

<p>Form 5500</p> <p>Department of the Treasury Internal Revenue Service</p> <hr/> <p>Department of Labor Employee Benefits Security Administration</p> <hr/> <p>Pension Benefit Guaranty Corporation</p>	<p>Annual Return/Report of Employee Benefit Plan</p> <p>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> <p>▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	<p>OMB Nos. 1210-0110 1210-0089</p> <hr/> <p style="font-size: 24pt; font-weight: bold;">2022</p> <hr/> <p>This Form is Open to Public Inspection</p>
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Part I Annual Report Identification Information	
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>	
<p>A This return/report is for:</p> <p><input type="checkbox"/> a multiemployer plan</p> <p><input checked="" type="checkbox"/> a single-employer plan</p> <p>B This return/report is:</p> <p><input type="checkbox"/> the first return/report</p> <p><input checked="" type="checkbox"/> an amended return/report</p> <p>C If the plan is a collectively-bargained plan, check here. ▶ <input type="checkbox"/></p> <p>D Check box if filing under:</p> <p><input checked="" type="checkbox"/> Form 5558</p> <p><input type="checkbox"/> special extension (enter description)</p> <p>E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ <input type="checkbox"/></p>	<p><input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)</p> <p><input type="checkbox"/> a DFE (specify) ____</p> <p><input checked="" type="checkbox"/> the final return/report</p> <p><input type="checkbox"/> a short plan year return/report (less than 12 months)</p> <p><input type="checkbox"/> automatic extension</p> <p><input type="checkbox"/> the DFVC program</p>

Part II Basic Plan Information —enter all requested information	
<p>1a Name of plan <u>PRINCETON HEALTHCARE SYSTEM PENSION PLAN</u></p> <p>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>PRINCETON HEALTHCARE SYSTEM</u></p> <p><u>1 PLAINSBORO ROAD</u> <u>PRINCETON, NJ 08536</u></p>	<p>1b Three-digit plan number (PN) ▶ <u>001</u></p> <p>1c Effective date of plan <u>10/01/1965</u></p> <p>2b Employer Identification Number (EIN) <u>21-0635009</u></p> <p>2c Plan Sponsor's telephone number <u>609-497-4137</u></p> <p>2d Business code (see instructions) <u>622000</u></p>

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.	12/19/2023	JOSEPH LALLIER
	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.

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address <input checked="" type="checkbox"/> 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 2494
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 851 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 6h
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1C 1I 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> 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) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> 0 A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> 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 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

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

A Name of plan <u>PRINCETON HEALTHCARE SYSTEM PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>PRINCETON HEALTHCARE SYSTEM</u>		
D Employer Identification Number (EIN) <u>21-0635009</u>		
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2022</u>			
2 Assets:			
a Market value.....	2a		<u>153912611</u>
b Actuarial value.....	2b		<u>153912611</u>
3 Funding target/participant count breakdown			
	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	<u>422</u>	<u>47151216</u>	<u>47151216</u>
b For terminated vested participants.....	<u>1200</u>	<u>38651631</u>	<u>38651631</u>
c For active participants.....	<u>851</u>	<u>44487806</u>	<u>44487806</u>
d Total	<u>2473</u>	<u>130290653</u>	<u>130290653</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5		<u>5.38 %</u>
6 Target normal cost			
a Present value of current plan year accruals.....	6a		<u>0</u>
b Expected plan-related expenses	6b		<u>680000</u>
c Total (line 6a + line 6b)	6c		<u>680000</u>

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

SIGN HERE		
	Signature of actuary	<u>09/15/2023</u> Date
	<u>TIMOTHY WAITE, FSA</u> Type or print name of actuary	<u>23-06310</u> Most recent enrollment number
	<u>MERCER</u> Firm name	<u>215-982-4600</u> Telephone number (including area code)
	<u>1717 ARCH STREET, SUITE 1100 PHILADELPHIA, PA 19103</u> Address of the firm	

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

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	9076203
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	9076203
10	Interest on line 9 using prior year's actual return of <u>2.05</u> %	0	186062
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year).....		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.57</u> %.....		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance.....		0
	d Portion of (c) to be added to prefunding balance.....		0
12	Other reductions in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12).....	0	9262265

Part III Funding Percentages			
14	Funding target attainment percentage	14	111.02 %
15	Adjusted funding target attainment percentage	15	118.13 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	118.89 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

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

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date.	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.	19c	0
20	Quarterly contributions and liquidity shortfalls:		
	a Did the plan have a "funding shortfall" for the prior year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	c If line 20a is "Yes," see instructions and complete the following table as applicable:		

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

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

21 Discount rate:

a Segment rates:	1st segment: 4.75 %	2nd segment: 5.18 %	3rd segment: 5.92 %	<input type="checkbox"/> N/A, full yield curve used
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b Applicable month (enter code)..... **21b** 4

22 Weighted average retirement age **22** 64

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6c).....	31a	680000
b Excess assets, if applicable, but not greater than line 31a	31b	680000

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment.....	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount..... **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).... **34** 0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0

36 Additional cash requirement (line 34 minus line 35)..... **36** 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0

40 Unpaid minimum required contributions for all years..... **40** 0

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021

SCHEDULE C (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>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan <u>PRINCETON HEALTHCARE SYSTEM PENSION 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>PRINCETON HEALTHCARE SYSTEM</u>	D Employer Identification Number (EIN) <u>21-0635009</u>	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

