

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A	This return/report is for: <div style="display: flex; justify-content: space-between;"> <div> ☐ a multiemployer plan </div> <div> ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) </div> </div>
	☒ a single-employer plan <div style="margin-left: 150px;">☐ a DFE (specify) _____</div>
B	This return/report is: <div style="display: flex; justify-content: space-between;"> <div> ☐ the first return/report ☐ an amended return/report </div> <div> ☐ the final return/report ☐ a short plan year return/report (less than 12 months) </div> </div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div style="display: flex; justify-content: space-between;"> <div> ☒ Form 5558 ☐ special extension (enter description) </div> <div> ☐ automatic extension </div> <div> ☐ the DFVC program </div> </div>
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan <u>MARTIN MEMORIAL HEALTH SYSTEMS 401(K) RETIREMENT SAVINGS PLAN</u>
1b	Three-digit plan number (PN) ▶ <u>001</u>
	1c Effective date of plan <u>01/01/1996</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>MEDICAL AND FINANCIAL MANAGEMENT, INC.</u> <u>300 HOSPITAL AVE</u> <u>STUART, FL 34994-2338</u>
2b	Employer Identification Number (EIN) <u>59-2320501</u>
2c	Plan Sponsor's telephone number <u>772-223-5945</u>
2d	Business code (see instructions) <u>621111</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.	10/13/2022	TIMOTHY LONGVILLE
	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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v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor 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	4939
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	4436
a(2) Total number of active participants at the end of the plan year		6a(2)	4483
b Retired or separated participants receiving benefits.....		6b	8
c Other retired or separated participants entitled to future benefits		6c	666
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	5157
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	11
f Total. Add lines 6d and 6e		6f	5168
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	3833
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	121
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: 2E 2F 2G 2J 2K 2R 2S 2T 3D			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 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 D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <hr/> 2021 <hr/> This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>MARTIN MEMORIAL HEALTH SYSTEMS 401(K) RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>MEDICAL AND FINANCIAL MANAGEMENT, INC.</u>	D Employer Identification Number (EIN) <u>59-2320501</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: CLEVE CLINIC FOUNDATION DC MASTER T

b Name of sponsor of entity listed in (a): MEDICAL AND FINANCIAL MANAGEMENT, INC.

c EIN-PN <u>84-6576268-012</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>153202637</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

Part II Information on Participating Plans (to be completed by DFEs)

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>		
A Name of plan <u>MARTIN MEMORIAL HEALTH SYSTEMS 401(K) RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MEDICAL AND FINANCIAL MANAGEMENT, INC.</u>	D Employer Identification Number (EIN) <u>59-2320501</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	12092177	12973293
(2) Participant contributions.....	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	1989936	2477577
(9) Value of interest in common/collective trusts.....	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts.....	1c(11)	128625870	153202637
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	0	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other.....	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	0
(2) Employer real property.....	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	142707983	168653507

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness.....	1i	0	0
j Other liabilities.....	1j	0	0
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	142707983	168653507
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	12974657	
(B) Participants	2a(1)(B)	6034944	
(C) Others (including rollovers).....	2a(1)(C)	1142073	
(2) Noncash contributions.....	2a(2)	0	20151674
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	181348	
(F) Other	2b(1)(F)	90851	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		272199
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	4130421
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	4130421	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		4130421
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	0
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	0
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		13048106
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		0
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		37602400
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	11586293	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		11586293
f Corrective distributions (see instructions).....	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		37239
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other.....	2i(4)	33344	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		33344
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		11656876
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		25945524
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		0

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 Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: REHMANN ROBSON LLC

(2) EIN: 38-3635706

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.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
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.)			
4b		X	
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.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
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		X	
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 Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.			

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2021</div> <div>This Form is Open to Public Inspection.</div>
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

<div>A Name of plan MARTIN MEMORIAL HEALTH SYSTEMS 401(K) RETIREMENT SAVINGS PLAN</div>	<div>B Three-digit plan number (PN) ▶ 001</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500 MEDICAL AND FINANCIAL MANAGEMENT, INC.</div>	<div>D Employer Identification Number (EIN) 59-2320501</div>

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

<div>1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....</div>	<div>1</div>
<div>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): 04-6568107</div> <div>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</div>	
<div>3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year</div>	<div>3</div>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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<div>4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?</div> <div>If the plan is a defined benefit plan, go to line 8.</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>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.</div>	
<div>6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)</div>	<div>6a</div>
<div>b Enter the amount contributed by the employer to the plan for this plan year</div>	<div>6b</div>
<div>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)</div>	<div>6c</div>
<div>If you completed line 6c, skip lines 8 and 9.</div>	
<div>7 Will the minimum funding amount reported on line 6c be met by the funding deadline?</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>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?</div>	<div>☐ Yes ☐ No ☐ N/A</div>

Part III	Amendments
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<div>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.....</div>	<div>☐ Increase ☐ Decrease ☐ Both ☐ No</div>
--	--

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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<div>10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?</div>	<div>☐ Yes ☐ No</div>
<div>11 a Does the ESOP hold any preferred stock?</div>	<div>☐ Yes ☐ No</div>
<div>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.)</div>	<div>☐ Yes ☐ No</div>
<div>12 Does the ESOP hold any stock that is not readily tradable on an established securities market?</div>	<div>☐ Yes ☐ No</div>

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

Schedule R (Form 5500) 2021
v. 201209

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 deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

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

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

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

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

a Enter the percentage of plan assets held as:

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

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

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

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

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

- 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 _____

Martin Memorial
Health Systems
401(k)
Retirement
Savings Plan



MARTIN HEALTH
SYSTEM

Years Ended
December 31,
2021 and 2020

Financial
Statements
and
Supplemental
Information

Rehmann

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

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INDEPENDENT AUDITORS' REPORT

October 10, 2022

To the Cleveland Clinic Retirement Committee Administrator
Cleveland Clinic Foundation
6801 Brecksville Road
Independence, OH 44131

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of **Martin Memorial Health Systems 401(k) Retirement Savings Plan** (the “Plan”), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (“ERISA”), as permitted by ERISA Section 103(a)(3)(C) (“ERISA Section 103(a)(3)(C) audit”). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (“2021 financial statements”).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (“investment information”) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA (“qualified institution”).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 2 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the *Independent Auditors’ Responsibilities for the Audit of the 2021 Financial Statements* section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.



- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (“GAAS”). Our responsibilities under those standards are further described in the *Independent Auditors’ Responsibilities for the Audit of the 2021 Financial Statements* section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management’s election of the ERISA Section 103(a)(3)(C) audit does not affect management’s responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current Plan instrument, including all Plan amendments, administering the Plan, and determining that the Plan’s transactions that are presented and disclosed in the financial statements are in conformity with the Plan’s provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Independent Auditors' Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the *Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements* section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

2021 Supplemental Schedule Required by ERISA

The December 31, 2021 supplemental schedule of assets (held at end of year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the 2021 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Independent Auditors' Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 12, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements, other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Rehmann Rohson LLC

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Statements of Net Assets Available for Benefits

	December 31	
	2021	2020
ASSETS		
Investments		
Interest in Master Trust at fair value	\$ 146,634,508	\$ 120,901,674
Interest in Master Trust at contract value	6,568,129	7,724,196
Total investments	153,202,637	128,625,870
Receivables		
Employer contributions	12,973,293	12,092,177
Notes receivable from participants	2,910,060	2,385,180
Total receivables	15,883,353	14,477,357
Total assets (equal to net assets available for benefits)	\$ 169,085,990	\$ 143,103,227

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

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2021	2020
Additions to net assets attributed to		
Contributions		
Employer	\$ 12,974,657	\$ 12,092,177
Participant	6,034,944	5,294,113
Rollover	1,142,073	2,462,297
	<u>20,151,674</u>	<u>19,848,587</u>
Total contributions	20,151,674	19,848,587
Investment income - dividend and interest income	4,221,272	357,952
Interest income - notes receivable from participants	181,348	142,922
	<u>4,402,620</u>	<u>500,874</u>
Total additions	24,554,294	20,349,461
Deductions from net assets attributed to		
Benefits paid to participants	11,586,293	12,705,498
Administrative and other expenses	33,344	67,937
	<u>11,619,637</u>	<u>12,773,435</u>
Total deductions	11,619,637	12,773,435
Net appreciation - participation in Master Trust	13,048,106	12,140,588
Net appreciation in the fair value of investments	-	4,589,390
	<u>13,048,106</u>	<u>16,729,978</u>
Net increase	25,982,763	24,306,004
Net assets available for benefits		
Beginning of year	143,103,227	118,797,223
	<u>143,103,227</u>	<u>118,797,223</u>
End of year	\$ 169,085,990	\$ 143,103,227

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

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

1. DESCRIPTION OF THE PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following description of *Martin Memorial Health Systems 401(k) Retirement Savings Plan* (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Description of the Plan

General

The Plan is a defined contribution plan sponsored effective on January 1, 2020 by Cleveland Clinic Foundation (the "Foundation") and previously sponsored by Medical & Financial Management, Inc. (collectively, the "Plan Sponsor") for the benefit of its eligible employees and the eligible employees of its affiliates that have adopted the Plan.

Employees are eligible to contribute to the Plan immediately upon hire provided they are not excluded by certain provisions in the Plan agreement. Employees are eligible to receive Plan Sponsor contributions after one year of service (defined in the Plan agreement as working 1,000 hours during the Plan year), provided they are employed by the Plan Sponsor on the last day of the plan year, and are not excluded by certain provisions in the Plan agreement. Additionally, employees of certain affiliated tax-exempt employers are entitled to matching contributions based on their elective contributions made under the Martin Memorial Health Systems 403(b) Retirement Savings Plan (the "403(b) Plan"). Such employees are not eligible to make pre-tax elective contributions or Roth contributions to the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Plan management determines the appropriateness of the Plan's investment offerings and monitors investment performance.

The investments of the Plan were pooled with the investments of certain other plans sponsored by the Foundation in The Cleveland Clinic Foundation DC Plans Master Trust (the "Master Trust") effective October 1, 2020 pursuant to an agreement between Fidelity, the trustee, and the Foundation. Each participating plan has a divided interest in the Master Trust as each Plan's individual participants direct the investments. The Plan's interest in the Master Trust and all changes in that interest are presented in separate line items in the December 31, 2021 and 2020 statements of net assets available for benefits and statement of changes in net assets available for benefits in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2017-06, *Plan Accounting: Defined Contribution Pension Plans (Topic 962): Employee Benefit Plan Master Trust Reporting*. ASU 2017-06 also requires that the Plan disclose the general types of investment held by the Master Trust and also the dollar amount of the Plan's interest in each of those general types of investments. The pooling of the Plan's assets into the Master Trust had no impact on the Plan's net assets available for benefits.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Risks and Economic Uncertainties

The Plan currently invests in various investment securities within a master trust. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of interest rate, market, and credit risks inherent with certain of the Plan's investment securities, it is at least reasonably possible that changes in the fair values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and changes in net assets available for benefits.

