Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2025

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) _____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [ ] Form 5558
- [X] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ [ ]

Part II Basic Plan Information—enter all requested information

1a Name of plan
SPARROW HEALTH SYSTEM ASSOCIATE PENSION PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1976

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)
SPARROW HEALTH SYSTEM

1215 EAST MICHIGAN AVENUE
LANSING, MI 48912-1811

2b Employer Identification Number (EIN)
38-2542859

2c Plan Sponsor's telephone number
517-364-5840

2d Business code (see instructions)
622000

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2026	TERESA ZNIDARSIC
	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

3a	Plan administrator's name and address [X] 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:	**4b**	EIN
a	Sponsor's name	**4d**	PN
c	Plan Name		

5	Total number of participants at the beginning of the plan year	**5**	4111
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	603
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	573
b	Retired or separated participants receiving benefits	**6b**	2181
c	Other retired or separated participants entitled to future benefits	**6c**	1278
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	4032
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	46
f	Total. Add lines **6d** and **6e**.	**6f**	4078
g(1)	Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	**6g(1)**	
g(2)	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g(2)**	
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1A 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [X] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- **(4)** [ ] **DCG** (Individual Plan Information) – Number Attached _____
- **(5)** [ ] **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information) – Number Attached _____
- **(4)** [ ] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2025 Form M-1 annual report. If the plan was not required to file the 2025 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

2025

This Form is Open to Public Inspection

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

▶ **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
SPARROW HEALTH SYSTEM ASSOCIATE 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
SPARROW HEALTH SYSTEM

D Employer Identification Number (EIN)
38-2542859

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2025

2 Assets:

a Market value	**2a**	209461852
b Actuarial value	**2b**	193201370

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	2201	171398943	171398943
b For terminated vested participants	1307	39296811	39296811
c For active participants	603	12559082	13520382
d Total	4111	223254836	224216136

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	

5 Effective interest rate	**5**	5.36 %
6 Target normal cost		
a Present value of current plan year accruals	**6a**	0
b Expected plan-related expenses	**6b**	3000000
c Target normal cost	**6c**	3000000

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

09/25/2026
Date

JESSICA DIGREGORIO-VANDERHOEF
Type or print name of actuary

26-08957
Most recent enrollment number

MERCER
Firm name

248-450-9333
Telephone number (including area code)

ONE TOWNE SQUARE
SOUTHFIELD, MI 48076

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)		
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8)		
10	Interest on line 9 using prior year's actual return of 8.94 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		3209
	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 5.15 %		165
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
	c Total available at beginning of current plan year to add to prefunding balance		3374
	d Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)		

Part III Funding Percentages

14	Funding target attainment percentage	14	86.16 %
15	Adjusted funding target attainment percentage	15	86.16 %
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	92.99 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/09/2025	3737616				
07/11/2002	3737616				
			Totals ► 18(b)	7475232	18(c)

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	
	b Contributions made to avoid restrictions adjusted to valuation date	19b	
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	7322463

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

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

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

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:

a Segment rates:	1st segment: 5.07 %	2nd segment: 5.31 %	3rd segment: 5.50 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

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

Part VI Miscellaneous Items

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

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

26 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**	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	

Part VIII Minimum Required Contribution For Current Year

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

a Target normal cost (line 6c)	**31a**	3000000
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	31014766	3144905
b Waiver amortization installment		

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____)_and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	6144905

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

36 Additional cash requirement (line 34 minus line 35)	**36**	6144905
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	7322463

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

a Total (excess, if any, of line 37 over line 36)	**38a**	1177558
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	
40 Unpaid minimum required contributions for all years	**40**	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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2025

This Form is Open to Public Inspection.

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
SPARROW HEALTH SYSTEM ASSOCIATE PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
SPARROW HEALTH SYSTEM

D Employer Identification Number (EIN)
38-2542859

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: SPARROW HEALTH SYSTEM MASTER TRUST

b Name of sponsor of entity listed in (a): SPARROW HEALTH SYSTEM

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
83-2121212-001	M	222446071

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

Part II **Information on Participating Plans (to be completed by DFEs, other than DCGs)**
(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

a Plan name

b Name of plan sponsor | **c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2025

This Form is Open to Public Inspection

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
SPARROW HEALTH SYSTEM ASSOCIATE PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SPARROW HEALTH SYSTEM