23-3060382

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

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

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

SEI PRIVATE TRUST CO

23-3060382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 24 28 52	INVESTMENT MANAGER	243612	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

<p>SCHEDULE H (Form 5500)</p> <p>Department of the Treasury Internal Revenue Service</p> <p>Department of Labor Employee Benefits Security Administration</p> <p>Pension Benefit Guaranty Corporation</p>	<p>Financial Information</p> <p>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).</p> <p>► File as an attachment to Form 5500.</p>	<p>OMB No. 1210-0110</p> <p>2022</p> <p>This Form is Open to Public Inspection</p>
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For calendar plan year 2022 or fiscal plan year beginning **01/01/2022** and ending **12/31/2022**

<p>A Name of plan PRINCETON HEALTHCARE SYSTEM PENSION PLAN</p>	<p>B Three-digit plan number (PN) ►</p>	<p>001</p>
<p>C Plan sponsor's name as shown on line 2a of Form 5500 PRINCETON HEALTHCARE SYSTEM</p>	<p>D Employer Identification Number (EIN) 21-0635009</p>	

Part I Asset and Liability Statement

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

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

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	153912611	0
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h	90771	0
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	90771	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	153821840	0

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)		
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		0
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	3677726	
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)	21380822	
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	26651393	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	-2057982	
(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)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-22056673
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-25707500
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	9352117	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		9352117
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees	2i(3)	243612	
(4) Other	2i(4)	679633	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		923245
j Total expenses. Add all expense amounts in column (b) and enter total	2j		10275362
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-35982862
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan.....	2l(2)		117838978

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: HORSEY BUCKNRE & HEFFLER LLP

(2) EIN: 82-1803066

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?.....	4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.).....	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	4k	X		
l Has the plan failed to provide any benefit when due under the plan?.....	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	4n			

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)
RETIREMENT PLAN OF THE HOSPITAL OF THE UNIVERSITY OF PENNSYLVANIA, PRESBYTERIAN MEDICAL CENTER, AND THE PENNSYLVANIA HOSPITAL	23-1352685	006

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 476905.

SCHEDULE R (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>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan <u>PRINCETON HEALTHCARE SYSTEM PENSION 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>PRINCETON HEALTHCARE SYSTEM</u>	D Employer Identification Number (EIN) <u>21-0635009</u>	

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

1	0
---	---

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 59-3654603 13-3689044

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....

3	74
---	----

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a	
b Enter the amount contributed by the employer to the plan for this plan year.....	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? Yes No N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A

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

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... Increase Decrease Both No

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... Yes No

11 a Does the ESOP hold any preferred stock?..... Yes No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... Yes No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... Yes No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> 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. <input type="checkbox"/> 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: 18.0 % Investment-Grade Debt: 82.0 % 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 _____

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Financial Statements

For the Years Ended December 31, 2022 and 2021

With Independent Auditor's Report

HORSEYBUCKNER & HEFFLER

Accountants & Advisors

PRINCETON HEALTHCARE SYSTEM PENSION PLAN
Financial Statements
For the Years Ended December 31, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Princeton HealthCare System Pension Plan

Opinion

We have audited the financial statements of the Princeton HealthCare System Pension 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 statements of net assets available for benefits as of December 31, 2022 (in liquidation) and 2021 (ongoing), and the related statement of changes in net assets available for benefits for the year then ended, and the statement of accumulated plan benefits as of January 1, 2023 (in liquidation), and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Princeton HealthCare System Pension Plan as of December 31, 2022 (in liquidation) and 2021 (ongoing), and the changes in its net assets available for benefits for the year then ended, and the accumulated plan benefits as of January 1, 2023 (in liquidation) and the changes in its accumulated plan benefits for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Princeton HealthCare System Pension Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Plan Termination and Liquidation Basis of Accounting

As discussed in Note 6 to the financial statements, Plan management, effective December 31, 2022 formally amended the Plan to terminate as of December 31, 2022. As Plan management has determined that liquidation of the Plan's assets will occur during the year ended December 31, 2022, the Plan has changed its basis of accounting from the accrual basis used in presenting the 2021 financial statements to the liquidation basis used in presenting the 2022 financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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 auditor's 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 generally accepted auditing standards 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 Princeton HealthCare System Pension 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.

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.

Horsey, Buckner & Heffler, LLP

October 16, 2023

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Statements of Net Assets Available for Benefits

As of December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments, at fair value money market funds	\$ -	\$ 9
Limited partnerships	-	-
U.S. Government securities	-	25,101,741
Registered investment companies	-	128,594,501
	<u>-</u>	<u>153,696,251</u>
Total investments	<u>-</u>	<u>153,696,251</u>
RECEIVABLES		
Contributions receivable	-	-
Accrued interest receivable	-	216,360
	<u>-</u>	<u>216,360</u>
Total receivables	<u>-</u>	<u>216,360</u>
LIABILITIES		
Accounts payable	-	90,771
	<u>-</u>	<u>90,771</u>
Net assets available for benefits	<u><u>\$ -</u></u>	<u><u>\$ 153,821,840</u></u>

