

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 2019 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</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>HEALTH CARE AND RETIREMENT CORPORATION UNION EMPLOYEES' PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>005</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>HEARTLAND EMPLOYMENT SERVICES, LLC</u> <u>KIM NAGLE</u> <u>333 N SUMMIT ST</u> <u>TOLEDO, OH 43604-1531</u>		1c Effective date of plan <u>08/01/1986</u>	
		2b Employer Identification Number (EIN) <u>34-1903270</u>	
		2c Plan Sponsor's telephone number <u>419-252-5500</u>	
		2d Business code (see instructions) <u>623000</u>	

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2020	LES THOMPSON
	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

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

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3a Plan administrator's name and address ☐ Same as Plan Sponsor HCR MANORCARE EMPLOYEE BENEFITS COMMITTEE KIM NAGLE 333 N SUMMIT ST TOLEDO, OH 43604-1531	3b Administrator's EIN 34-1903270 3c Administrator's telephone number 419-252-5824
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 107
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 who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 50 6a(2) 48 6b 18 6c 29 6d 95 6e 1 6f 96 6g 6h 1
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 3F 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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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 2019 Form M-1 annual report. If the plan was not required to file the 2019 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 2019 This Form is Open to Public Inspection
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For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

▶ **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>HEALTH CARE AND RETIREMENT CORPORATION UNION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>HEARTLAND EMPLOYMENT SERVICES, LLC</u>	D Employer Identification Number (EIN) <u>34-1903270</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2019</u>	
2 Assets:	
a Market value	2a <u>1082620</u>
b Actuarial value	2b <u>1082620</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>19</u> (2) Vested Funding Target <u>246468</u> (3) Total Funding Target <u>246468</u>
b For terminated vested participants.....	<u>38</u> <u>435836</u> <u>435836</u>
c For active participants	<u>50</u> <u>393500</u> <u>398888</u>
d Total.....	<u>107</u> <u>1075804</u> <u>1081192</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>5.57</u> %
6 Target normal cost.....	6 <u>11122</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>09/09/2020</u>
Signature of actuary		Date
<u>PAUL J. GIBBONS</u>		<u>20-06478</u>
Type or print name of actuary		Most recent enrollment number
<u>FINDLEY, INC.</u>		<u>216-875-1900</u>
Firm name		Telephone number (including area code)
<u>1660 W 2ND ST.</u> <u>SUITE 900</u> <u>CLEVELAND, OH 44113</u>		
Address of the firm		

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

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

Schedule SB (Form 5500) 2019
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Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	52
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	52
10 Interest on line 9 using prior year's actual return of <u>-4.32</u> %	0	-2
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		312344
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>5.68</u> %		17741
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		330085
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	50

Part III Funding Percentages

14 Funding target attainment percentage	14	100.12 %
15 Adjusted funding target attainment percentage	15	100.13 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	87.20 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/12/2019	11768	0			
Totals ▶			18(b)	11768	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	11588

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:
3.74 %2nd segment:
5.35 %3rd segment:
6.11 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

0

22 Weighted average retirement age**22**

62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined☒ Prescribed - separate☐ Substitute**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) **29** 0**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6) **31a** 11122**b** Excess assets, if applicable, but not greater than line 31a **31b** 1378**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance 0 Installment 0**b** Waiver amortization installment 0 0**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) **34** 9744**35** Balances elected for use to offset funding requirement Carryover balance 0 Prefunding balance 0 Total balance 0**36** Additional cash requirement (line 34 minus line 35) **36** 9744**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 11588**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 1844**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b** 0**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0**40** Unpaid minimum required contributions for all years **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

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
		2019
		This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning **01/01/2019** and ending **12/31/2019**

A Name of plan HEALTH CARE AND RETIREMENT CORPORATION UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 HEARTLAND EMPLOYMENT SERVICES, LLC	D Employer Identification Number (EIN) 34-1903270	

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

BAIRD ADVISORS

39-6037917

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

PNC BANK, NATIONAL ASSOCIATION

22-1146430

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

HARRIS ASSOCIATES LP

04-3276558

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

CAPITAL RESEARCH AND MANAGEMENT CO

95-1411037

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

HARBOR CAPITAL ADVISORS, INC.

