed its basis of accounting to the liquidation basis.

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

The form and content of the information included in the financial statements, other than that derived from the information certified or provided by the 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 DOL's Rules and Regulations for Reporting and Disclosure under the ERISA.

Arnett Corbis Toothman LLP

Pittsburgh, Pennsylvania
October 4, 2017

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2016, and June 30, 2016**

	December 31, 2016	June 30, 2016
ASSETS		
Investments, at fair value:		
Registered investment companies	\$ -	\$ 3,581,798
Corporate stock	-	2,969,620
Money market investments	-	68,606
	<hr/>	<hr/>
Total investments	-	6,620,024
	<hr/>	<hr/>
Receivables:		
Employer contributions	-	2,025,288
Accrued income	-	8,349
	<hr/>	<hr/>
Total receivables	-	2,033,637
	<hr/>	<hr/>
Total assets	-	8,653,661
LIABILITIES		
Accrued administrative expenses	-	11,707
	<hr/>	<hr/>
Net assets available for benefits	\$ -	\$ 8,641,954
	<hr/> <hr/>	<hr/> <hr/>

See Notes to Financial Statements

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

**Period from July 1, 2016, to December 31, 2016,
and Year Ended June 30, 2016**

	December 31, 2016	June 30, 2016
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	\$ 108,742	\$ -
Interest and dividend income	83,937	181,850
Total investment income	192,679	181,850
Employer contributions	-	2,131,047
Total additions	192,679	2,312,897
Deductions from net assets attributed to:		
Transfers out	8,525,553	-
Net depreciation in fair value of investments	-	143,396
Benefits payments	285,946	571,749
Administrative expenses	23,134	47,163
Total deductions	8,834,633	762,308
Net increase (decrease)	(8,641,954)	1,550,589
Net assets available for benefits:		
Beginning of period / year	8,641,954	7,091,365
End of period / year	\$ -	\$ 8,641,954

See Notes to Financial Statements

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

NOTES TO FINANCIAL STATEMENTS

Note 1. Description of the Plan

The following is a brief description of the Pension Plan for Employees of St. Francis Hospital of New Castle (Plan) and is provided for general information purposes only. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General: The Plan was a noncontributory defined benefit plan covering substantially all hourly and salaried employees of St. Francis Hospital of New Castle (St. Francis). St. Francis was the trustee of the Plan through October 31, 2002. Effective November 1, 2002, Jameson Health Services, Inc., a wholly owned subsidiary of Jameson Health System, Inc. (System), purchased certain assets and assumed certain liabilities from St. Francis, including the Plan. On November 1, 2002, the System was appointed the new Plan Sponsor and, on that date, the Plan became subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Prior to that date, the Plan was classified as a nonelecting church plan and was not subject to the provisions of the ERISA. Effective October 31, 2002, the Plan was amended to freeze accrued benefits, credited service, and Plan participation. The Plan was amended and restated as of July 1, 2008, to encompass various changes to be in compliance with the current pension laws.

Immediately after close of business on December 30, 2016, and effective at the beginning of business on December 31, 2016, the Plan merged with and transferred rights to the assets of the Plan to the UPMC Basic Retirement Plan which is sponsored by UPMC.

Eligibility: The Plan provided for participation after completion of 1,000 hours of service in a Plan year and employees were 100% vested after five years of credited service.

Effective October 31, 2002, participation in the Plan was frozen. In addition, participants no longer accrued credited service subsequent to October 31, 2002.

Pension benefits: Participants with five years of continuous service, as defined by the Plan, were entitled to pension benefits upon retirement. Pension benefits were provided to participants under several types of retirement options based upon years of continuous service and age. Retirement benefits were paid to pensioners or beneficiaries in various forms of joint and survivor annuities, including a lump-sum payment option for payments less than \$5,000.

Death benefits: If a vested employee died prior to the commencement of benefits, a death benefit equal to the value of the employee's accumulated pension benefits was paid to the employee's beneficiary.

Note 2. Summary of Significant Accounting Policies

The accounting policies followed by the Plan and the method of applying those policies which materially affect the determination of net assets available for benefits and changes in net assets available for benefits were as follows:

Basis of accounting: Due to the decision to merge the Plan immediately after close of business on December 30, 2016, and effective at the beginning of business on December 31, 2016, the financial statements as of December 31, 2016, and June 30, 2016, and for the period from July 1, 2016, to December 31, 2016, and the year ended June 30, 2016, have been prepared on the liquidation basis of accounting.