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

PRINCETON HEALTHCARE SYSTEM PENSION PLAN
 Statements of Changes in Net Assets Available for Benefits
 For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
INVESTMENT INCOME		
Interest and dividends	\$ 3,677,726	\$ 3,353,250
Net realized and unrealized (depreciation) appreciation of investments	<u>(29,385,226)</u>	<u>969,112</u>
Total investment (loss) income	(25,707,500)	4,322,362
Employer contribution	<u>-</u>	<u>-</u>
Total additions	<u>(25,707,500)</u>	<u>4,322,362</u>
Benefit payments to participants	<u>9,352,117</u>	<u>8,540,312</u>
Total benefits paid	9,352,117	8,540,312
Administrative expenses	<u>923,245</u>	<u>747,273</u>
Total deductions	<u>10,275,362</u>	<u>9,287,585</u>
Net change	(35,982,862)	(4,965,223)
Transfer of Plan assets due to merger	(117,838,978)	-
<i>Net assets available for benefits</i>		
Beginning of year	<u>153,821,840</u>	<u>158,787,063</u>
End of year	<u>\$ -</u>	<u>\$ 153,821,840</u>

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

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Statement of Accumulated Plan Benefits

January 1, 2023

Actuarial present value of accumulated plan benefits

Vested benefits:

Participants currently receiving payments

\$ -

Other participants

-

Total vested benefits

-

Non-vested benefits

-

Total actuarial present value of accumulated plan benefits

\$ -

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

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Statement of Changes in Accumulated Plan Benefits

For the Year Ended January 1, 2023

Actuarial present value of accumulated plan benefits, at beginning of year	<u>\$ 146,681,921</u>
<i>Increase (decrease) during the year attributable to</i>	
Benefits accumulated and (gains) losses	1,127,206
Benefits paid	(9,239,767)
Changes in actuarial assumptions	(28,969,560)
Increase for interest	5,667,082
Other changes (merger)	<u>(115,266,882)</u>
Net Decrease	<u>(146,681,921)</u>
Actuarial present value of accumulated plan benefits, at end of year	<u><u>\$ -</u></u>

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

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 1 DESCRIPTION OF PLAN

The following description of the Princeton HealthCare System Pension Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General

The Plan is a defined benefit pension plan sponsored by the Princeton HealthCare System (the System). Established in 1965, the Plan covers substantially all employees of the System and provides for pension and death benefits. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA, as amended). Effective January 1, 2021, the Plan was amended and restated in connection with the System joining the University of Pennsylvania Health System (UPHS). Commensurate with the System joining UPHS, the plan administrator and recordkeeper changed to UPHS. Additionally, effective January 1, 2021, the Plan also had a change in service providers (recordkeeper), from Transamerica to Fidelity Investments.

Effective November 22, 2021, the Plan was amended to allow for the Continuation of Early Retirement Benefit Upon Reemployment; Election to Receive Normal or Late Retirement Benefits Prior to Termination of Employment. This amendment was added to the Plan in light of the current national staffing shortage and in an effort to reemploy/retain the expertise of retired and retirement eligible employees. Further, the amendment allows for a continued retirement benefit upon reemployment and payment of an accrued benefit prior to termination of employment.

Princeton HealthCare System (Princeton), a New Jersey Nonprofit Corporation, maintains the Princeton HealthCare System Pension Plan (the Princeton Plan), for the benefit of its eligible employees. The UPHS maintains the Retirement Plan of the Hospital of the University of Pennsylvania, Penn Presbyterian Medical Center and Pennsylvania Hospital (the UPHS Plan) for the benefit of the eligible employees of UPHS.

Effective August 10, 2021, the Plan Sponsor agreed to transfer investment management responsibility of the Plan's assets to the University of Pennsylvania's Office of Investments (Penn OI). As of the effective date, Penn OI has the authority to oversee and manage the Plan's total investment portfolio.

Effective December 31, 2022, the Plan merged with the Lancaster General Health Defined Benefit Plan (LGH Plan) and the Retirement Plan of the Hospital of the University of Pennsylvania, Penn Presbyterian Medical Center and Pennsylvania Hospital to create, a single, combined qualified defined benefit plan to be known as the University of Pennsylvania Health System Pension Plan. As a result, investments totaling \$117,838,978 were transferred from the Plan into the University of Pennsylvania Health System Pension Plan as of that date.

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 1 DESCRIPTION OF PLAN *(continued)*

General *(continued)*

Each Participant who was participating in the Princeton Plan or LGH Plan as of December 31, 2022, shall be entitled to the benefit such Participant accrued under such plan as of December 31, 2022, in accordance with the terms of such plan. For periods on and after January 1, 2023, each Participant's benefit shall be administered in accordance with the general administrative terms of the University of Pennsylvania Health System Pension Plan.

Commensurate with the merger into the University of Pennsylvania Health System Pension plan, the Plan had a change in service providers (custodian), from SEI Private Trust Company to State Street Bank and Trust Company.

Eligibility

Effective December 31, 2010, the Plan was frozen to all new participants; therefore, no individual who was not a participant on that date will become eligible to participate in the Plan after that date. Furthermore, no former participant will participate in the Plan if such person is reemployed after December 31, 2010. On September 26, 2011, the Plan was amended to include any individual who is an eligible employee, defined by the Plan, who was hired on or before December 31, 2010, and who completed one year of service in 2011 shall be eligible to participate and receive allocations of company credits under the Plan for the period extending from such eligible employee's effective date of participation through December 31, 2011.

Retirement Benefits

Employees are entitled to Plan benefits beginning at the normal retirement age of 65, although earlier retirement with lesser benefits is permitted. Employees who terminate after completion of three years of service but prior to eligibility for normal retirement or early retirement shall be entitled to a deferred vested benefit commencing at age 65 equal to their accrued benefit as of the date of termination.