D Employer Identification Number (EIN)
38-2542859

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)	4593854	
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	426246351	222446071
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
1e Buildings and other property used in plan operation	1e		
1f Total assets (add all amounts in lines 1a through 1e)	1f	430840205	222446071
Liabilities			
1g Benefit claims payable	1g		
1h Operating payables	1h		
1i Acquisition indebtedness	1i		
1j Other liabilities	1j	221848878	
1k Total liabilities (add all amounts in lines 1g through1j)	1k	221848878	0
Net Assets			
1l Net assets (subtract line 1k from line 1f)	1l	208991327	222446071

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)	7475232	
(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)		7475232
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)		
(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)		
(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)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(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)		23808852
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		31284084
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	17829340	
(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)		17829340
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines **2i(1)** through **(11)**	2i(12)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		17829340
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		13454744
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [X] 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) [X] 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: ANDREWS HOOPER PAVLIK PLC **(2)** EIN: 38-3133790

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) [ ] This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

		Yes	No	Amount
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.)	**4a**		X	
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		5000000
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**		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? [ ] Yes [X] No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

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

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

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ..... [X] Yes [ ] No [ ] Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 584359.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2025

This Form is Open to Public Inspection.

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
SPARROW HEALTH SYSTEM ASSOCIATE PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SPARROW HEALTH SYSTEM

D Employer Identification Number (EIN)
38-2542859

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**

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): 13-5160382

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** 0

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: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	**14a**	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14b**	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14c**	

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

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

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

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

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

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

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

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:
Public Equity: 22.0 % Private Equity: 8.0 % Investment-Grade Debt and Interest Rate Hedging Assets: 51.0 %
High-Yield Debt: 11.0 % Real Assets: 5.0 % Cash or Cash Equivalents: 1.0 % Other: 2.0 %

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:
☐ 0-5 years ☒ 5-10 years ☐ 10-15 years ☐ 15 years or more

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._____

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☒ Yes ☐ No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☐ Design-based safe harbor method

☐ "Prior year" ADP test

☐ "Current year" ADP test

☒ N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ___/___/_____ (MM/DD/YYYY) and the Opinion Letter serial number_____.

Audited Financial Statements

Sparrow Health System
Associate Pension Plan

Years Ended December 31, 2025 and 2024
with Report of Independent Auditors

AHPA
CPAs & ADVISORS
ANDREWS HOOPER PAVLIK PLC

Sparrow Health System Associate Pension Plan

Audited Financial Statements

Years Ended December 31, 2025 and 2024

Contents

Report of Independent Auditors 1

Statements of Net Assets Available for Benefits 4

Statements of Changes in Net Assets Available for Benefits 5

Notes to Financial Statements 6

Report of Independent Auditors

To the Finance and Audit Committee,
Human Resource & Compensation Committee,
and the Plan Administrator of the Sparrow Health System
Associate Pension Plan
Lansing, Michigan

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

We have performed audits of the accompanying financial statements of Sparrow Health System Associate Pension Plan (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, 2025 and 2024, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

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

Management has obtained certifications from a qualified institution as of and for the years ended December 31, 2025 and 2024, stating that the certified investment information, as described in Note 8 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

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

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

Basis for Opinion

We conducted our audits 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 Sparrow Health System Associate 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 ERISA Section 103(a)(3)(C) audit opinion.

Emphasis of Matter – Plan Restructure

As discussed in Note 1 to the financial statements, effective December 31, 2024, the Plan was amended to restructure plan participants in conjunction with another pension plan. As part of this restructuring, certain participants were spun off and merged into the other plan while other participants were spun off from the other plan and merged into this Plan. The related asset transfer occurred during the year ended December 31, 2025. 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 U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 Sparrow Health System Associate 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Sparrow Health System Associate Pension Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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.

Andrews Hooper Pavlik PLC

Okemos, Michigan
September 26, 2026

Sparrow Health System Associate Pension Plan

Statements of Net Assets Available for Benefits

	December 31	
	2025	**2024**
Assets		
Investments:		
Plan's interest in the Sparrow Health System Defined Benefit Master Trust	**$ 222,446,071**	$ 426,246,351
Employer contribution receivable	**-**	4,593,854
Total assets	**222,446,071**	430,840,205
Liabilities		
Plan transfer payable	**-**	221,848,878
Net assets available for benefits	**$ 222,446,071**	$ 208,991,327

See accompanying notes.