On March 27, 2020, the President signed the *Coronavirus Aid, Relief, and Economic Security Act* (the "CARES Act") into law. The CARES Act included provisions for eligible defined contribution plans, including availability of qualified coronavirus-related distributions, to delay repayments for existing plan loans, and other relief provisions. These CARES Act provisions were optional and employers were permitted to choose whether, and to what extent, to provide the coronavirus-related distribution and/or loan provisions of the CARES Act. The Plan provided access to the new CARES Act distribution and loan deferral options to participants as soon as administratively feasible, in accordance with Internal Revenue Service ("IRS") guidance and other applicable requirements.

Contributions

Each year participants may contribute annual compensation as defined in the Plan agreement up to the maximum allowed by the Internal Revenue Code ("IRC"). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. Additionally, the Plan includes a provision whereby the participant deferral rate is automatically increased 1% each year at the beginning of the Plan year until the deferral equals 10% unless the participant provides an alternative election. The Foundation matches 100% of each participant's annual contribution, of the 401(k) and 403(b) Plans, up to a maximum of 6% of their eligible compensation. Matching funds are contributed to the participant's 401(k) Plan account. Participants must be employed by the Foundation on the last day of the Plan year to receive the matching contribution. Participants direct the investment of contributions into various investment options offered by the Plan. The Plan, within the Master Trust, currently offers shares in various mutual funds and a fully benefit-responsive investment contract with an insurance company as investment options for participants. In addition, the Plan allows each participant to create a self-directed brokerage account in which the participant can choose from a variety of investments allowed by ERISA within the Master Trust. Contributions are subject to certain IRS limitations.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Participant Accounts

Each participant's account is credited with the participant's contributions and the Foundation's matching contributions and an allocation of Plan earnings and charged with an allocation of administrative expenses, if any. Participants who initiate a loan are charged a fee for that transaction. Participants who initiate a benefit payment are not charged a fee for that transaction. Allocations are based on participant compensation, account balances or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Foundation's matching contributions is based on years of credited service. A participant is 100% vested after three years of credited service, with no vesting in prior years.

Notes Receivable from Participants

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. All notes have a definite repayment period, not to exceed five years, unless used for the purchase of a primary residence in which case the repayment period can extend up to fifteen years. The notes receivable are secured by the balances in the participants' accounts and bear interest at rates ranging from 4.25% to 7.00%, which are commensurate with local prevailing rates at the time the notes are issued, as determined by the trustee. Principal and interest are paid directly to the Plan by participants.

Payment of Benefits

Upon termination of service due to death, disability, retirement, or termination for other reasons, the participant will receive a lump-sum amount equal to the value of the participant's vested interest in his or her account, as defined by the Plan agreement. If the participant's account balance is \$1,000 or less, payment will be made in an immediate lump-sum without the participant's consent. If the account balance is greater than \$1,000 but less than \$5,000, payment will be made to an individual retirement account established by the trustee, or such other provider as the Foundation designates in accordance with Department of Labor ("DOL") guidelines, unless the participant requests a different disposition of his or her account balance within the applicable election period.

In-service withdrawals of vested balances may be elected by participants who have reached 59 ½ years of age. The Plan also permits withdrawals of active participants' elective and rollover contributions, only in amounts necessary to satisfy financial hardship as defined by the Plan agreement.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Forfeited Accounts

Forfeited nonvested accounts are used to reduce future employer cash contributions or to be allocated to pay Plan expenses. There were no forfeitures used to pay administrative expenses in 2021 or 2020. Forfeitures of \$286,246 and \$465,438 were used to offset the employer contributions in 2021 and 2020, respectively. At December 31, 2021 and 2020, forfeited nonvested accounts totaled \$302,033 and \$152,539, respectively.

Administrative Expenses

The Plan's administrative expenses are paid by the Plan or the Foundation, as provided by the Plan agreement. Certain administrative expenses, including an allocation of salaries related to Plan administration, are paid by the Foundation and qualify as party-in-interest transactions which are exempt from prohibited transaction rules. Expenses that are paid directly by the Foundation are excluded from these financial statements. Fees for recordkeeping, custodial services and investment management are paid by the Plan. Participants are charged directly for loan fees and an annual participant fee which is billed in quarterly increments throughout the year.

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Investments held by a defined contribution plan are required to be reported at fair value, except for the fully benefit-responsive investment contract. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to a fully benefit-responsive investment contract because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the contract.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation by the Plan and the Master Trust

Investments are reported at fair value (except for the fully benefit-responsive investment contract, which is reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the investment advisor and trustee. See Note 4 for discussion of fair value measurements.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Income Recognition by the Plan and the Master Trust

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation in fair value of investments includes the Plan's aggregate gains and losses on investments bought and sold as well as held during the year.

Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, such management fees and operating expenses are reflected as a reduction of net appreciation or an addition to net depreciation in the aggregate fair value of such investments.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 or 2020. If a participant ceases to make loan repayments and the trustee deems the note receivable to be in default, the participant note receivable is reduced and a benefit payment is recorded.

Contributions

Participant contributions are recorded when withheld from compensation. Employer contributions are recorded in the period in which they become the obligations of the Foundation.

Benefits Paid to Participants

Benefit payments to participants are recorded when paid.

Subsequent Events

In preparing these financial statements, Plan management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2021, the most recent statement of net assets available for benefits presented herein, through October 10, 2022, the date these financial statements were available to be issued. No such significant events or transactions were identified.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

2. INVESTMENTS

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company ("Fidelity"), trustee of the Plan and the Master Trust, and Principal Life Insurance Company ("Principal"), custodian of certain Plan and Master Trust assets, have certified the completeness and accuracy of the investment information reflected in (1) the accompanying statements of net assets available for benefits as of December 31, 2021 and 2020, (2) the December 31, 2021 schedule of assets (held at end of year), (3) the related investment activity reflected in the statements of changes in net assets available for benefits during 2021 and 2020, and (4) the information presented in Notes 3 and 5. Fidelity has also certified the completeness and accuracy of notes receivable from participants and the related interest income as of and for the years ended December 31, 2021 and 2020.