The accrued benefit on May 9, 2004 was converted to an opening account balance for those participants eligible for benefits. The converted account balance equaled the present value of the accrued benefit on May 9, 2004. The present value was determined using a 5.39% interest assumption and the GAM 1983 GATT 50/50 Unisex mortality table.

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 1 DESCRIPTION OF PLAN *(continued)*

Retirement Benefits *(continued)*

For each Plan year on and after January 1 during which an employee is a participant in the Plan and an eligible employee, a participant's core account shall be credited with company credits as of the end of each Plan year. Company credits shall be credited to the core account of each participant in an amount equal to the percentage of their compensation for the Plan year determined based on the participant's years of service as of the last day of the year. On September 26, 2011, the System amended the Plan to freeze the accrual of benefits and cease the allocation of company credits under the Plan as of December 31, 2011. The company's credit accruals under the Plan beginning with the 2010 Plan year and continuing for subsequent years were:

<u>Years of Service</u>	<u>Company Credits</u>
1 to 7 years	2.5% of compensation, plus 3% of compensation in excess of 2/3 of the taxable wage base for the Plan year
8 to 14 years	3% of compensation, plus 3% of compensation in excess of 2/3 of the taxable wage base for the Plan year
15 years or more	4% of compensation, plus 3% of compensation in excess of 2/3 of the taxable wage base for the Plan year

Interest credits on the balance of the participant's converted account and core account, as of the beginning of the Plan year, shall be credited at the applicable annual interest rate:

Converted account balance:	6%
Core account balance:	4%

The accrued benefit at any time prior to a participant's normal retirement date shall be the greater of:

- The account balance as of the determination date projected to normal retirement date using the interest rates applicable to the core account and the converted account, respectively, as of such determination date for all future years, and then converted to a single-life annuity using an annuity factor based on the applicable interest rate as of the determination date.
- The minimum benefit, which is the accrued benefit, expressed in the form of a single life annuity determined under the prior plan benefit formula, as of May 9, 2004 (or the date on which the participant terminated employment, if earlier), reduced for early commencement under the terms of the prior plan.

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 1 DESCRIPTION OF PLAN *(continued)*

Retirement Benefits *(continued)*

The grandfathered benefit, which is the accrued benefit determined under the benefit formula from the prior plan as if the prior plan had continued after May 9, 2004, until such determination date, reduced for early commencement, as applicable, under the terms of the prior plan.

Benefit payments are paid in the form of a life annuity for single participants and a joint and survivor annuity for married participants unless the participant elects a different form of payment. For married participants, spousal consent is required to change payment methods.

Vesting

Participants become 100% vested in their accrued benefits after the completion of three years of credited service.

Pre-Retirement Death Benefits

The beneficiary of an active or terminated participant is entitled to certain benefits as defined in the Plan document in the event that the participant dies prior to receiving benefit payments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Plan:

Basis of Accounting

The financial statements for the year ended December 31, 2022 are prepared using the liquidation basis of accounting based on the merger that took place on December 31, 2022 (Note 1) and the determination by the Plan that liquidation is imminent.

For the year ended December 31, 2021, the financial statements were prepared on the accrual basis of accounting.

Use of Estimates

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

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Risks and Uncertainties

The Plan invests in several investment securities that are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For the years ended December 31, 2022 and 2021, SEI Private Trust Company was the sole custodian of the Plan. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by its investment advisers and custodian(s). All Plan assets were transferred to the University of Pennsylvania Health System Pension Plan before close of business on December 31, 2022.

Fair values of investments at December 31, 2021 were determined as follows: for investments in registered investment companies, the fair value per share, or unit, is the value that is determined, published and the basis for current transactions. U.S. Government securities are valued at the closing price reported on the active market on which the individual securities are traded. The valuation of the limited partnerships was determined using the net asset value of the portfolio as of the close of business at the end of each month. The net asset value (NAV) of the investment is calculated independently by the investments' administrator who obtains valuations from the underlying investment fund from their respective third-party administrators. Shares of money market funds are valued at the NAV of shares held by the Plan at year end. Purchases and sales of securities are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned on the accrual basis. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Administrative Expenses

Administrative expenses are paid directly out of Plan assets. The System, at their discretion, may reimburse the Plan for any administrative expense incurred. Certain investment fees are included in net realized and unrealized appreciation of investments and are not readily determinable.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are the future periodic payments attributable under the Plan's provisions to the services employees have rendered. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated employees or their beneficiaries, (b) the beneficiaries of deceased employees and (c) present employees or their beneficiaries. Benefits under the Plan are based on the participant's highest regular basic annual compensation for the five consecutive years before retirement and the number of years worked. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

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

	<u>January 1, 2023</u>	<u>January 1, 2022</u>
Investment Return:	-	4.00%, compounded annually, net of expenses
Mortality:	Not applicable	Static mortality table in accordance with IRS Regulation 1.430(h)(3)-1 for the valuation year
Retirement Age:	Not applicable	Age 65, or age on valuation, if greater, and completion of two years of service
Discount Rate:	Not applicable	4.00%

The cost of the Plan is actuarially determined by the traditional unit-credit cost method. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Due to the plan merger at December 31, 2022, actuarial assumptions and other factors were used in determining the actuarial present value of accumulated Plan benefits.

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Payment of Benefits

Benefit payments to participants are recorded when paid.