Sparrow Health System Associate Pension Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2025	**2024**
Additions		
Investment income:		
Plan's interest in the Sparrow Health System Defined Benefit Master Trust	**$ 27,059,933**	$ 34,815,593
Employer contributions	**7,475,232**	15,490,458
Total additions	**34,535,165**	50,306,051
Deductions		
Benefits paid to participants	**17,829,340**	21,164,444
Administrative expenses	**3,251,081**	4,360,483
Total deductions	**21,080,421**	25,524,927
Net change in net assets available for benefits	**13,454,744**	24,781,124
Transfer to Sparrow Health System Pension Plan A2	**-**	(221,848,878)
Net assets available for benefits		
Beginning of year	**208,991,327**	406,059,081
End of year	**$ 222,446,071**	$ 208,991,327

See accompanying notes.

Sparrow Health System Associate Pension Plan

Notes to Financial Statements

December 31, 2025

1. Description of Plan

The following brief description of the Sparrow Health System Associate Pension Plan is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

General

The Plan is a defined benefit pension plan covering a substantial number of employees (caregivers) of the following entities: Sparrow Health System, Edward W. Sparrow Hospital Association, Sparrow Community Care, Sparrow Development, Inc., Physicians Health Plan, Inc. (formerly Physicians Health Plan of Mid-Michigan), PHP Shared Services, LLC (formerly Physicians Health Plans Shared Services, LLC), Pharmacy Plus, Inc., and Mid-Michigan MRI, Inc. (collectively, Sparrow). Effective December 31, 2011, all caregivers of Sparrow Development, Inc. and Pharmacy Plus, Inc. became caregivers of Sparrow Community Care. Effective December 30, 2011, the Clinton Memorial Hospital Pension Plan merged into the Plan. Effective June 30, 2015, the Carson City Hospital Hourly and Salaried Employees' Retirement Plan merged into the Plan. Each entity provides amounts over the years as are necessary on an actuarially determined basis to provide the Plan with sufficient assets to meet the benefits to be paid to Plan participants. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective January 1, 2017, the Plan was amended and split into two separate plans with the transfer of certain assets and liabilities, and the related transfer of certain participants, from the Plan to the Sparrow Health System Associate Pension Plan A2 (a new plan)(A2 Plan).

The Plan was amended on January 1, 2021, becoming a multiple employer Plan, as Physicians Health Plan ceased to be in the same controlled group. The Plan was subsequently amended, effective January 1, 2022, to remove Physicians Health Plan as a participating employer. Impacted Physicians Health Plan participants will no longer earn additional benefit service credit as of January 1, 2022. Physicians Health Plan ceased operations during the year ended December 31, 2025.

Effective April 1, 2023, Sparrow Health System finalized a partnership with University of Michigan Health System. Effective April 1, 2024, Sparrow is doing business as University of Michigan Health – Sparrow.

Effective December 31, 2024, the Plan was amended to restructure plan participants in conjunction with the A2 Plan. As part of this restructuring, certain participants were spun off and merged into the A2 Plan while other participants were spun off from the A2 plan and merged into this Plan.

1. Description of Plan (continued)

General (continued)

During 2025, the asset transfer from the Plan to the A2 Plan occurred. As of December 31, 2025, there is no longer a payable related to the restructure. As of December 31, 2024, the Plan recorded a payable to the A2 Plan totaling $221,848,878 related to the restructure. The transfer of assets and payable was calculated by the Plan actuary based on plan participant levels and funded assets. Participant benefits were not impacted by the restructure.

Eligibility

All permanent caregivers participate on January 1 after they have attained the age of 20 ½. Beginning July 1, 2007 and at various dates subsequent thereto, the Plan has been closed to entry for any newly hired caregiver electing to participate in the Sparrow Health System Associate Retirement Savings Plan. In 2011 and 2010, all caregivers, including those under certain collective bargaining agreements, were given an option to either stay with the defined benefit plan or switch to the Sparrow Health System Associate Retirement Savings Plan. Effective January 1, 2010, no new participants are allowed into the plan.

Normal Retirement

Normal retirement age is 65.