34-1953397

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

HARBOR SERVICES GROUP, INC.

34-1953399

(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)

(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 ☐

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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan HEALTH CARE AND RETIREMENT CORPORATION UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 HEARTLAND EMPLOYMENT SERVICES, LLC	D Employer Identification Number (EIN) 34-1903270	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions.....	1b(1)	359682	0
	(2) Participant contributions.....	1b(2)		
	(3) Other.....	1b(3)	3	11
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	2952	8358
	(2) U.S. Government securities	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common.....	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property).....	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans.....	1c(8)		
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)		
	(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)	726948	1166636
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(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	1089585 1175005
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	1089585 1175005

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.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	13923
	(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)	13923
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	681
	(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)	681
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	36676
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	36676
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(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)		112525
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		163805

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	78385	
(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)		78385
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		78385

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		85420
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (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: **PLANTE & MORAN, PLLC**

(2) EIN: **38-1357951**

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?	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		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.)	X		
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.)	X		
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☐ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4237289. (See instructions.)

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 2019 This Form is Open to Public Inspection.
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan HEALTH CARE AND RETIREMENT CORPORATION UNION EMPLOYEES' PENSION PLAN		B Three-digit plan number (PN) ▶ 005
C Plan sponsor's name as shown on line 2a of Form 5500 HEARTLAND EMPLOYMENT SERVICES, LLC		D Employer Identification Number (EIN) 34-1903270
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 25-1211909		
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 11
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2019 v. 190130		

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

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****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

b The corresponding number for the second preceding plan year

15a**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

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

16a**16b**

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

- a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

- b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

Health Care and Retirement Corporation Union Employees' Pension Plan

Financial Report
December 31, 2019

Health Care and Retirement Corporation Union Employees' Pension Plan

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Independent Auditor's Report

To the ProMedica Health System
Retirement Committee Members
Health Care and Retirement Corporation
Union Employees' Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Health Care and Retirement Corporation Union Employees' Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2019 and 2018 and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

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 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 by PNC Bank, N.A. (the "Trustee"), except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes related transactions. The plan administrator has obtained certifications from the Trustee as of and for the years ended December 31, 2019 and 2018 that the information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of assets held at end of year as of December 31, 2019 and reportable transactions for the year ended December 31, 2019 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

To the ProMedica Health System
Retirement Committee Members
Health Care and Retirement Corporation
Union Employees' Pension Plan

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

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Plante & Moreau, PLLC

Toledo, Ohio
October 12, 2020

Health Care and Retirement Corporation Union Employees' Pension Plan

Statement of Net Assets Available for Benefits

	December 31, 2019 and 2018	
	2019	2018
Assets		
Investments at fair value:		
Money market fund	\$ 8,358	\$ 2,952
Mutual funds	1,166,636	726,948
Total investments	1,174,994	729,900
Contributions receivable	-	359,682
Accrued income	11	3
Net Assets Available for Benefits	\$ 1,175,005	\$ 1,089,585

Health Care and Retirement Corporation Union Employees' Pension Plan

Statement of Changes in Net Assets Available for Benefits

Years Ended December 31, 2019 and 2018

	2019	2018
Additions		
Contributions - Employer	\$ 13,923	\$ 396,021
Investment income (loss):		
Interest and dividends	37,357	47,033
Net realized and unrealized gains (losses) on investments	112,525	(90,974)
Total investment income (loss)	149,882	(43,941)
Total additions	163,805	352,080
Deductions - Benefits paid directly to participants or beneficiaries	78,385	364,126
Net Increase (Decrease)	85,420	(12,046)
Net Assets Available for Benefits		
Beginning of year	1,089,585	1,101,631
End of year	\$ 1,175,005	\$ 1,089,585

Health Care and Retirement Corporation Union Employees' Pension Plan

Notes to Financial Statements

December 31, 2019 and 2018

Note 1 - Plan Description

The following description of Health Care and Retirement Corporation Union Employees' Pension Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined benefit plan covering certain employees of Heartland Employment Services, LLC (the "Company"), a wholly owned subsidiary of HCR ManorCare, Inc., who are subject to a collective bargaining agreement, are age 21 or older, and have completed 12 months and 1,000 hours of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility and Vesting

Employees become participants in the Plan following completion of the eligibility requirements, as described in the Plan, and are fully vested for normal retirement benefits upon the earlier of five years of service or attainment of age 65.