NOTE 3 INFORMATION PREPARED AND CERTIFIED BY THE CUSTODIANS

The Plan administrator has elected the method of compliance permitted by ERISA Section 103(a)(3)(C). Accordingly, as permitted under such election, the custodians (SEI Private Trust Company for both the years ended December 31, 2022 and 2021) have certified the completeness and accuracy of all investments and accrued interest receivable as of December 31, 2022 and 2021 in the accompanying statements of net assets available for benefits and the related investment income activity for the years ended December 31, 2022 and 2021 in the accompanying statements of changes in net assets available for benefits. No auditing procedures were performed by the independent auditors as permitted by ERISA Section 103(a)(3)(C) with respect to information certified as complete and accurate by the custodians, except for comparing such information with the related information included in the financial statements. Based on information provided and certified by the custodians, there are no fixed-income obligations, leases or debt instruments in default or deemed uncollectible, as defined by ERISA, for the years ended December 31, 2022 and 2021.

NOTE 4 FAIR VALUE MEASUREMENTS

The accounting guidance for fair value includes a fair value hierarchy that is intended to increase consistency and comparability in fair value measurements and related disclosures. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources while unobservable inputs reflect a reporting entity's pricing based upon their own market assumptions. The fair value hierarchy consists of the following three levels:

Level 1: Inputs are quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs are quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable and market-corroborated inputs which are derived principally from or corroborated by observable market data.

Level 3: Inputs are derived from valuation techniques in which one or more significant inputs or value drivers are unobservable.

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 4 FAIR VALUE MEASUREMENTS *(continued)*

Fair value calculations may not indicate net realizable value or reflect future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The majority of Plan investments are under the management of SEI. SEI uses a manager-of-manager platform. Valuations are based on identifiable market transactions leading to a price.

U.S. Government securities are valued at the closing price reported on the active market on which the individual securities are traded.

Shares of registered investment companies and the money market fund are valued at quoted market prices in active markets at year end.

The pension plan investments in SEI's private equity are in the form of limited partnership interests. The fund managers invest primarily in private investments for which there is no readily determinable market value. The fund manager may value the underlying private investments based on an appraised value, discounted cash flow, industry comparable or some other method. These limited partnership investments are valued at NAV and are not redeemable within 30-60 days.

Categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	2022			
	Level 1	Level 2	Level 3	Total
Cash	\$ -	\$ -	\$ -	\$ -
U.S. Government securities	-	-	-	-
Registered investment companies	-	-	-	-
Total assets in the fair value hierarchy	\$ -	\$ -	\$ -	-
Investments measured at net asset value*				-
Investments at fair value				\$ -

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 4 FAIR VALUE MEASUREMENTS *(continued)*

	2021			Total
	Level 1	Level 2	Level 3	
Cash	\$ 9	\$ -	\$ -	\$ 9
U.S. Government securities	25,101,741	-	-	25,101,741
Registered investment companies	128,594,501	-	-	128,594,501
Total assets in the fair value hierarchy	\$ 153,696,251	\$ -	\$ -	153,696,251
Investments measured at net asset value*				-
Investments at fair value				\$153,696,251

During the year ended December 31, 2021, the Plan sold all of its shares of the SEI Global Private Equity II 2007 Fund, which were measured at fair value based on net asset value (NAV).

NOTE 5 FUNDING POLICY

The System's funding policy is to contribute an amount equal to at least the minimum required contribution under ERISA. The minimum funding contributions of ERISA have been fulfilled through December 31, 2022.

The Pension Protection Act of 2006 (PPA, as amended by the Worker, Retiree and Employer Recovery Act of 2008 (WRERA) imposes certain benefit restrictions for qualified defined benefit plans that do not meet certain funding thresholds. The "At-Risk" status is referred to as the Funding Target Attainment Percentage (FTAP). A plan's funded percentage is referred to as the Adjusted Funding Target Attainment Percentage (AFTAP). The 2020 AFTAP for the Plan was 111.63% (for the 2021 plan year). Since the AFTAP equals or exceeds 80%, the Plan is not subject to any benefit restrictions.

NOTE 6 PLAN TERMINATION

Effective December 31, 2022, the Plan was formally amended to terminate as of December 31, 2022 due to the merger with the Lancaster General Health Defined Benefit Plan and the Retirement Plan of the Hospital of the University of Pennsylvania, Penn Presbyterian Medical Center and Pennsylvania Hospital to create the University of Pennsylvania Health System Pension Plan. In accordance with the amendment, no employees were eligible to participate in the former Plan. All participants in the Plan became 100% vested. The Plan was required to transfer the vested participant account balances within a reasonable period of time. As of January 1, 2023, the Plan had distributed a total of \$117,838,978, representing transfers to the University of Pennsylvania Health System Pension Plan.

PRINCETON HEALTHCARE SYSTEM PENSION PLAN

Notes to Financial Statements

For the Years Ended December 31, 2022 and 2021

NOTE 7 TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated September 3, 2015, stating that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The plan administrator and the plan's legal counsel believe the Plan currently is designed and is being operated in compliance with the applicable requirements of the IRC.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2022 and 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions. In addition, there have been no tax-related interest or penalties for the periods presented in these financial statements. Any penalties as a result of the examination would be the responsibility of the Plan Sponsor.