Plan Benefits

The monthly benefit is equal to the greater of:

1) 1.30% of final average compensation, multiplied by the years of benefit service to a maximum of 40 years, plus 0.65% of final average compensation in excess of covered compensation, multiplied by years of benefit service, to a maximum of 35 years;

2) The participant's accrued benefit on December 31, 1988, plus 1.30% of final average compensation, multiplied by the years of benefit service accrued after December 31, 1988, to a maximum of 40 years of combined service, plus 0.65% of final average compensation in excess of covered compensation, multiplied by the years of benefit service accrued after December 31, 1988, to a maximum of 35 years of combined service;

3) If the participant is a UAW member, $30 (effective December 1, 2011) times total years of benefit service; or

4) A Social Security offset formula as described in the plan agreement.

1. Description of Plan (continued)

Plan Benefits (continued)

Certain caregivers covered under a separate plan prior to December 31, 1998, earn a benefit equal to amounts calculated under (1) above for service after that date, plus a frozen amount as earned under the prior plan for service prior to December 31, 1998. For former St. Lawrence associates, former participants of the Clinton Memorial Hospital Pension Plan, former participants of the Carson City Hospital Hourly and Salaried Employees' Retirement Plan, and certain other caregivers, the monthly plan benefits are described in the plan agreement.

Effective December 31, 2010, for non-represented caregivers and caregivers whose benefits are collectively bargained for with the United Auto Workers (UAW), and December 31, 2011, for caregivers whose benefits are collectively bargained for with the Michigan Nurses Association (MNA), a change in the formula used to calculate retirement benefits under the Plan was adopted. Subject to limited grandfathering, caregivers will have their accrued benefits frozen as of December 31, 2010 (December 31, 2011 for MNA associates), with additional future benefits being earned at the annual rate of 1.50% of pensionable earnings.

Early Retirement

Early retirement age is 55. The monthly retirement benefit is the accrued normal retirement benefit determined at the early retirement date as described above, multiplied by the appropriate factor.

Supplemental Early Retirement

Monthly benefit is equal to 1.00% of final average monthly compensation multiplied by years of benefit service, payable until age 65, life annuity, or as a lump sum based upon the actuarial present value of the supplemental early retirement benefits.

Vesting

Accrued benefits are fully vested after 5 years of vested service. If caregivers terminate before rendering 5 years of service, they forfeit the right to receive their accumulated Plan benefits attributable to Sparrow's contributions. Forfeitures arising under the Plan shall be applied to reduce the cost of the Plan.

1. Description of Plan (continued)

Death Benefits

A monthly life annuity benefit is payable to the spouse or named beneficiary of a caregiver who has earned the right to a vested benefit. The amount of benefit is equal to the actuarial present value of the participant's vested accrued benefit as of the date of death. In certain instances, the participant may elect an optional form of benefit payment by executing a pre-retirement death benefit beneficiary designation.

In addition, the actuarial present value of the Supplemental Early Retirement (SER) benefit shall be paid to the beneficiary of an associate with 25 or more years of vesting service at the date of death.

Administrative Expenses

Certain administrative expenses were paid for by Sparrow. Additional certain administrative expenses, including the PBGC fees, were paid by the Plan and are reflected in the accompanying financial statements.

2. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed in the preparation of the financial statements of the Plan.

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates. Significant estimates are used in determining the actuarial present value of accumulated plan benefits.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

2. Summary of Significant Accounting Policies (continued)

Subsequent Events

Plan management has evaluated subsequent events through September 26, 2026, the date the financial statements were available to be issued.

3. Valuation of Investments

The fair value of the Plan's interest in the Sparrow Health System Defined Benefit Master Trust (Master Trust) is based on the beginning of the year value of the Plan's interest in the trust, plus actual contributions and allocated investment income (loss), less actual distributions and allocated administrative expenses. The Master Trusts' investments are stated at fair value.

Fair Value Measurements

As defined in current authoritative guidance, 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. In determining fair value, the Plan uses various methods including market, income, and cost approaches.

Based on these approaches, the Plan often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs.

The Plan utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Plan is required to provide information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values.

Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

- Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets and liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

3. Valuation of Investments (continued)

Fair Value Measurements (continued)

- Level 3 – Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In determining the appropriate levels, the Plan performs a detailed analysis of the assets. At each reporting period, all assets for which the fair value measurement is based on significant unobservable inputs are classified as Level 3. For the years ended December 31, 2025 and 2024, the application of valuation techniques applied to similar assets has been consistent.

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

Registered Investment Companies

The fair values of registered investment companies' investments are determined by obtaining quoted prices on nationally recognized securities exchanges.

Cash Equivalents

The investment in the EB Temporary Investment Fund, which operates similar to a money market fund, and cash balances are valued at cost, which approximates fair value.