Pension Benefits

Eligible employees are entitled to normal annual pension benefits generally beginning at the participant's normal retirement age of 65, as described in the Plan. For participants hired after January 1, 2015, normal retirement age is defined as the later of age 65 or the participant's fifth anniversary of commencing participation in the Plan. The individual pension benefit is equal to years of credited service times a monthly pension basic benefit based on average compensation at retirement. Special provisions for retirement at other than the normal retirement age are described in the plan agreement. Employees at age 55 with at least 10 years of service may elect early retirement and receive a reduced monthly retirement benefit or lump sum payable immediately in accordance with the plan agreement.

Death Benefits

If an active or terminated employee who has a vested interest in the Plan dies prior to his or her normal retirement age, a death benefit equal to the benefit the employee would have received under the qualified joint and survivor annuity form had they retired on the day immediately preceding the date of his or her death will be paid to the surviving spouse. Beneficiaries of unmarried participants and those who have elected to waive the preretirement surviving spouse benefit will receive a lump-sum benefit or monthly installments equal to the actuarial equivalent of the participant's vested accrued normal retirement benefit at the date of break in service.

Payment of Benefits

Distributions are payable upon retirement, death, disability, or termination of employment in the form of a lump-sum amount equal to the vested value of the participant's accumulated plan benefits or in various installment annuities.

Funding and Contributions

The Company contributes such amounts, as determined on an actuarial basis, to provide assets sufficient to meet the benefits to be paid to plan participants and satisfy the ERISA minimum funding standards. Annual contributions meet the minimum funding requirements of ERISA. No participant contributions are permitted.

Party-in-interest Transactions

Certain plan assets are in investment funds managed by PNC Bank, N.A. or its affiliates. PNC Bank, N.A. is the trustee of the Plan; therefore, these transactions qualify as party-in-interest transactions, as defined under ERISA guidelines.

December 31, 2019 and 2018

Note 2 - Summary of Significant Accounting Policies

Investment Valuation

The Plan's investments are stated at fair value. All investments are valued based on quoted market prices. See Note 4 for additional information.

Benefit Payments

Benefits are recorded when paid.

Administrative Expenses

Administrative expenses of \$67,000 and \$83,000 for the years ended December 31, 2019 and 2018, respectively, were paid indirectly by the Company.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments that are attributable, under the Plan's provisions, to the service that employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The present value of accumulated plan benefits is actuarially determined and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment due to death, disability, or retirement between the valuation date and the expected date of payment.

Actuarial Assumptions

The significant actuarial assumptions used in the valuation of the Plan at December 31, 2018 are summarized as follows:

Actuarial cost method	Projected unit credit
Assumed rate of return	4.75 percent per annum
Mortality basis	RP-2014 mortality rates generationally improved using scale MP 2018
Benefits multiplier	All active accruing participants are assumed to be at the \$13 multiplier.

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

December 31, 2019 and 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Risks and Uncertainties

Contributions to the Plan and the accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. It is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the financial statements.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including October 12, 2020, which is the date the financial statements were available to be issued.

Subsequent to year end, the Plan's investment portfolio has incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined.

Note 3 - Unaudited Information

PNC Bank, N.A. (the "Trustee") holds the Plan's investments and executes all investment transactions. The investment balances and related investment income and losses included in the accompanying financial statements and supplemental schedules of assets held at end of year and reportable transactions are based solely on information certified by the Trustee.

Note 4 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the valuation techniques and inputs used to measure fair value.

Level 1

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Plan has the ability to access.

Level 2

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, and inputs other than quoted prices that are observable for the asset.