3. MASTER TRUST

The following is financial information with respect to the Master Trust.

While certain of the investments of the participating Plan are deemed part of the Master Trust, each plan maintains a separate accounting of its share of the investments and its participation in the net appreciation or depreciation of the Master Trust's investments based on fair value measured using the methodologies described in Note 4. The value of the Plan's interest in the Master Trust is based on the beginning of period value of the Plan's interest in the trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. Total investment income (including net appreciation in the fair value of investments) of the Master Trust is allocated to the individual plans based on the amount of time the Plan's assets were invested in the Master Trust.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Investment holdings were as follows at December 31:

	2021		2020	
	Master Trust Balances	Plan's Interest in Master Trust Balances	Master Trust Balances	Plan's Interest in Master Trust Balances
Investments at fair value				
Mutual funds	\$ 3,008,133,452	\$ 146,195,694	\$ 2,580,724,801	\$ 120,551,092
Self-directed brokerage accounts	120,727,471	438,814	109,336,756	350,582
	3,128,860,923	146,634,508	2,690,061,557	120,901,674
Investments at contract value				
Guaranteed investment contracts	238,004,122	6,568,129	221,185,059	7,724,196
Total Master Trust assets	\$ 3,366,865,045	\$ 153,202,637	\$ 2,911,246,616	\$ 128,625,870

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Statements of changes in net assets of the Master Trust were as follows for the years ended December 31:

	2021	2020
Investment income		
Net appreciation in investments	\$ 272,937,061	\$ 319,223,814
Investment income - dividend and interest income	133,190,618	85,281,387
Net investment income	406,127,679	404,505,201
Transfers in (out)		
Revenue sharing credits	600,917	627,633
Contributions	216,677,641	187,159,364
Interest on notes receivable from participants	308,052	237,530
Benefit payments	(168,658,148)	(117,308,479)
Administrative expenses	(3,976,134)	(3,357,480)
Net transfers in	44,952,328	67,358,568
Transfers in from participating plans	4,538,422	155,137,045
Net increase	455,618,429	627,000,814
Master Trust assets		
Beginning of period	2,911,246,616	2,284,245,802
End of period	<u>\$ 3,366,865,045</u>	<u>\$ 2,911,246,616</u>

4. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following is a description of the valuation methodologies used for assets measured at fair value. For financial assets recorded at fair value, the description includes an indication of the level of the fair value hierarchy in which the assets are classified. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Mutual funds: Shares held in mutual funds are valued at quoted market prices that represent the net asset value ("NAV") of shares held by the Plan at year end and are classified as Level 1. The NAV is based on the value of the underlying assets owned by the fund, less its liabilities, then divided by the number of shares outstanding. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price and, therefore, are deemed to be actively traded.

Self-directed brokerage accounts: These accounts primarily consist of mutual funds and common stocks which are valued on the basis of readily determinable market prices and are classified as Level 1.

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

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

The following tables set forth by level, within the fair value hierarchy, the Master Trust's investments at fair value at December 31:

2021	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 3,008,133,452	\$ -	\$ -	\$ 3,008,133,452
Self-directed brokerage accounts	120,727,471	-	-	120,727,471
Total investments at fair value	<u>\$ 3,128,860,923</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,128,860,923</u>
2020	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 2,580,724,801	\$ -	\$ -	\$ 2,580,724,801
Self-directed brokerage accounts	109,336,756	-	-	109,336,756
Total investments at fair value	<u>\$ 2,690,061,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,690,061,557</u>

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. Plan management evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. There were no transfers of assets into or out of Level 3 in 2021 or 2020.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

5. INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Master Trust holds a fully benefit-responsive guaranteed investment contract with Principal Life Insurance Company ("Principal"), the guaranteed investment contract issuer ("issuer"), with a balance of \$6,568,129 at December 31, 2021 and \$7,724,196 at December 31, 2020. Principal maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than 1%. The crediting rate is reviewed on an annual basis for resetting. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Principal, represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include:

- 1) Amendments to the Plan's documents (including complete or partial plan termination or merger with another plan).
- 2) Changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions.
- 3) Bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan.
- 4) The failure of the trust to qualify for exemption from federal income taxes or any required prohibited transactions contemplated under ERISA.

Plan management does not believe there are any events probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuer and that also would limit the ability of the Plan to transact at contract value with the participants.

The guaranteed investment contract does not permit the issuer to terminate the agreement prior to the scheduled maturity date.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

6. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by Fidelity and Principal. Fidelity is the trustee of the Plan and Principal is the custodian of certain Plan assets and, therefore, transactions with these entities qualify as party-in-interest. Fees paid by the Plan to Fidelity, Principal and other service providers for recordkeeping and other services amounted to \$33,334 and \$67,937 for 2021 and 2020, respectively. Fees paid by the Plan for investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than a direct payment.

7. TAX STATUS

The Plan Administrator adopted the FMR Pre-Approved Defined Contribution Plan document. The prototype plan document has received an opinion letter from the IRS dated June 30, 2020 stating that the written form of the underlying prototype plan document is qualified under Section 401(a) of the Internal Revenue Code (the "IRC") and that any employer adopting this form of the plan will be considered to have a plan qualified under Section 401(a) of the IRC. The Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and the related trust is tax-exempt.

The Plan Administrator has considered the tax positions taken by the Plan and has concluded that, as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the financial statements. While the Plan may be subject to routine audits by taxing jurisdictions, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2018.