Collective Trust Funds and Partnership Interest

The investments in the SEI Core Property Collective Investment Trust, SEI Global Private Equity Assets IV CIT Escrow, SEI Global Private Assets V Collective Fund, and the SEI Structured Credit Collective Fund are stated at estimated fair value based on the net asset value of the participation units in each fund as a practical expedient. The SEI Core Property Collective Investment Trust fully invests in the SEI Core Property fund which is a limited partnership with a diversified strategy of property funds. The SEI Global Private Equity Assets IV CIT fully invests in the SEI Global Private Assets IV fund which is a limited partnership with a diversified strategy of private equity funds. The SEI Global Private Assets V Collective Fund fully invests in the SEI Global Private V fund which is a limited partnership with a diversified strategy of private equity funds. The SEI Structured Credit Collective Fund fully invests in the SEI Structured Credit Segregated Portfolio fund which is a privately placed fund that invests in a diversified portfolio of structured credit instruments.

3. Valuation of Investments (continued)

Collective Trust Funds and Partnership Interest (continued)

The Plan has elected the accounting policy to measure these four investments and the investment-related accounts using the month-end that is closest to the Plan's year-end which results in a 1 to 3 month lag in valuation reporting.

Certain lock-up periods, redemption notification requirements, and payment holdbacks are mandatory in order to liquidate the SEI Core Property Collective Investment Trust and the SEI Structured Credit Collective Fund.

The SEI Global Private Equity Assets IV CIT Escrow and SEI Global Private Assets V Collective Fund cannot be redeemed and will be with the Plan until the funds invest and then fully liquidate all investments. The timing of the redemption period is unknown. The Plan holds investment securities in the SEI Global Private Assets IV Collective Fund which has a capital commitment of $19,000,000 into the fund by the Plan. The Plan has a remaining unfunded commitment of $2,026,662 as of December 31, 2025 ($4,650,928 as of December 31, 2024).

The Plan also holds investment securities in the SEI Global Private Assets V Collective Fund which has a capital commitment of $19,000,000 into the fund by the Plan. The Plan has a remaining unfunded commitment of $2,671,833 as of December 31, 2025 ($7,300,309 as of December 31, 2024).

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

4. Plan Funding

Sparrow makes annual contributions in amounts, recommended by an independent actuary, to provide assets sufficient to meet the benefits to be paid to Plan participants. Sparrow has the right under the Plan to discontinue such contributions at any time and to terminate the Plan.

The Plan has met the minimum required contributions established by Section 412 of the Internal Revenue Code to satisfy the ERISA funding standards. Sparrow met the minimum funding requirements for the Plan years ended December 31, 2025 and 2024.

5. Interest in Master Trust

The Plan's investments are in the Sparrow Health System Defined Benefit Master Trust. Each participating retirement plan in the Master Trust has a divided interest in the Master Trust. The assets of the Master Trust are held by The Bank of New York Mellon/BNY Mellon, N.A. (Mellon).

The Plan's interest in the Master Trust investment balances is determined based on the Plan's specific investment account balances. Investment income or losses and nonspecific plan administrative expenses relating to the Master Trust are allocated to the individual plans based upon the ratio of the Plan's account balance in the respective investment option divided by the total Master Trust account balance in the respective investment option.

The net assets for the Master Trust and Plan are as follows as of December 31, 2025:

	Master Trust Balance	Plan's Interest in Master Trust Balances
Investments:		
Cash equivalents	**$ 4,296,232**	**$ 2,100,000**
Registered investment companies	**587,739,007**	**176,630,189**
Collective investment funds	**143,270,631**	**44,049,767**
Total investments	**735,305,870**	**222,779,956**
Plus:		
Interest receivable	**11,332**	**3,723**
Pending trade receivable	**31,000,000**	**-**
Less:		
Accrued expenses and payables	**(1,158,094)**	**(337,608)**
Total net assets	**$ 765,159,108**	**$ 222,446,071**

The investment income for the Master Trust and Plan is as follows for the year ended December 31, 2025:

	Master Trust Balance	Plan's Interest in Master Trust Balances
Interest and dividend income	**$ 21,310,789**	**$ 7,202,671**
Net realized and unrealized appreciation of investments	**67,465,178**	**19,857,262**
Total investment income	**$ 88,775,967**	**$ 27,059,933**