Level 3

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

Health Care and Retirement Corporation Union Employees' Pension Plan

Notes to Financial Statements

December 31, 2019 and 2018

Note 4 - Fair Value Measurements (Continued)

In instances where inputs used to measure fair value fall into different levels of the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Plan's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The following tables present information about the Plan's assets measured at fair value on a recurring basis at December 31, 2019 and 2018:

		Assets Measured at Fair Value on a Recurring Basis at December 31, 2019	
		Investments (at Fair Value)	Level 1
Mutual funds		\$ 1,166,636	\$ 1,166,636
Money market fund		8,358	8,358
Total		<u>\$ 1,174,994</u>	<u>\$ 1,174,994</u>
		Assets Measured at Fair Value on a Recurring Basis at December 31, 2018	
		Investments (at Fair Value)	Level 1
Mutual funds		\$ 726,948	\$ 726,948
Money market fund		2,952	2,952
Total		<u>\$ 729,900</u>	<u>\$ 729,900</u>

The Plan's policy is to recognize transfers between levels of the fair value hierarchy as of the actual date of the event or change in circumstances that caused the transfer.

Note 5 - Tax Status

The Plan has received a determination letter from the Internal Revenue Service indicating that the Plan, as designed, is qualified for tax-exempt treatment under the applicable section of the Internal Revenue Code (IRC). Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Note 6 - Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is determined by consulting actuaries. The calculation of the actuarial present value of accumulated plan benefits attributable to participants in the Plan, which was made as of and for the year ended December 31, 2018, the most recent actuarial valuation, is as follows:

Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving benefit payments	\$ 259,796
Other vested participants	<u>982,449</u>
Total vested benefits	1,242,245
Nonvested benefits	<u>1,257</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 1,243,502</u>

Health Care and Retirement Corporation Union Employees' Pension Plan

Notes to Financial Statements

December 31, 2019 and 2018

Note 6 - Accumulated Plan Benefits (Continued)

A summary of significant changes in the actuarial present value of accumulated plan benefits during the year ended December 31, 2018 is as follows:

Actuarial present value of accumulated plan benefits - Beginning of year	\$ 1,545,382
(Decrease) increase during the year attributable to:	
Benefits accumulated (including gains and losses)	(920)
Interest due to the decrease in the discount period	64,858
Benefits paid	(364,126)
Changes in actuarial assumptions	<u>(1,692)</u>
Net decrease	<u>(301,880)</u>
Actuarial present value of accumulated plan benefits - End of year	<u>\$ 1,243,502</u>

Note 7 - Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions set forth in ERISA. In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Provide benefits for all participants or beneficiaries whose benefits have been, or could have been, in pay status for the entire three-year period prior to termination, based on the plan provisions in effect during the five-year period ending on such date under which such benefit would be the least
2. Provide all other benefits guaranteed under Title IV of the Employee Retirement Income Security Act of 1974 (without regard to the limitation of Section 4022(b)(3) or the limitation on benefits payable to "substantial owners" of Section 4022(b)(5))
3. Provide all other vested benefits other than those becoming nonforfeitable solely on account of the termination of the Plan
4. Provide all other benefits under the Plan

The Pension Benefit Guaranty Corporation (PBGC) guarantees the payment of all nonforfeitable basic benefits subject to certain limitations prescribed by ERISA. Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

Schedule SB, Line 26 - Schedule of Active Participant Data

January 1, 2019 Valuation
The Health Care and Retirement Corporation Union Employees' Pension Plan
(EIN: 34-1903270; PN: 005)

Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	-	2 (*)	-	-	-	-	-	-	-	-
25 to 29	-	1 (*)	2 (*)	-	-	-	-	-	-	-
30 to 34	1 (*)	2 (*)	-	-	-	-	-	-	-	-
35 to 39	1 (*)	2 (*)	2 (*)	-	1 (*)	-	-	-	-	-
40 to 44	-	5 (*)	2 (*)	-	-	-	-	-	-	-
45 to 49	1 (*)	2 (*)	3 (*)	1 (*)	-	-	-	-	-	-
50 to 54	-	1 (*)	1 (*)	2 (*)	1 (*)	-	2 (*)	-	-	-
55 to 59	1 (*)	2 (*)	2 (*)	2 (*)	3 (*)	1 (*)	-	-	-	-
60 to 64	-	-	1 (*)	1 (*)	-	1 (*)	-	-	-	-
65 to 69	-	-	-	-	-	-	-	-	-	-
70 & up	-	1 (*)	-	-	-	-	-	-	-	-