Investment valuation and income recognition: Investments were stated at fair value. Fair value was the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of investments were recorded on a trade-date basis. Dividend income was recorded on the ex-dividend date and interest income was recorded on the accrual basis. Net appreciation (depreciation) included the Plan's gains and (losses) on investments bought and sold as well as held during the year.

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

NOTES TO FINANCIAL STATEMENTS

Contributions: The System's funding policy was to make contributions to the Plan based on the funding standard developed by the Plan's actuary. Contributions to the Plan were made at various times throughout the year. In the event that a contribution of the current Plan period / year was not received by the end of the Plan period / year (December 31 or June 30), the financial statements would recognize a receivable from the System for Plan contributions.

Payments of benefits: Benefits were recorded when paid.

Administrative expenses: The Plan's administrative expenses were paid by either the Plan or the Plan Sponsor, as provided by the Plan document. Typically the Plan paid for the investment management fees.

Use of estimates: The preparation of financial statements in accordance 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 available for plan benefits, 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. Actual results could differ from those estimates.

Actuarial present value of accumulated Plan benefits: The actuarial present value of accumulated Plan benefits presented below was based upon actuarial valuation as of July 1, 2016, for the period ended December 31, 2016, and as of July 1, 2015, for the year ended June 30, 2016, prepared by the Plan's actuary, Cowden Associates, Inc.

Accumulated Plan benefits were those future periodic payments, including lump-sum distributions, that were attributable under the Plan's provisions for service that participants have rendered up to October 31, 2002. Accumulated Plan benefits included benefits expected to be paid to (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of participants who have died, and (3) present employees or their beneficiaries. Benefits under the Plan were based on the participants' final average earnings (up to the maximum permitted by law) over the five consecutive years in which the participants had their highest total earnings within the ten years preceding October 31, 2002.

The actuarial present value of accumulated Plan benefits was determined by Cowden Associates, Inc., and was that 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 actuarial present value of accumulated Plan benefits as of July 1 is as follows:

	As of July 1, 2016, for the Period Ended December 31, 2016	As of July 1, 2015, for the Year Ended June 30, 2016
<hr/>		
Actuarial present value of accumulated Plan benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 4,515,460	\$ 4,529,624
Other participants	1,644,776	1,702,518
	<hr/>	
Actuarial present value of accumulated Plan benefits	\$ 6,160,236	\$ 6,232,142
	<hr/>	

Nonvested benefits do not exist.

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

NOTES TO FINANCIAL STATEMENTS

The changes in actuarial present value of accumulated Plan benefits for the period ended December 31, 2016, and the year ended June 30, 2016, are as follows:

	December 31, 2016	June 30, 2016
Actuarial present value of accumulated Plan benefits:		
Beginning of period / year	\$ 6,232,142	\$ 6,259,519
Increase (decrease) during the period / year attributable to:		
Decrease in discount period	476,141	478,047
Benefits accumulated and Plan experience	23,702	20,897
Changes in actuarial assumptions	-	52,677
Benefits paid	(571,749)	(578,998)
Actuarial present value of accumulated Plan benefits at end of period / year	<u>\$ 6,160,236</u>	<u>\$ 6,232,142</u>

The significant actuarial assumptions used in the valuation as of July 1, 2016 and 2015, were:

Mortality for Minimum and Maximum Funding:

IRS 2016 Static Mortality Table for July 1, 2016, valuation

IRS 2015 Static Mortality Table for July 1, 2015, valuation

RP-2014 Total Dataset with 2014 SSA Intermediate Improvement Scale for July 1, 2016, Valuation

RP-2015 Total Dataset with SSA Intermediate Improvement Scale for July 1, 2015, Valuation

IRS Prescribed Interest Rates for Funding Target Liability in 2016 and 2015:

	2016		2015	
Minimum/Maximum Funding	Minimum	Maximum	Minimum	Maximum
First Segment Rate	4.43%	1.51%	4.72%	1.31%
Second Segment Rate	5.91%	3.86%	6.11%	4.07%
Third Segment Rate	6.65%	4.86%	6.81%	5.10%
Lookback Month	July	July	July	July
Present Value of Accrued Benefits	8.00%	8.00%	8.00%	8.00%

Retirement was to occur at age 65.