8. PLAN TERMINATION

Although it has not expressed any intent to do so, the Foundation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts. Any unallocated assets of the Plan would be allocated to participant accounts and distributed in such a manner as the Foundation may determine.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

9. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits reported in these financial statements to the amounts reported on Schedule H of the Forms 5500 at December 31:

	2021	2020
Net assets available for benefits reported in these financial statements	\$ 169,085,990	\$ 143,103,227
Cumulative notes receivable recognized as deemed distributions on the Form 5500	<u>(432,483)</u>	<u>(395,244)</u>
Net assets available for benefits reported on Schedule H of Form 5500	<u>\$ 168,653,507</u>	<u>\$ 142,707,983</u>

The following is a reconciliation of participant notes receivable reported in these financial statements to the amounts reported on Schedule H of the Forms 5500 at December 31:

	2021	2020
Notes receivable reported in these financial statements	\$ 2,910,060	\$ 2,385,180
Cumulative notes receivable recognized as deemed distributions on the Form 5500	<u>(432,483)</u>	<u>(395,244)</u>
Notes receivable reported on Schedule H of Form 5500	<u>\$ 2,477,577</u>	<u>\$ 1,989,936</u>

The following is a reconciliation of the net increase in net assets available for benefits reported in these financial statements to the amounts reported on Schedule H of Forms 5500 for the years ended December 31:

	2021	2020
Net increase in net assets available for benefits reported in these financial statements	\$ 25,982,763	\$ 24,306,004
Change in notes receivable deemed distributed reflected on Form 5500	<u>(37,239)</u>	<u>(77,643)</u>
Net increase in net assets available for benefits reported on Schedule H of Form 5500	<u>\$ 25,945,524</u>	<u>\$ 24,228,361</u>

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**SUPPLEMENTAL INFORMATION
AS OF
DECEMBER 31, 2021**

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

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

December 31, 2021

Plan #001

EIN 59-2320501

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(e) Current Value
*	Fidelity Management Trust Company	Interest in Master Trust	\$ 146,634,508
*	Principal Life Insurance Company	Interest in Master Trust	6,568,129
*	Notes receivable from participants	Loans, maturing through May 2034, interest rates from 4.25% to 7.00%, collateral - participant account balances **	<u>2,477,577</u>
			<u>\$ 155,680,214</u>

(a) An asterisk in this column identifies a person known to be a party-in-interest.

** The difference between the balance in notes receivable from participants on this schedule and participant notes receivable reported on Schedule H of Form 5500 represents the amount of participant notes receivable deemed distributed for tax purposes under Code Section 72(p).

The above information has been certified by Fidelity Management Trust Company, trustee of the Plan, as complete and accurate.

Martin Memorial
Health Systems
401(k)
Retirement
Savings Plan



Years Ended
December 31,
2021 and 2020

Financial
Statements
and
Supplemental
Information

Rehmann

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

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INDEPENDENT AUDITORS' REPORT

October 10, 2022

To the Cleveland Clinic Retirement Committee Administrator
Cleveland Clinic Foundation
6801 Brecksville Road
Independence, OH 44131

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of **Martin Memorial Health Systems 401(k) Retirement Savings Plan** (the “Plan”), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (“ERISA”), as permitted by ERISA Section 103(a)(3)(C) (“ERISA Section 103(a)(3)(C) audit”). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (“2021 financial statements”).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (“investment information”) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA (“qualified institution”).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 2 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the *Independent Auditors’ Responsibilities for the Audit of the 2021 Financial Statements* section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.



- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (“GAAS”). Our responsibilities under those standards are further described in the *Independent Auditors’ Responsibilities for the Audit of the 2021 Financial Statements* section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management’s election of the ERISA Section 103(a)(3)(C) audit does not affect management’s responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current Plan instrument, including all Plan amendments, administering the Plan, and determining that the Plan’s transactions that are presented and disclosed in the financial statements are in conformity with the Plan’s provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Independent Auditors' Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the *Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements* section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

2021 Supplemental Schedule Required by ERISA

The December 31, 2021 supplemental schedule of assets (held at end of year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the 2021 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Independent Auditors' Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 12, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements, other than that derived from the certified information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Rehmann Rohson LLC

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Statements of Net Assets Available for Benefits

	December 31	
	2021	2020
ASSETS		
Investments		
Interest in Master Trust at fair value	\$ 146,634,508	\$ 120,901,674
Interest in Master Trust at contract value	6,568,129	7,724,196
Total investments	153,202,637	128,625,870
Receivables		
Employer contributions	12,973,293	12,092,177
Notes receivable from participants	2,910,060	2,385,180
Total receivables	15,883,353	14,477,357
Total assets (equal to net assets available for benefits)	\$ 169,085,990	\$ 143,103,227

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

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2021	2020
Additions to net assets attributed to		
Contributions		
Employer	\$ 12,974,657	\$ 12,092,177
Participant	6,034,944	5,294,113
Rollover	1,142,073	2,462,297
	<u>20,151,674</u>	<u>19,848,587</u>
Total contributions	20,151,674	19,848,587
Investment income - dividend and interest income	4,221,272	357,952
Interest income - notes receivable from participants	181,348	142,922
	<u>4,402,620</u>	<u>500,874</u>
Total additions	24,554,294	20,349,461
Deductions from net assets attributed to		
Benefits paid to participants	11,586,293	12,705,498
Administrative and other expenses	33,344	67,937
	<u>11,619,637</u>	<u>12,773,435</u>
Total deductions	11,619,637	12,773,435
Net appreciation - participation in Master Trust	13,048,106	12,140,588
Net appreciation in the fair value of investments	-	4,589,390
	<u>13,048,106</u>	<u>16,729,978</u>
Net increase	25,982,763	24,306,004
Net assets available for benefits		
Beginning of year	143,103,227	118,797,223
	<u>143,103,227</u>	<u>118,797,223</u>
End of year	\$ 169,085,990	\$ 143,103,227

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

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

1. DESCRIPTION OF THE PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following description of *Martin Memorial Health Systems 401(k) Retirement Savings Plan* (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Description of the Plan

General

The Plan is a defined contribution plan sponsored effective on January 1, 2020 by Cleveland Clinic Foundation (the "Foundation") and previously sponsored by Medical & Financial Management, Inc. (collectively, the "Plan Sponsor") for the benefit of its eligible employees and the eligible employees of its affiliates that have adopted the Plan.