* Average compensation is not shown since there are fewer than 1,000 active participants in this plan

Appendix B

Statement of Actuarial Assumptions and Methods

Minimum Funding Annual Interest Rates	24-month segment rates averaged through the end of December 2018 and published in January 2019 (as prescribed by IRC 430) and adjusted to reflect BBA: - Segment 1 (0 – 5 years) 3.74% - Segment 2 (5 to 20 years) 5.35% - Segment 3 (more than 20 years) 6.11% - Effective Interest Rate 5.57%
Maximum Deductible Annual Interest Rates	24-month segment rates averaged through the end of December 2018 and published in January 2019 (as prescribed by IRC 430) as follows: - Segment 1 (0 – 5 years) 2.55% - Segment 2 (5 to 20 years) 3.93% - Segment 3 (more than 20 years) 4.49% - Effective Interest Rate 4.14%
Annual Expected Return on Assets	Interest Rate for developing Actuarial Value of Assets; limited to third segment rate 7.00% Rationale: as selected by the Plan Sponsor
PBGC Annual Interest Rates	24-month segment rates averaged through the end of December 2018 and published in January 2019 using the Standard Method (as prescribed by IRC 430) as follows: - Segment 1 (0 – 5 years) 3.38% - Segment 2 (5 to 20 years) 4.32% - Segment 3 (more than 20 years) 4.69% - Effective Interest Rate 4.48%
Salary Scale	Not applicable
Benefit Multiplier	All active accruing participants are assumed to be at the \$13 Benefit Multiplier.
Mortality	Funding: RP-2006 static, non-generational Mortality Table as described in Regulation 1.430(h)(3)-1 and Notice 2017-60, projected by Scale MP-2017, male and female, with different rates for annuitants and nonannuitants (as prescribed by IRC 430). Lump Sum: IRC Section 417(e) mortality for lump sums in stability periods beginning in 2019. Disabled: SOA RP-2014 Disabled Retiree Mortality scaled back to 2006 using the MP-2014 projection scale and then forward with the MP-2018 projection scale.

Appendix B (Continued)

Rates of Retirement

Actives are assume to retire based on age as follows:

<u>Age</u>	<u>Rate</u>
55-58	6%
59	7
60-61	12
62-64	24
65	50
66-69	25
70+	100

Terminated Vested participants and Deferred Beneficiaries are assumed to commence at Normal Retirement Date.

Rationale: as adopted by Plan Sponsor based on experience study completed in 2018 to reasonably align with historical experience

Weighted Average Retirement Age is 62. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Rates of Turnover

Based on age and length of service as follows:

<u>Age</u>	<u>Years of Service</u>					
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5+</u>
20	50.0%	50.0%	40.0%	40.0%	40.0%	30.0%
30	40.0%	40.0%	29.0%	27.5%	27.5%	20.0%
40	30.0%	30.0%	18.0%	15.0%	15.0%	15.0%
50	30.0%	30.0%	18.0%	15.0%	15.0%	10.0%
60+	30.0%	30.0%	18.0%	15.0%	15.0%	5.0%

Rationale: as adopted by Plan Sponsor based on experience study completed in 2018 to reasonably align with historical experience.