NOTE 8 RELATED-PARTY TRANSACTIONS

The majority of the Plan's investments are managed by SEI Private Trust Company, investment manager and custodian; however, in 2020, State Street Bank and Trust Company also managed a portion of the Plan's investments. The management relationship with State Street Bank and Trust Company terminated during the 2021 Plan year and SEI Private Trust Company became the sole custodian for the 2021 Plan year. These transactions qualify as party-in-interest transactions. Fees paid by the Plan to the aforementioned custodian(s) amounted to \$243,613 and \$435,472 during the years ended December 31, 2022 and 2021, respectively.

NOTE 9 SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through October 16, 2023, the date the financial statements were available to be issued. Based on that evaluation, the Plan has determined no subsequent events have occurred that require adjustment to or disclosure in the financial statements, except as disclosed.

Schedule SB, line 26a — Schedule of Active Participant Data

Attained age	Years of credited service										Total
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	
Under 25											
25–29											
30–34		8									8
35–39		40	4								44
40–44		35	21	5							61
45–49		57	25	20	2						104
50–54		61	39	18	13	6					137
55–59		54	37	28	12	14	5				150
60–64		56	38	37	19	16	16	6			188
65–69		35	23	17	6	10	4	6	6		107
70 & up		9	16	12	3	4	2	3	3		52
Total		355	203	137	55	50	27	15	9		851

In each cell, the top number is the count of active participants for each age/service combination

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions for January 1, 2022 funding valuation**

Discount rate sponsor elections		
• Segment rates or full yield curve	Segment	
• Look-back months	4	
•	<u>Stabilized</u>	<u>Nonstabilized</u>
• First 5 years	4.75%	1.07%
• Next 15 years	5.18%	2.68%
• Over 20 years	5.92%	3.36%
Mortality sponsor elections		
• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables.	
417(e) lump sums	For non-cash balance lump sums, liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality.	
Cash balance conversion	Current 417(e) mortality table and funding interest rates	
Other economic assumptions		
• Expenses	\$680,000 added to current year normal cost	

Rationale for Economic Assumptions

- Discount rate: The discount rate assumption for funding purposes is prescribed by the IRS and elected by the plan sponsor.
- Mortality: The mortality rate for funding purposes is prescribed by the IRS and elected by the plan sponsor.
- Expenses – For target normal cost purposes, expenses are assumed to be actual administrative expenses for the most recent plan year, adjusted to reflect expected changes in PBGC premiums, rounded up to the next thousand dollars.

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

Demographic assumptions		
• Withdrawal	See table below	
• Disability incidence	None.	
• Retirement age	Attained age	Retirement Rates
	55 - 61	3.50%
	62	8.00%
	63	13.00%
	64	20.00%
	65	35.00%
	66	40.00%
	67	45.00%
	68	50.00%
	69	55.00%
	70	60.00%
71+	100.00%	
• Benefit commencement age for		
— Future vested deferred	65	
— Current vested deferred	65	
• Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
— Percentage married	90%	90%
— Spouse age difference	3 years younger	3 years older
Form of payment	<u>Lump sum</u>	<u>Single life</u>
• Active retirements	50%	50%
• Future vested deferred	50%	50%
• Future disabilities	0%	100%
• Future deaths (married)	0%	100%
• Future deaths (single)	100%	0%
• Current vested deferred	50%	50%
Unpredictable contingent event assumptions	Not applicable	

Rationale for significant demographic assumption

Withdrawal rates, retirement rates and form of payment are based on Transamerica’s experience study report titled *The Princeton HealthCare System Pension Plan Actuarial Assumption Study 2014-2019 Plan Years*, issued May 2020 and the expectation that the future retirement patterns and circumstances of the employer will not differ significantly from the period studied. These assumptions have been used at Penn Medicine’s direction. We believe the assumptions are acceptable based on preliminary review along with our understanding of Transamerica’s qualifications to perform the experience study. Mercer will continue to reassess these assumptions as additional demographic experience becomes available.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Table of sample rates**

Attained age	Withdrawal
20	9.94%
25	9.67%
30	9.30%
35	8.71%
40	7.75%
45	6.35%
50	4.22%
55	1.55%
60	0.15%
63+	0.00%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial methods for funding****Asset methods**

The asset valuation method is the fair market value.

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

**SCHEDULE SB
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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

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

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

OMB No. 1210-0110

2022

**This Form is Open to Public
Inspection**

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

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

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

A Name of plan PRINCETON HEALTHCARE SYSTEM PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF PRINCETON HEALTHCARE SYSTEM	D Employer Identification Number (EIN) 21-0635009	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I	Basic Information		
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2022</u>			
2 Assets:			
a Market value	2a	153,912,611	
b Actuarial value	2b	153,912,611	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	422	47,151,216	47,151,216
b For terminated vested participants	1,200	38,651,631	38,651,631
c For active participants	851	44,487,806	44,487,806
d Total	2,473	130,290,653	130,290,653
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions			
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor			
5 Effective interest rate	5	5.38%	
6 Target normal cost			
a Present value of current plan year accruals	6a	0	
b Expected plan-related expenses	6b	680,000	
c Total (line 6a + line 6b)	6c	680,000	

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

SIGN HERE	<i>TIMOTHY WAITE</i> Signature of actuary	9/15/2023 Date
	Timothy Waite, FSA Type or print name of actuary	2306310 Most recent enrollment number
	MERCER Firm name	215-982-4600 Telephone number (including area code)
	1717 Arch Street, SUITE 1100 PHILADELPHIA PA 19103 Address of the firm	