Employees are eligible to contribute to the Plan immediately upon hire provided they are not excluded by certain provisions in the Plan agreement. Employees are eligible to receive Plan Sponsor contributions after one year of service (defined in the Plan agreement as working 1,000 hours during the Plan year), provided they are employed by the Plan Sponsor on the last day of the plan year, and are not excluded by certain provisions in the Plan agreement. Additionally, employees of certain affiliated tax-exempt employers are entitled to matching contributions based on their elective contributions made under the Martin Memorial Health Systems 403(b) Retirement Savings Plan (the "403(b) Plan"). Such employees are not eligible to make pre-tax elective contributions or Roth contributions to the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Plan management determines the appropriateness of the Plan's investment offerings and monitors investment performance.

The investments of the Plan were pooled with the investments of certain other plans sponsored by the Foundation in The Cleveland Clinic Foundation DC Plans Master Trust (the "Master Trust") effective October 1, 2020 pursuant to an agreement between Fidelity, the trustee, and the Foundation. Each participating plan has a divided interest in the Master Trust as each Plan's individual participants direct the investments. The Plan's interest in the Master Trust and all changes in that interest are presented in separate line items in the December 31, 2021 and 2020 statements of net assets available for benefits and statement of changes in net assets available for benefits in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2017-06, *Plan Accounting: Defined Contribution Pension Plans (Topic 962): Employee Benefit Plan Master Trust Reporting*. ASU 2017-06 also requires that the Plan disclose the general types of investment held by the Master Trust and also the dollar amount of the Plan's interest in each of those general types of investments. The pooling of the Plan's assets into the Master Trust had no impact on the Plan's net assets available for benefits.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Risks and Economic Uncertainties

The Plan currently invests in various investment securities within a master trust. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of interest rate, market, and credit risks inherent with certain of the Plan's investment securities, it is at least reasonably possible that changes in the fair values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and changes in net assets available for benefits.

On March 27, 2020, the President signed the *Coronavirus Aid, Relief, and Economic Security Act* (the "CARES Act") into law. The CARES Act included provisions for eligible defined contribution plans, including availability of qualified coronavirus-related distributions, to delay repayments for existing plan loans, and other relief provisions. These CARES Act provisions were optional and employers were permitted to choose whether, and to what extent, to provide the coronavirus-related distribution and/or loan provisions of the CARES Act. The Plan provided access to the new CARES Act distribution and loan deferral options to participants as soon as administratively feasible, in accordance with Internal Revenue Service ("IRS") guidance and other applicable requirements.

Contributions

Each year participants may contribute annual compensation as defined in the Plan agreement up to the maximum allowed by the Internal Revenue Code ("IRC"). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 3% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. Additionally, the Plan includes a provision whereby the participant deferral rate is automatically increased 1% each year at the beginning of the Plan year until the deferral equals 10% unless the participant provides an alternative election. The Foundation matches 100% of each participant's annual contribution, of the 401(k) and 403(b) Plans, up to a maximum of 6% of their eligible compensation. Matching funds are contributed to the participant's 401(k) Plan account. Participants must be employed by the Foundation on the last day of the Plan year to receive the matching contribution. Participants direct the investment of contributions into various investment options offered by the Plan. The Plan, within the Master Trust, currently offers shares in various mutual funds and a fully benefit-responsive investment contract with an insurance company as investment options for participants. In addition, the Plan allows each participant to create a self-directed brokerage account in which the participant can choose from a variety of investments allowed by ERISA within the Master Trust. Contributions are subject to certain IRS limitations.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Participant Accounts

Each participant's account is credited with the participant's contributions and the Foundation's matching contributions and an allocation of Plan earnings and charged with an allocation of administrative expenses, if any. Participants who initiate a loan are charged a fee for that transaction. Participants who initiate a benefit payment are not charged a fee for that transaction. Allocations are based on participant compensation, account balances or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Foundation's matching contributions is based on years of credited service. A participant is 100% vested after three years of credited service, with no vesting in prior years.

Notes Receivable from Participants

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. All notes have a definite repayment period, not to exceed five years, unless used for the purchase of a primary residence in which case the repayment period can extend up to fifteen years. The notes receivable are secured by the balances in the participants' accounts and bear interest at rates ranging from 4.25% to 7.00%, which are commensurate with local prevailing rates at the time the notes are issued, as determined by the trustee. Principal and interest are paid directly to the Plan by participants.

Payment of Benefits

Upon termination of service due to death, disability, retirement, or termination for other reasons, the participant will receive a lump-sum amount equal to the value of the participant's vested interest in his or her account, as defined by the Plan agreement. If the participant's account balance is \$1,000 or less, payment will be made in an immediate lump-sum without the participant's consent. If the account balance is greater than \$1,000 but less than \$5,000, payment will be made to an individual retirement account established by the trustee, or such other provider as the Foundation designates in accordance with Department of Labor ("DOL") guidelines, unless the participant requests a different disposition of his or her account balance within the applicable election period.