Rates of Disability

Sample rates and ages as follows:

<u>Age</u>	<u>Rate</u>
25	.10%
40	.15
55	.95

Schedule SB, Part V – Statement of Actuarial Assumptions and Methods
Health Care and Retirement Corporation Union Employees' Pension Plan
January 1, 2019 Valuation
EIN/PN: 34-1903270 / 005

Appendix B (Continued)

Assumptions Made In Valuing Spouse's Benefit	Sixty percent of the male and forty percent of the female employees included in the valuation are assumed to be married. These percentages are used as the probabilities that survivor benefits will be payable due to preretirement deaths. The wife is assumed to be three years younger than the husband. Rationale: Selected by Plan Sponsor.
Optional Form Selection	All employees are assumed to receive a lump sum distribution, if eligible, otherwise, they are assumed to elect the life annuity benefit.
Provision for Expenses	None.
Standing Elections	The client has not signed an election that provides for the automatic use of the Carryover Balance and/or Prefunding Balance if necessary to meet the minimum funding requirement.
Asset Method	Funding: Market Value of Assets plus interest adjusted accrued but unpaid contributions as of the valuation date.
Funding Method	Pure Unit Credit
Employees Valued	Only participants as of the valuation date were valued.
Changes in Assumptions and Methods since the Last Actuarial Valuation	The interest rates used for determining the funding target were 3.92%, 5.52% and 6.29%. These rates were updated to the rates required for the current plan year. The mortality table for the funding target was changed as required under PPA '06.
Justification for Changes in Actuarial Assumptions	The only assumption changes were to prescribed actuarial assumptions or as a result of At-Risk status. Therefore, the plan did not need IRS approval to change assumptions and there is no need to disclose any "Change in Actuarial Assumptions."

Schedule SB, Line 22 – Description of Weighted Average Retirement Age
Health Care and Retirement Corporation Union Employees' Pension Plan
January 1, 2019 Valuation
EIN/PN: 34-1903270/005

Rates of Retirement

Actives are assume to retire based on age as follows:

<u>Age</u>	<u>Rate</u>
55-58	6%
59	7
60-61	12
62-64	24
65	50
66-69	25
70+	100

Terminated Vested participants and Deferred Beneficiaries are assumed to commence at Normal Retirement Date.

Rationale: as adopted by Plan Sponsor based on experience study completed in 2018 to reasonably align with historical experience

Weighted Average Retirement Age is 62. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Health Care and Retirement Corporation Union Employees' Pension Plan

Schedule of Reportable Transactions

Form 5500, Schedule H, Line 4j
 EIN 34-1903270, Plan No. 005
 Year Ended December 31, 2019

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (i) - A single transaction that amounts to more than 5 percent of the beginning value of total plan assets:						
PNC Bank, N.A.	PNC Govt Money Market Fund - Institutional Class	\$ 122,709	\$ -	\$ 122,709	\$ 122,709	\$ -
PNC Bank, N.A.	PNC Govt Money Market Fund - Institutional Class	-	124,190	124,190	124,190	-
PNC Bank, N.A.	PNC Govt Money Market Fund - Institutional Class	64,531	-	64,531	64,531	-
Baird Funds	Baird Short Term Bond Fund - Institutional Class	59,836	-	59,836	59,836	-
Category (iii) - A series of transactions with respect to securities of the same issue that amount in the aggregate to more than 5 percent of the beginning value of the total plan assets:						
PNC Bank, N.A.	PNC Govt Money Market Fund - Institutional Class:					
	Purchases - 3	197,495	-	197,495	197,495	-
	Sales - 8	-	200,446	200,446	200,446	-
Baird Funds	Baird Short Term Bond Fund - Institutional Class -					
	Purchases - 14	100,971	-	100,971	100,971	-
Harbor Funds	Harbor Bond Fund - Institutional Class -					
	Purchases - 6	70,370	-	70,370	70,370	-
Oakmark Funds	Oakmark Global Fund - Class I -					
	Purchases - 4	77,045	-	77,045	77,045	-
American Funds	American Funds New Perspective Fund - Class R-6 -					
	Purchases - 4	69,777	-	69,777	69,777	-

There were no Category (ii) or (iv) reportable transactions during the year.