No pre-retirement withdrawal or disability was assumed.

Marital status: 85% married, female spouse four years younger than male.

Asset valuation method: 24-month smoothed value described in IRS Notice 2009-22.

The mortality and segment rates have been updated to comply with IRS requirements for 2016, and BBA legislation for July 1, 2016, valuation.

The mortality and segment rates have been updated to comply with IRS requirements for 2015, and HATFA legislation for July 1, 2015, valuation.

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

NOTES TO FINANCIAL STATEMENTS

The foregoing actuarial assumptions were based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

Subsequent events: In preparing these financial statements, the System evaluated events that occurred through October 4, 2017, the date of the financial statements were available to be issued, for potential recognition or disclosure.

Note 3. Information Certified and Provided by PNC Bank

The following is a summary of the investment information as of December 31, 2016, and June 30, 2016, and for the period from July 1, 2016, to December 31, 2016, and the year ended June 30, 2016, included throughout the Plan's financial statements, that was prepared by or derived from information provided by PNC Bank, the Custodian, and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the Custodian that information provided to the Plan Administrator by the Custodian related to the following investments is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA, the Plan Administrator instructed the Plan's independent auditor not to perform any auditing procedures with respect to information which appears throughout the financial statements related to the following investments as of December 31 and June 30:

	December 31, 2016	June 30, 2016
Investments, at fair value:		
Registered investment companies	\$ -	\$ 3,581,798
Corporate stock	-	2,969,620
Money market investments	-	68,606
	<u>\$ -</u>	<u>\$ 6,620,024</u>

PNC Bank also certified to the completeness and accuracy of \$108,742 and \$(143,396) of net appreciation (depreciation) in fair value of investments, and \$83,937 and \$181,850 of interest and dividend income related to the aforementioned investments for the period from July 1, 2016, to December 31, 2016, and year ended June 30, 2016, respectively.

Note 4. Investments and Fair Value Measurements

Authoritative guidance regarding *Fair Value Measurements* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I measurements) and the lowest priority to unobservable inputs (Level III measurements). The three levels of the fair value hierarchy under the authoritative guidance are described below:

- Level I Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level II Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

NOTES TO FINANCIAL STATEMENTS

If the asset or liability has a specified (contractual) term, the Level II input must be observable for substantially the full term of the asset or liability.

Level III Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of December 31, 2016, or June 30, 2016:

Registered investment companies: Valued based on quoted market prices.

Corporate stock: Valued at the closing price reported in the active market in which the individual securities are traded.

Money market investments: Valued at \$1 per unit based on number of units held by the Plan at year end.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2016 (there are no assets to report for the Plan as of December 31, 2016):

	Assets at Fair Value as of			
	June 30, 2016			
	Total	Level I	Level II	Level III
Registered investment companies	\$ 3,581,798	\$ 3,581,798	\$ -	\$ -
Corporate stock	2,969,620	2,969,620	-	-
Money market investments	68,606	68,606	-	-
Total assets at fair value	\$ 6,620,024	\$ 6,620,024	\$ -	\$ -

Note 5. Funding Policy

Contributions to provide benefits under the Plan were made solely by the System. The System's funding policy was to make cash contributions to the Plan in amounts as determined by the Plan's independent actuary. The System's contributions for 2016 exceeded or met the minimum funding requirements of the ERISA.

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

NOTES TO FINANCIAL STATEMENTS

Note 6. Plan Termination / Merger

The System had the right under the Plan to terminate the Plan at any time subject to the provisions of the ERISA. In the event of Plan termination, the net assets of the Plan would be allocated as prescribed by the ERISA and its regulations, generally to provide the following benefits in the order indicated:

1. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for the three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The annuity amount is limited to the lowest benefits that would be payable under the Plan provisions in effect at any time during the five years preceding Plan termination.
2. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC), a U.S. government agency, up to applicable limits.
3. All other uninsured, vested benefits.
4. All non-vested benefits.

Certain benefits under the Plan were insured by the PBGC if the Plan terminated. Generally, the PBGC guarantees most vested normal age retirement benefits, and certain disability and survivors' 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 not 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. That ceiling applies to those participants who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceiling is actuarially adjusted downward.

Whether all participants receive their benefits should the Plan be terminated 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.