5. Interest in Master Trust (continued),

The net assets for the Master Trust and Plan are as follows as of December 31, 2024:

	Master Trust Balance	Plan's Interest in Master Trust Balances
Investments:		
Cash equivalents	$ 3,959,562	$ 1,750,113
Registered investment companies	572,691,426	323,880,960
Collective investment funds	137,963,355	101,119,619
Total investments	714,614,343	426,750,692
Plus:		
Interest receivable	4,332	2,248
Less:		
Accrued expenses	(850,482)	(506,589)
Total net assets	$ 713,768,193	$ 426,246,351

The investment income for the Master Trust and Plan is as follows for the year ended December 31, 2024:

	Master Trust Balance	Plan's Interest in Master Trust Balances
Interest and dividend income	$ 21,716,815	$ 12,138,870
Net realized and unrealized appreciation of investments	24,615,115	22,676,723
Total investment income	$ 46,331,930	$ 34,815,593

Net appreciation includes the Master Trust's gains and losses on investments bought and sold as well as held during the year. Interest income is recognized on the accrual basis of accounting. Dividend income is recorded on the ex-dividend date. Income from other securities is recorded as earned on an accrual basis.

6. Party-in-Interest Transactions

Parties-in-interest are defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, auditor, and certain others.

The Plan paid administrative expenses to the following significant parties-in-interest for the years ended December 31:

Provider	Relationship	2025	2024
SEI Investments	Investment advisor	**$ 1,398,994**	$ 1,743,121
Mercer (US) Inc.	Actuary	**507,510**	521,562
The Bank of New York Mellon Corporation	Custodian	**106,606**	102,559

Remaining administrative expenses relate to PBGC fees and other non-significant expenses. In addition, certain Plan investments held in the Master Trust are managed by SEI or Mellon or their affiliates. SEI is the investment advisor and Mellon is the trustee of the Plan; therefore, these transactions qualify as party-in-interest transactions as defined under ERISA guidelines. Effective in 2026, the Plan actuary will change from Mercer to Principal Life Insurance Company.

7. Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by the caregivers. Accumulated plan benefits include benefits expected to be paid to retired or terminated caregivers with vested interests and their beneficiaries, beneficiaries of caregivers who have died, and present caregivers or their respective beneficiaries. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to caregiver service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an independent actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements for deaths, disabilities, withdrawals, or retirements) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits was calculated as of January 1, 2026 for the Plan year ended December 31, 2025, and as of January 1, 2025 for the Plan year ended December 31, 2024.

7. Accumulated Plan Benefits (continued)

The actuarial present value of accumulated plan benefits, rounded to the nearest thousand, are as follows as of December 31:

	2025	2024
Vested benefits:		
Retirees currently receiving benefits	**$ 155,731,000**	$ 148,736,000
Other participants	**42,854,000**	38,064,000
Total vested benefits	**198,585,000**	186,800,000
Nonvested benefits	**953,000**	921,000
Actuarial present value of accumulated plan benefits	**$ 199,538,000**	$ 187,721,000

Changes in the actuarial present value of accumulated plan benefits were calculated as of January 1, 2026 for the Plan year ended December 31, 2025, and as of January 1, 2025 for the Plan year ended December 31, 2024.

The actuarial present value of accumulated plan benefits, rounded to the nearest thousand, are as follows for the years ended December 31:

	2025	2024
Actuarial present value of accumulated plan benefits at beginning of year	**$ 187,721,000**	$ 337,920,000
Increase (decrease) attributable to:		
Additional benefits accumulated and (gains) losses	**2,240,000**	6,675,000
Increase for interest due to decrease in discount period	**13,153,000**	26,117,000
Benefits paid	**(22,798,000)**	(21,164,000)
Change in actuarial assumptions	**14,254,000**	30,806,000
Plan restructure	**4,968,0000**	(192,633,000)
Net increase (decrease)	**11,817,000**	(150,199,000)
Actuarial present value of accumulated plan benefits at end of year	**$ 199,538,000**	$ 187,721,000

7. Accumulated Plan Benefits (continued)

A summary of the significant actuarial assumptions used in computing plan benefits are as follows:

Life expectancy of participants	Healthy and disabled participants – Section 430(h)(3) prescribed generational annuitant and nonannuitant mortality tables, in accordance with IRS regulation 1.430(h)(3)-1. MSS-2025 improvement scale for healthy participants (projection scale) as of December 31, 2025 (MSS-2024 as of December 31, 2024). Revenue Ruling 96-7 for disabled participants.
Excluded participants	There are no participants in 2025 or 2024 that were not expected to accrue sufficient hours to qualify for a pension and were excluded from the valuation. No actuarial liability is included for nonvested participants who terminated prior to the end of the year.
Discount rate	Rate of 6.60% as of December 31, 2025 and 7.50% as of December 31, 2024.
Inflation	2.20% per year as of December 31, 2025 and 2024.