In-service withdrawals of vested balances may be elected by participants who have reached 59 ½ years of age. The Plan also permits withdrawals of active participants' elective and rollover contributions, only in amounts necessary to satisfy financial hardship as defined by the Plan agreement.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Forfeited Accounts

Forfeited nonvested accounts are used to reduce future employer cash contributions or to be allocated to pay Plan expenses. There were no forfeitures used to pay administrative expenses in 2021 or 2020. Forfeitures of \$286,246 and \$465,438 were used to offset the employer contributions in 2021 and 2020, respectively. At December 31, 2021 and 2020, forfeited nonvested accounts totaled \$302,033 and \$152,539, respectively.

Administrative Expenses

The Plan's administrative expenses are paid by the Plan or the Foundation, as provided by the Plan agreement. Certain administrative expenses, including an allocation of salaries related to Plan administration, are paid by the Foundation and qualify as party-in-interest transactions which are exempt from prohibited transaction rules. Expenses that are paid directly by the Foundation are excluded from these financial statements. Fees for recordkeeping, custodial services and investment management are paid by the Plan. Participants are charged directly for loan fees and an annual participant fee which is billed in quarterly increments throughout the year.

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Investments held by a defined contribution plan are required to be reported at fair value, except for the fully benefit-responsive investment contract. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to a fully benefit-responsive investment contract because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the contract.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation by the Plan and the Master Trust

Investments are reported at fair value (except for the fully benefit-responsive investment contract, which is reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the investment advisor and trustee. See Note 4 for discussion of fair value measurements.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Income Recognition by the Plan and the Master Trust

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation in fair value of investments includes the Plan's aggregate gains and losses on investments bought and sold as well as held during the year.

Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, such management fees and operating expenses are reflected as a reduction of net appreciation or an addition to net depreciation in the aggregate fair value of such investments.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 or 2020. If a participant ceases to make loan repayments and the trustee deems the note receivable to be in default, the participant note receivable is reduced and a benefit payment is recorded.

Contributions

Participant contributions are recorded when withheld from compensation. Employer contributions are recorded in the period in which they become the obligations of the Foundation.

Benefits Paid to Participants

Benefit payments to participants are recorded when paid.

Subsequent Events

In preparing these financial statements, Plan management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2021, the most recent statement of net assets available for benefits presented herein, through October 10, 2022, the date these financial statements were available to be issued. No such significant events or transactions were identified.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

2. INVESTMENTS

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company ("Fidelity"), trustee of the Plan and the Master Trust, and Principal Life Insurance Company ("Principal"), custodian of certain Plan and Master Trust assets, have certified the completeness and accuracy of the investment information reflected in (1) the accompanying statements of net assets available for benefits as of December 31, 2021 and 2020, (2) the December 31, 2021 schedule of assets (held at end of year), (3) the related investment activity reflected in the statements of changes in net assets available for benefits during 2021 and 2020, and (4) the information presented in Notes 3 and 5. Fidelity has also certified the completeness and accuracy of notes receivable from participants and the related interest income as of and for the years ended December 31, 2021 and 2020.

3. MASTER TRUST

The following is financial information with respect to the Master Trust.

While certain of the investments of the participating Plan are deemed part of the Master Trust, each plan maintains a separate accounting of its share of the investments and its participation in the net appreciation or depreciation of the Master Trust's investments based on fair value measured using the methodologies described in Note 4. The value of the Plan's interest in the Master Trust is based on the beginning of period value of the Plan's interest in the trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. Total investment income (including net appreciation in the fair value of investments) of the Master Trust is allocated to the individual plans based on the amount of time the Plan's assets were invested in the Master Trust.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Investment holdings were as follows at December 31:

	2021		2020	
	Master Trust Balances	Plan's Interest in Master Trust Balances	Master Trust Balances	Plan's Interest in Master Trust Balances
Investments at fair value				
Mutual funds	\$ 3,008,133,452	\$ 146,195,694	\$ 2,580,724,801	\$ 120,551,092
Self-directed brokerage accounts	120,727,471	438,814	109,336,756	350,582
	3,128,860,923	146,634,508	2,690,061,557	120,901,674
Investments at contract value				
Guaranteed investment contracts	238,004,122	6,568,129	221,185,059	7,724,196
Total Master Trust assets	\$ 3,366,865,045	\$ 153,202,637	\$ 2,911,246,616	\$ 128,625,870

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

Statements of changes in net assets of the Master Trust were as follows for the years ended December 31:

	2021	2020
Investment income		
Net appreciation in investments	\$ 272,937,061	\$ 319,223,814
Investment income - dividend and interest income	133,190,618	85,281,387
Net investment income	406,127,679	404,505,201
Transfers in (out)		
Revenue sharing credits	600,917	627,633
Contributions	216,677,641	187,159,364
Interest on notes receivable from participants	308,052	237,530
Benefit payments	(168,658,148)	(117,308,479)
Administrative expenses	(3,976,134)	(3,357,480)
Net transfers in	44,952,328	67,358,568
Transfers in from participating plans	4,538,422	155,137,045
Net increase	455,618,429	627,000,814
Master Trust assets		
Beginning of period	2,911,246,616	2,284,245,802
End of period	<u>\$ 3,366,865,045</u>	<u>\$ 2,911,246,616</u>

4. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following is a description of the valuation methodologies used for assets measured at fair value. For financial assets recorded at fair value, the description includes an indication of the level of the fair value hierarchy in which the assets are classified. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Mutual funds: Shares held in mutual funds are valued at quoted market prices that represent the net asset value ("NAV") of shares held by the Plan at year end and are classified as Level 1. The NAV is based on the value of the underlying assets owned by the fund, less its liabilities, then divided by the number of shares outstanding. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price and, therefore, are deemed to be actively traded.