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 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</u>		

► **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 HEALTH CARE AND RETIREMENT CORPORATION UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF HEARTLAND EMPLOYMENT SERVICES, LLC	D Employer Identification Number (EIN) 34-1903270	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500		

Part I	Basic Information		
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2019</u>		
2	Assets:		
	2a	Market value.....	
		1,082,620	
	2b	Actuarial value	
		1,082,620	
3	Funding target/participant count breakdown		
	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a	19	246,468	246,468
b	38	435,836	435,836
c	50	393,500	398,888
d	107	1,075,804	1,081,192
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐		
	4a	Funding target disregarding prescribed at-risk assumptions.....	
	4b	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	
5	5	Effective interest rate..... 5.57%	
6	6	Target normal cost 11,122	

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	 Signature of actuary	<u>9/5/2020</u> Date 2006478 Most recent enrollment number 216-875-1900 Telephone number (including area code)
PAUL J. GIBBONS Type or print name of actuary FINDLEY, INC. Firm name 1660 W. 2ND ST. SUITE 900 CLEVELAND OH 44113 Address of the firm		

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	52
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	0	52
10 Interest on line 9 using prior year's actual return of <u>-4.32%</u>	0	-2
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		312,344
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>5.68%</u>		17,741
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		330,085
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	50

Part III Funding Percentages

14 Funding target attainment percentage	14	100.12%
15 Adjusted funding target attainment percentage.....	15	100.13%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	87.20%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/12/2019	11,768	0			
Totals ▶			18(b)	11,768	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 11,588
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
0	0
(3) 3rd	(4) 4th
0	0

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

21 Discount rate:			
a Segment rates:	1st segment: 3.74 %	2nd segment: 5.35 %	3rd segment: 6.11 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 0
22 Weighted average retirement age			22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	11,122	
b Excess assets, if applicable, but not greater than line 31a	31b	1,378	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	9,744	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	9,744	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	11,588	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	1,844	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Appendix A

Summary of Principal Plan Provisions

Plan Sponsor	Heartland Employment Services, LLC
EIN/PN	34-1903270/005
Effective Date	August 1, 1986, amended and restated effective January 1, 2015.
Plan Year	The 12-month period beginning each January 1.
Participation	Any union employee who has completed one year of Vesting Service and has attained age 21 shall be eligible to participate on the following January 1 or July 1. No new participants are permitted in the frozen locations which are as follows: Riverview and Wallingford. The following locations are also frozen and have since been sold: Beckley, Charleston, Lansing, Oak Pavilion, Rainelle, and Saginaw. The following location has been sold: Dulaney-Towson. The following location has been closed to new entrants: Hampton House.
Compensation	Total compensation for the calendar year as limited by IRC Section 415(c) – 2(d)(4) including modifications by IRC Section 132(f)(4), 125(a), 402(e)(3), 402(k), 402(h)(1)(b), and 457(b).
Average Monthly Compensation	The last 13 bi-weekly gross pays are divided by the total hours worked during this same period to determine the hourly rate. The hourly rate is multiplied by 852 if the total hours divided by 26 is less than 35 (hours/week); otherwise the hourly rate is multiplied by 1,000. The result is divided by 6.
Vesting Service	One year of vesting service is earned for each Plan Year in which 1,000 hours are worked.
Credited Service	One year of credited service is earned for 1,800 or more hours of service during a calendar year. If the participant worked at least 1,000 hours but less than 1,800, the service credit is prorated accordingly. No future service will be credited for the following frozen locations: Beckley, Charleston, Lansing, Oak Pavilion, Rainelle, Riverview, Saginaw, Wallingford. Beckley, Charleston, Lansing, Oak Pavilion, Rainelle, and Saginaw have been sold since accruals were frozen.

Appendix A (Continued)

Accrued Benefit

A monthly life annuity starting at age 65 equal to the Benefit Multiplier based on Average Monthly Compensation multiplied by the number of Years of Credited Service. If the participant is not Early Retirement eligible at termination, this amount is multiplied by the number of Years of potential service at normal retirement divided by the maximum of number of years of potential service at normal retirement and 30 years.