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

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	9,076,203
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	9,076,203
10	Interest on line 9 using prior year's actual return of <u>2.05</u> %.....	0	186,062
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.57</u> %		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	9,262,265

Part III Funding Percentages			
14	Funding target attainment percentage.....	14	111.02 %
15	Adjusted funding target attainment percentage	15	118.13 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	118.89 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

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

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date.....	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	0
20	Quarterly contributions and liquidity shortfalls:		
	a Did the plan have a "funding shortfall" for the prior year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	c If line 20a is "Yes," see instructions and complete the following table as applicable:		

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

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

21 Discount rate:

a Segment rates:

1st segment: 4.75 %	2nd segment: 5.18 %	3rd segment: 5.92 %	<input type="checkbox"/> N/A, full yield curve used
------------------------	------------------------	------------------------	---

b Applicable month (enter code) **21b** 4

22 Weighted average retirement age **22** 64

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) **29** 0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6c) **31a** 680,000

b Excess assets, if applicable, but not greater than line 31a **31b** 680,000

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).... **34** 0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

36 Additional cash requirement (line 34 minus line 35) **36** 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36) **38a** 0

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b** 0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0

40 Unpaid minimum required contributions for all years **40** 0

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021

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

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 64.

(A) Retirement age	(B) Rate of Retirement	(C) Number of Employees Remaining	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	3.5%	10,000	350	19,250
56	3.5%	9,650	338	18,928
57	3.5%	9,312	326	18,582
58	3.5%	8,986	315	18,270
59	3.5%	8,672	304	17,936
60	3.5%	8,368	293	17,580
61	3.5%	8,075	283	17,263
62	8.0%	7,793	623	38,626
63	13.0%	7,169	932	58,716
64	20.0%	6,237	1,247	79,808
65	35.0%	4,990	1,746	113,490
66	40.0%	3,243	1,297	85,602
67	45.0%	1,946	876	58,692
68	50.0%	1,070	535	36,380
69	55.0%	535	294	20,286
70	60.0%	241	145	10,150
71	100.0%	96	96	6,816
Total			10,000	636,375
Average				64

Schedule SB, line 26b – Schedule of Projection of Expected Benefit Payments

Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2022	3,014,264	3,027,824	4,886,879	10,928,967
2023	2,611,835	2,613,396	4,771,442	9,996,673
2024	2,699,047	1,820,441	4,645,176	9,164,664
2025	2,892,647	2,103,688	4,508,843	9,505,178
2026	3,056,828	2,126,928	4,358,737	9,542,493
2027	3,186,873	2,193,893	4,187,372	9,568,138
2028	3,263,741	1,991,668	4,017,468	9,272,877
2029	3,290,576	2,395,816	3,842,043	9,528,435
2030	3,237,852	2,459,765	3,637,695	9,335,312
2031	3,237,323	2,936,767	3,444,996	9,619,086
2032	3,231,305	2,870,114	3,223,708	9,325,127
2033	3,288,249	2,617,281	3,016,694	8,922,224
2034	3,184,600	2,927,851	2,806,607	8,919,058
2035	3,145,032	2,526,565	2,590,141	8,261,738
2036	3,080,100	3,096,453	2,380,660	8,557,213
2037	2,979,935	2,615,102	2,171,545	7,766,582
2038	2,952,982	2,727,276	1,967,161	7,647,419
2039	2,811,760	2,685,645	1,767,973	7,265,378
2040	2,779,128	2,541,054	1,575,841	6,896,023
2041	2,696,514	2,757,697	1,392,588	6,846,799
2042	2,566,507	2,402,812	1,219,864	6,189,183
2043	2,464,366	2,591,801	1,059,060	6,115,227
2044	2,295,226	2,431,059	911,254	5,637,539
2045	2,048,235	2,345,360	777,158	5,170,753
2046	1,932,588	2,157,696	657,084	4,747,368
2047	1,763,225	2,004,169	550,975	4,318,369
2048	1,670,786	1,777,842	458,439	3,907,067
2049	1,549,702	1,743,502	378,804	3,672,008
2050	1,367,985	1,585,098	311,155	3,264,238
2051	1,235,992	1,428,205	254,421	2,918,618
2052	1,134,124	1,320,991	207,412	2,662,527
2053	1,005,721	1,200,376	168,890	2,374,987
2054	903,405	1,106,164	137,651	2,147,220
2055	805,367	1,014,725	112,547	1,932,639
2056	718,851	926,579	92,528	1,737,958
2057	639,916	842,175	76,660	1,558,751
2058	567,958	761,892	64,132	1,393,982
2059	502,557	686,026	54,254	1,242,837
2060	443,455	614,784	46,448	1,104,687
2061	390,121	548,284	40,235	978,640
2062	342,121	486,565	35,227	863,913
2063	298,982	429,590	31,118	759,690
2064	260,265	377,268	27,668	665,201
2065	225,558	329,461	24,695	579,714
2066	194,486	285,997	22,067	502,550
2067	166,726	246,678	19,687	433,091
2068	141,999	211,293	17,488	370,780
2069	120,066	179,621	15,427	315,114
2070	100,720	151,443	13,482	265,645
2071	83,772	126,543	11,646	221,961