Salary increases

Attained Age	Salary Increase
35	4.70% as of December 31, 2025 and 2024
40	4.30% as of December 31, 2025 and 2024
45	3.80% as of December 31, 2025 and 2024
50	3.40% as of December 31, 2025 and 2024
55	2.90% as of December 31, 2025 and 2024
60+	2.50% as of December 31, 2025 and 2024

Retirement age

Retirement rates vary by age and eligibility for Supplemental Early Retirement Benefit (SERB).

Assumed rates as of December 31, 2025 and 2024 for active participants continuing to accrue benefits:

Age	Eligible for SERB	Not Eligible for SERB
Under 55	0%	0%
55 – 60	7%	5%
61 – 63	15%	13%
64	27%	13%

7. Accumulated Plan Benefits (continued)

Retirement age (continued)

Age	Eligible for SERB	Not Eligible for SERB
65	53%	40%
66 – 70	39%	31%
71+	100%	100%

Withdrawal rates

Attained Age	Withdrawal Rate
25	9.90% as of December 31, 2025 and 2024
30	6.49% as of December 31, 2025 and 2024
35	5.28% as of December 31, 2025 and 2024
40	4.73% as of December 31, 2025 and 2024
45	5.51% as of December 31, 2025 and 2024
50	4.79% as of December 31, 2025 and 2024
55	0.00% as of December 31, 2025 and 2024

Expected investment return	6.00% for the 2026 Plan year and 7.25% for the 2025 Plan year.
Cash balance interest crediting rate	3.60% for future years as of December 31, 2025 and 2024.

These actuarial assumptions were based on the presumption that the Plan will continue. Actuarial assumptions related to salary increases, retirement age, and withdrawal rates, were updated as of December 31, 2025 and 2024 based on a recent experience study using data from the 2019 to 2023 plan years. The $4,968,000 increase for the year ended December 31, 2025 and $192,633,000 decrease for the year ended December 31, 2024, in the actuarial present value of accumulated plan benefits was calculated by the actuary and relates to the plan restructure with the A2 plan as discussed in Note 1.

Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. Should the Plan be terminated at some future time, its assets generally will not be available on a pro rata basis to provide participants' benefits.

Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits as determined in accordance with ERISA and its applicable regulations, and with the Plan document, and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at the time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all.

8. Investments – Unaudited Information

Mellon (Trustee) holds the Plan's investments and executes all investment transactions. The Plan's interest in the Master Trust, investment income related to the Plan's interest in the Master Trust, investment balances and investment income information included in the accompanying financial statements, including Master Trust investment information included in Note 5, are based solely on information provided by the Trustee. This certified information has not been audited by independent auditors.

9. Fair Value Measurements

The following table summarizes the Master Trust's investments measured at fair value on a recurring basis as of December 31, 2025 and 2024, aggregated by the level in the fair value hierarchy within which those measurements are determined:

2025	**Master Trust Balance**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Registered investment companies	**$ 587,739,007**	**$ 587,739,007**	**$ -**	**$ -**
Cash equivalents	**4,296,232**	**4,296,232**	**-**	**-**
Total investments in the fair value hierarchy	**609,216,616**	**609,216,616**	**-**	**-**
Investments measured at net asset value as a practical expedient	**143,270,631**	**-**	**-**	**-**
Total investments	**$ 735,305,870**	**$ 609,216,616**	**$ -**	**$ -**

2024	**Master Trust Balance**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Registered investment companies	$ 572,691,426	$ 572,691,426	$ -	$ -
Cash equivalents	3,959,562	3,959,562	-	-
Total investments in the fair value hierarchy	576,650,988	576,650,988	-	-
Investments measured at net asset value as a practical expedient	137,963,355	-	-	-
Total investments	$ 714,614,343	$ 576,650,988	$ -	$ -

10. Tax Status

The Internal Revenue Service has determined and informed Sparrow Health System by a letter dated January 7, 2016 that the Plan and related trust were designed in accordance with applicable regulations of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. Plan management believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Generally, tax years 2022 through the current year remain open to examination. The Plan does not believe that the results from any examination of these open years would have a material adverse effect on the Plan.