Self-directed brokerage accounts: These accounts primarily consist of mutual funds and common stocks which are valued on the basis of readily determinable market prices and are classified as Level 1.

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

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

The following tables set forth by level, within the fair value hierarchy, the Master Trust's investments at fair value at December 31:

2021	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 3,008,133,452	\$ -	\$ -	\$ 3,008,133,452
Self-directed brokerage accounts	120,727,471	-	-	120,727,471
Total investments at fair value	<u>\$ 3,128,860,923</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,128,860,923</u>
2020	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 2,580,724,801	\$ -	\$ -	\$ 2,580,724,801
Self-directed brokerage accounts	109,336,756	-	-	109,336,756
Total investments at fair value	<u>\$ 2,690,061,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,690,061,557</u>

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. Plan management evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. There were no transfers of assets into or out of Level 3 in 2021 or 2020.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

5. INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Master Trust holds a fully benefit-responsive guaranteed investment contract with Principal Life Insurance Company ("Principal"), the guaranteed investment contract issuer ("issuer"), with a balance of \$6,568,129 at December 31, 2021 and \$7,724,196 at December 31, 2020. Principal maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than 1%. The crediting rate is reviewed on an annual basis for resetting. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by Principal, represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include:

- 1) Amendments to the Plan's documents (including complete or partial plan termination or merger with another plan).
- 2) Changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions.
- 3) Bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan.
- 4) The failure of the trust to qualify for exemption from federal income taxes or any required prohibited transactions contemplated under ERISA.

Plan management does not believe there are any events probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuer and that also would limit the ability of the Plan to transact at contract value with the participants.

The guaranteed investment contract does not permit the issuer to terminate the agreement prior to the scheduled maturity date.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

6. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by Fidelity and Principal. Fidelity is the trustee of the Plan and Principal is the custodian of certain Plan assets and, therefore, transactions with these entities qualify as party-in-interest. Fees paid by the Plan to Fidelity, Principal and other service providers for recordkeeping and other services amounted to \$33,334 and \$67,937 for 2021 and 2020, respectively. Fees paid by the Plan for investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than a direct payment.

7. TAX STATUS

The Plan Administrator adopted the FMR Pre-Approved Defined Contribution Plan document. The prototype plan document has received an opinion letter from the IRS dated June 30, 2020 stating that the written form of the underlying prototype plan document is qualified under Section 401(a) of the Internal Revenue Code (the "IRC") and that any employer adopting this form of the plan will be considered to have a plan qualified under Section 401(a) of the IRC. The Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and the related trust is tax-exempt.

The Plan Administrator has considered the tax positions taken by the Plan and has concluded that, as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the financial statements. While the Plan may be subject to routine audits by taxing jurisdictions, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2018.

8. PLAN TERMINATION

Although it has not expressed any intent to do so, the Foundation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts. Any unallocated assets of the Plan would be allocated to participant accounts and distributed in such a manner as the Foundation may determine.

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

Notes to Financial Statements

9. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits reported in these financial statements to the amounts reported on Schedule H of the Forms 5500 at December 31:

	2021	2020
Net assets available for benefits reported in these financial statements	\$ 169,085,990	\$ 143,103,227
Cumulative notes receivable recognized as deemed distributions on the Form 5500	<u>(432,483)</u>	<u>(395,244)</u>
Net assets available for benefits reported on Schedule H of Form 5500	<u>\$ 168,653,507</u>	<u>\$ 142,707,983</u>

The following is a reconciliation of participant notes receivable reported in these financial statements to the amounts reported on Schedule H of the Forms 5500 at December 31:

	2021	2020
Notes receivable reported in these financial statements	\$ 2,910,060	\$ 2,385,180
Cumulative notes receivable recognized as deemed distributions on the Form 5500	<u>(432,483)</u>	<u>(395,244)</u>
Notes receivable reported on Schedule H of Form 5500	<u>\$ 2,477,577</u>	<u>\$ 1,989,936</u>

The following is a reconciliation of the net increase in net assets available for benefits reported in these financial statements to the amounts reported on Schedule H of Forms 5500 for the years ended December 31:

	2021	2020
Net increase in net assets available for benefits reported in these financial statements	\$ 25,982,763	\$ 24,306,004
Change in notes receivable deemed distributed reflected on Form 5500	<u>(37,239)</u>	<u>(77,643)</u>
Net increase in net assets available for benefits reported on Schedule H of Form 5500	<u>\$ 25,945,524</u>	<u>\$ 24,228,361</u>

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**SUPPLEMENTAL INFORMATION
AS OF
DECEMBER 31, 2021**

MARTIN MEMORIAL HEALTH SYSTEMS 401(k) RETIREMENT SAVINGS PLAN

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

December 31, 2021

Plan #001

EIN 59-2320501

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(e) Current Value
*	Fidelity Management Trust Company	Interest in Master Trust	\$ 146,634,508
*	Principal Life Insurance Company	Interest in Master Trust	6,568,129
*	Notes receivable from participants	Loans, maturing through May 2034, interest rates from 4.25% to 7.00%, collateral - participant account balances **	<u>2,477,577</u>
			<u>\$ 155,680,214</u>

(a) An asterisk in this column identifies a person known to be a party-in-interest.

** The difference between the balance in notes receivable from participants on this schedule and participant notes receivable reported on Schedule H of Form 5500 represents the amount of participant notes receivable deemed distributed for tax purposes under Code Section 72(p).

The above information has been certified by Fidelity Management Trust Company, trustee of the Plan, as complete and accurate.