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions

Plan year	The 12-month period ending December 31								
Effective date	Original effective date: October 1, 1965 Latest amendment date: Amendment 2020-1								
Status of the plan	The plan is frozen and is closed to new entrants as of December 31, 2011.								
Definitions									
• Participation	Any employee of the employer becomes a participant upon attainment of age 21 and completion of one year of service. Participation is closed effective December 31, 2011								
• Vesting service	One year of service for each calendar year in which the employee is credited with at least 1,000 hours of service.								
• Compensation	Compensation paid to an employee excludes all bonuses, overtime and commissions. Compensation is frozen effective December 31, 2011								
• Minimum Benefit	Accrued Benefit as of May 9, 2004, expressed in the form of a single life annuity, reduced for early commencement under the terms of the Prior Plan.								
• Grandfathered Participant	An active participant on May 10, 2004 who had: <ol style="list-style-type: none"> 1. Age 50 with 10 Years of Service 2. 15 Years of Service; or 3. Age 55 with 5 Years of Service 								
• Grandfathered Benefit	Accrued Benefit, expressed in the form of a single life annuity determined under the benefit formula from the Prior Plan as if the Prior Plan had continued after May 9, 2004, until such determination date, reduced for early commencement, as applicable, under the terms of the Prior Plan. Grandfathered benefit is frozen effective December 31, 2009.								
Converted Account Balance	The Opening Account Balance is the Actuarial Equivalent lump sum value of Accrued Benefit on May 9, 2004. This balance is accumulated with interest credits.								
Converted Account Balance Interest Credit	6% per year								
Core Account Balance	Accumulated company credits and interest credits.								
Core Account Balance Interest Credit	4% per year								
Annual Company Credits	Beginning with the 2010 Plan Year. Compensation multiplied by the applicable percentage in the table below plus 3% of Compensation in excess of 2/3 of the Taxable Wage Base for the Plan Year: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th><u>Years of Service</u></th> <th><u>Pay Credit Percent</u></th> </tr> </thead> <tbody> <tr> <td>1-7</td> <td>2.5%</td> </tr> <tr> <td>8-14</td> <td>3.0%</td> </tr> <tr> <td>15 or more</td> <td>4.0%</td> </tr> </tbody> </table> <p>Company Credits are frozen effective December 31, 2011.</p>	<u>Years of Service</u>	<u>Pay Credit Percent</u>	1-7	2.5%	8-14	3.0%	15 or more	4.0%
<u>Years of Service</u>	<u>Pay Credit Percent</u>								
1-7	2.5%								
8-14	3.0%								
15 or more	4.0%								

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement	
• Eligibility	Age 65 and completion of 2 years of vesting service.
• Benefit	Greatest of: (a) Account Balance projected to Normal Retirement Date using Core Account and Converted Account interest rates as of determination date, then converted to single life annuity based on Applicable Interest rate at date of determination (b) Minimum Benefit (c) Grandfathered Benefit
Early retirement	
• Eligibility	Age 55 and completion of 5 years of vesting service.
• Benefit	Normal Retirement Benefit, reduced by 1/15th for each of the first 5 years prior to normal retirement date and 1/30th for each of the next 5 years.
Late retirement	
• Eligibility	A member may continue employment after his/her normal retirement date.
• Benefit	Greatest of : 1. The Account balance converted to a single life annuity based on Applicable interest rate at date of determination 2. The Minimum Benefit 3. The Grandfathered Benefit
Deferred vested	
• Eligibility	3 or more years of service
• Benefit	Accrued benefit payable at age 65. If eligible to commence early, same as early retirement
Pre-retirement death	
• Eligibility	If a married member has met the vesting requirements, the spouse will receive a benefit in the event the member dies before retiring.
• Benefit	Amount that would have been paid had the participant retired on the day before his death and elected the 100% Joint and Survivor payment option. If there is no surviving spouse, or if the surviving spouse elects, the death benefit shall be paid in the form of a lump sum that is Actuarial Equivalent to the Accrued Benefit.
Form of benefits	
• Optional forms	1. Single life annuity 2. 50%, 75% or 100% joint and survivor annuity 3. 60, 120, 180 certain and continuous 4. Lump sum
• Actuarial equivalence	1. Lump sums: 417(e) morality and interest 2. 60 and 180 month Certain and Continuous: 1971 GAM Table set back 5 years at 9% interest 3. 120 month Certain and Continuous: Tabular plan factors

Schedule SB, Part V — Summary of Plan Provisions

-
4. 50% Joint and Survivor: Tabular plan factors with adjustment for age differences of one year or more
 5. 100% Joint and Survivor: 1971 GAM table set back 4 years for participants and 0 years for beneficiary at 9% interest
 6. Late retirement adjustment to the grandfathered benefit: 1983 GAM female mortality table and 8% interest.
-

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated and amended through Amendment 2020-1 are included in this valuation.

- **Most recent plan amendments included:** Amendment 2020-1
- **Plan amendments excluded:** None.
- **Late retirement increases:**
 - *Active participants:* Active participants over normal retirement age are valued including the late retirement actuarial increase.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Plan Provisions Specific to Funding**Additional benefits included or excluded**

- **IRC Section 436 benefit restrictions:**
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals, nor does the target normal cost.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Schedule SB, Part V — Summary of Plan Provisions

Plan provision changes since prior valuation

No provision changes have occurred since the January 1, 2021 funding valuation.

Schedule SB, line 24 — Change in Actuarial Assumptions

- Interest discounts and mortality rates were updated from 2021 to 2022 in accordance with PPA.
- The expense component of normal cost increased from \$221,000 to \$680,000 to reflect our expectations for the current plan year.