Benefit multiplier determined as follows:

<u>Average Monthly Compensation</u>	<u>Monthly Benefit Multiplier</u>
\$0 - \$499/mo.	\$5.00
\$500 - \$799/mo.	\$7.00
\$800 - \$1,099/mo.	\$9.00
\$1,100 - \$1,399/mo.	\$11.00
\$1,400+/mo.	\$13.00

Normal Retirement Benefit

Eligibility:

Age 65.

Monthly Benefit:

The Accrued Benefit.

Early Retirement Benefit

Eligibility:

Age 55 and 10 years of Vesting Service.

Monthly Benefit:

The Accrued Benefit at Normal Retirement, or Early Retirement reduced by $\frac{1}{2}$ of one percent for each month that Early Retirement precedes Normal Retirement.

Late Retirement Benefit

Eligibility:

Any age after Normal Retirement Age.

Monthly Benefit:

The Accrued Benefit at Late Retirement.

Appendix A (Continued)

Termination Benefit

Eligibility:

Upon termination of employment prior to retirement after completion of at least 5 years of Vesting Service.

Monthly Benefit:

The vested benefit commences in full at age 65, or in a reduced amount under the early retirement provisions.

Death Benefit

Eligibility:

100% vested and married for at least one year.

Monthly Benefit:

A monthly benefit for life commencing at the time the participant would have been eligible for retirement. The benefit is equal to 100% of the benefit vested on the date of death, adjusted as appropriate for early commencement and the 100% Joint and Survivor Annuity form of payment.

Optional Forms of Payments

Life Annuity

Joint & Survivor with 50%, 66 2/3%, or 100% continuation

The conversion factors are the maximum of a and b below:

- a. Factors based on the 1971 TPF&C Forecast Mortality Table and 6% interest.
- b. Factors computed as outlined below:

For each optional form of annuity payment:

<u>Option</u>	<u>Factor</u>	<u>But Not Greater Than</u>
50% J&S	90%	95%
66 2/3 J&S	85%	95%
100% J&S	80%	90%

The applicable factor set forth in column 2 above shall be increased/decreased by one percentage point for each full year the beneficiary is older/younger than the participant, not to exceed the maximum percentage in column 3.

Schedule SB, part V – Summary of Plan Provisions
Health Care and Retirement Corporation Union Employees' Pension Plan
January 1, 2019 Valuation
EIN/PN: 34-1903270/005

Appendix A (Continued)

Benefits Available as Lump Sums	This plan pays small benefit amounts (less than \$1,000) automatically. Participants who terminate prior to meeting the eligibility requirements of early retirement can elect a lump sum or reduced qualified form if the lump sum value is between \$1,000 and \$10,000. Lump sums over \$10,000 are available to participants who are at least age 55 at date of termination regardless of whether retirement occurs immediately following termination or not. The conversion factors are based on the Applicable Mortality Table and Applicable Interest Rate as required under IRC Section 417(e)(3).
Maximum Benefit Limit	The Internal Revenue Code Section 415 Maximum Benefit payable as a life annuity at Social Security Normal Retirement Date.
Plan Compensation Limit	The Internal Revenue Code Section 401(a)(17)(B) Maximum Compensation that can be recognized for benefit calculation purposes.
Funding of the Plan	Employer pays all costs.
Changes in Plan Provisions	The automatic changes, if any, in the plan compensation limit and maximum benefit limit were anticipated for ASC 715-30 expense purposes and not treated as amendments.

Health Care and Retirement Corporation Union Employees' Pension Plan

Schedule of Assets Held at End of Year

Form 5500, Schedule H, Line 4i
EIN 34-1903270, Plan No. 005
December 31, 2019

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
	Mutual funds:		
Baird Funds	Baird Short Term Bond Fund - Institutional Class	\$ 331,008	\$ 333,417
American Funds	American Funds New Perspective Fund - Class R-6	247,662	302,617
Oakmark Funds	Oakmark Global Fund - Class I	292,570	306,429
Harbor Funds	Harbor Bond Fund - Institutional Class	227,228	224,173
Federated Hermes	Money market fund - Government Obligations Fund	8,358	8,358
	Total	<u>\$ 1,106,826</u>	<u>\$ 1,174,994</u>