Immediately after close of business on December 30, 2016, and effective at the beginning of business on December 31, 2016, the Pension Plan for Employees of St. Francis Hospital of New Castle ceased to exist separately from the UPMC Basic Retirement Plan, which is sponsored by UPMC. Rights relating to the Pension Plan for Employees of St. Francis Hospital of New Castle were transferred to the UPMC Basic Retirement Plan as of this time.

Note 7. Tax Status

The Internal Revenue Service had determined and informed the System, by a letter dated March 11, 2008, that the Plan and related trust was designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan was amended since receiving the determination letter. However, the Plan Administrator believed that the Plan was designed and was being operated in compliance with applicable requirements of the IRC.

Authoritative guidance for accounting for uncertainty in income taxes require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Generally, tax returns for the years ended June 30, 2013, and through the period ended December 31, 2016, remain subject to examination by the appropriate taxing authorities.

**PENSION PLAN FOR EMPLOYEES OF
ST. FRANCIS HOSPITAL OF NEW CASTLE**

NOTES TO FINANCIAL STATEMENTS

Note 8. Risks and Uncertainties

The Plan invested 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 was at least reasonably possible that changes in the values of investment securities occurred and that such changes materially affected the amounts reported on the statements of net assets available for benefits.

Plan contributions were made and the actuarial present value of accumulated Plan benefits were reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which were subject to change. Due to uncertainties inherent in the estimations and assumptions process, it was at least reasonably possible that changes in these estimates and assumptions could have been material to the financial statements.

Note 9. Party-in-Interest Transactions

PNC Bank was the Plan's Custodian. The Plan had investments in various BlackRock mutual funds, which were affiliated with PNC Bank. As a result, these transactions qualified as party-in-interest transactions. Certain administrative functions were performed by officers or employees of the System. No such officers or employees received compensation from the Plan.

For the period from July 1, 2016, to December 31, 2016, and the year ended June 30, 2016, the Plan paid \$23,159 and \$47,163, respectively, in fees to PNC Bank for investment related services.

Pension Plan for Employees of St. Francis Hospital of New Castle
EIN: 25-1536036 / PN: 003
2016 Schedule SB (Form 5500)
Part V - Statement of Actuarial Assumptions/Methods

Actuarial Methods and Assumptions

As of July 1, 2016

Mortality for Minimum and Maximum Funding: IRS 2016 Static Mortality Table

IRS Prescribed Interest Rates for Funding Target Liability in 2016 (Minimum as Revised by HATFA)

	Current Year	
	<u>Minimum</u>	<u>Maximum</u>
• Minimum/Maximum Funding		
First Segment Rate	4.43%	1.51%
Second Segment Rate	5.91%	3.86%
Third Segment Rate	6.65%	4.86%
Lookback Month	July	July
• Present Value of Accrued Benefits	8.00%	

Retirement will occur at age 65.

No pre-retirement withdrawal or disability is assumed.

Marital status: 85% married, female spouse 4 years younger than male.

Expenses: None. It is our understanding that Jameson Health System, Incorporated pays all non-investment administrative expenses outside of the Plan.

Actuarial Cost Method: Unit Credit. A method under which the projected benefits of each individual included in an actuarial valuation are allocated by a consistent formula to valuation years. The actuarial present value of benefits allocated to a valuation year is the normal cost. The actuarial present value of benefits allocated to all periods prior to a valuation year is called actuarial accrued liability. Under this method, the Actuarial Gains (losses), as they occur, generally reduce (increase) the Actuarial Accrued Liability.

Asset Valuation Method: 24-month smoothed value described in IRS Notice 2009-22.

Changes since prior valuation: The mortality and segment rates have been updated to comply with IRS requirements for 2016, and BBA legislation.

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 4085 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2016 or fiscal plan year beginning <u>07/01/2016</u> and ending <u>12/31/2016</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.) ☒ 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 DFCV program ☐ special extension (enter description)	

Part II Basic Plan Information—enter all requested information											
1a Name of plan Pension Plan for Employees of St. Francis Hospital of New Castle 2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) Jameson Health System Inc. 1211 Wilmington Avenue New Castle PA 16105-2516	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 50%; text-align: center;">003</td> </tr> <tr> <td colspan="2">1c Effective date of plan 07/01/1968</td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) 25-1536036</td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number 724-656-4117</td> </tr> <tr> <td colspan="2">2d Business code (see instructions) 622000</td> </tr> </table>	1b Three-digit plan number (PN) ▶	003	1c Effective date of plan 07/01/1968		2b Employer Identification Number (EIN) 25-1536036		2c Plan Sponsor's telephone number 724-656-4117		2d Business code (see instructions) 622000	
1b Three-digit plan number (PN) ▶	003										
1c Effective date of plan 07/01/1968											
2b Employer Identification Number (EIN) 25-1536036											
2c Plan Sponsor's telephone number 724-656-4117											
2d Business code (see instructions) 622000											

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	 Signature of plan administrator	<u>10-10-17</u> Date	Brian Fritz 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)			Preparer's telephone number

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

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

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2016**This Form is Open to Public
Inspection**For calendar plan year 2016 or fiscal plan year beginning 07/01/2016 and ending 12/31/2016▶ **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 PENSION PLAN FOR EMPLOYEES OF ST. FRANCIS HOSPITAL OF NEW CASTLE		B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF JAMESON HEALTH SYSTEM INC.		D Employer Identification Number (EIN) 25-1536036
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>07</u> Day <u>01</u> Year <u>2016</u>			
2 Assets:			
a Market value.....		2a	8,571,558
b Actuarial value.....		2b	8,933,225
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.....	268	4,894,292	4,894,292
b For terminated vested participants.....	127	2,243,930	2,243,930
c For active participants.....	0	0	0
d Total.....	395	7,138,222	7,138,222
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	5.95%	
6 Target normal cost.....	6	0	

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	ROBERT CRNJARICH	03/24/2017
Signature of actuary		Date
ROBERT CRNJARICH		1405141
Type or print name of actuary		Most recent enrollment number
COWDEN ASSOCIATES, INC.		412-394-9951
Firm name		Telephone number (including area code)
444 LIBERTY AVENUE, SUITE 605		
PITTSBURGH PA 15222-1222		
Address of the firm		

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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)		
9 Amount remaining (line 7 minus line 8).....	0	0
10 Interest on line 9 using prior year's actual return of <u> - 0.10 </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).....		1,775,847
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> 6.16 </u> %.....		109,392
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		1,885,239
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections		
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	125.14%
15 Adjusted funding target attainment percentage.....	15	125.14%
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	98.08%
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
Totals ►			18(b)	0	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	0

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

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

21 Discount rate:				
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 65
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	0	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

Pension Plan for Employees of St. Francis Hospital of New Castle
EIN: 25-1536036 / PN: 003
2016 Schedule SB (Form 5500)
Part V - Summary of Plan Provisions

Plan Provisions

The following is a summary of the major provisions of the plan as of July 1, 2016. Please refer to the plan document for a more complete description of the most recent plan provisions.

General Information

- Original Plan: July 1, 1968
- Plan Year: July 1 to June 30
- Most Recent Amendment Effective: December 19, 2011

Covered Employees: Each employee participates in the plan on the first day of the month coincident with or next following July 1 or January 1 after completing 1,000 hours of service and attaining age

Plan Freeze: Effective October 31, 2002, the Plan was frozen to new participants and to the accrual of benefits.

Benefit Provisions

- **Normal Retirement:** The first day of the month coincident with or next following age 65.
- **Normal Retirement Benefit:** (a) .5% of average compensation multiplied by years of service, plus (b) .5% of average compensation in excess of covered compensation multiplied by years of service (maximum of 35 years). Benefits were frozen as of October 31, 2002. In no event will a participant's retirement benefit exceed the limits set forth in Section 415 of the Internal Revenue
- **Early Retirement:** The first day of the month coincident with or next following age 60 and 5 years of service. The frozen benefit is reduced actuarially for each month it commences prior to normal retirement.
- **Late Retirement:** If the participant retires after Normal Retirement Date, the late retirement benefit is the frozen benefit payable as of the first day of the month coincident with or next following his actual retirement date.
- **Deferred Vested Benefit:** Upon termination of employment after 5 years of vesting service or upon attainment of age 65, a participant is fully vested in his accrued benefit. The accrued benefit is payable in full at normal retirement and will be reduced if payments begin on an early
- **Pre-Retirement Death Benefit:** For vested active or terminated participants who become deceased, 100% of the accrued benefit reduced for a 100% joint & survivor form of payment and early retirement, if applicable. Payment may begin at the earliest date the participant would be
- **Automatic Payment Form:** For unmarried participants, a life annuity with 60 monthly payments guaranteed. For married participants, a joint and 100% survivor annuity.