11. Risks and Uncertainties

Cash at times during the year may include amounts in excess of FDIC insurance limits.

The Plan invests in a master trust that provides for various investment options. Investment securities are exposed to various risks, including interest rate, market, liquidity, and credit risks. Due to the level of risk associated with certain investment securities and the sensitivity of certain fair value estimates to changes in valuation assumptions, it is reasonably possible that changes in values of investment securities in the near term could materially affect 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 are made, and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

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

Actuarial Assumptions for January 1, 2025 Funding Valuation

Discount rate sponsor elections		
• Segment rates or full yield curve	Segment	
• Look-back months	4	
	Stabilized	**Nonstabilized**
• First 5 years	5.07%	5.07%
• Next 15 years	5.31%	5.33%
• Over 20 years	5.50%	5.36%
- Rationale	Selected from a set of allowable alternatives, as prescribed by the IRS	
Mortality sponsor elections		
• Healthy and disabled participants	Section 430(h)(3) prescribed generational annuitant and nonannuitant mortality tables for 2025 plan year funding valuations, in accordance with IRS regulation 1.430(h)(3)-1.	
• Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995	
• Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits	
- Rationale	Selected from a set of allowable alternatives, as prescribed by the IRS	
Lump sums / cash balance	The only lump sums valued are Cash Balance accounts and do not require conversions. For valuation purposes, Cash Balance accounts are given 3.60% interest credits in future years (the estimated long-term nominal 5-year yield from the January 2025 Mercer Capital Markets Outlook).	
Other economic assumptions		
• Salary increases	**Table of sample rates:**	
	Attained Age	**Salary Increase**
	35	4.70%
	40	4.30%
	45	3.80%
	50	3.40%
	55	2.90%
	60	2.50%
	65+	2.50%
- Rationale	This assumption is based on an experience study covering the 2019 through 2023 plan years, adjusted to reflect management's expectation for the future.	
• Flat-dollar benefit increases	None	
• Inflation	2.20% per year	

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

- Rationale	This assumption is based on historical experience and the inflation assumption periodically published by Mercer Investment Consulting in their Capital Markets Outlook as of January 2025.
• Expected investment return	7.25% for the 2024 plan year and 7.50% for the 2023 plan year
- Rationale	The expected rate of return on plan assets is based on the median simulated investment return using capital market assumptions published in Mercer Investment Consulting's Capital Markets Outlook as of January for the plans' target asset mix rounded to the nearest 25 bps (without an adjustment for investment expenses, as those are explicitly included in the expense load).
• Expenses	$3,000,000
- Rationale	Based on the actuary's best estimate of the administrative and investment expenses expected to be paid from plan assets during the year.
Demographic assumptions	
• Retirement age	**Actives no longer accruing benefits: Retirements are assumed to occur in accordance with the following schedule**

Age	Social Security Supplement Eligible	Not Social Security Supplement Eligible
Under 55	0%	0%
55 - 57	6%	6%
58 – 59	6%	11%
60 - 62	16%	11%
63 - 64	16%	22%
65	70%	28%
66 - 70	50%	28%
71+	100%	100%

- Rationale	The retirement rates are based on an experience study using data from the 2019 to 2023 plan years and the expectation that the future retirement patterns will not differ significantly from the period studied.
• Disability incidence	1985 Pension Disability Study Class 1 Sex-distinct table
• Withdrawal	

Attained age	Withdrawal Rate
25	9.90%
30	6.49%
35	5.28%
40	4.73%
45	5.51%
50	4.79%
55	0.00%

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

- Rationale	Termination rates were developed based on an experience study using data from the 2019 to 2023 plan years. The plan sponsor believes that this period will be representative of anticipated future experience.

• Benefit commencement age for		
- Future vested deferred	65	
- Current vested deferred	65, or attained age if later	
- Rationale	Deferred vested participants are assumed to retire at the age when benefits are first available on an unreduced basis. This assumption was reviewed for reasonability based on data from the 2019 to 2023 plan years.	
• Spouse assumptions	**Male participants**	**Female participants**
- Percentage married	100%	100%
- Spouse age difference	2 years younger	2 years older
• **Social Security eligibility upon disablement**	It is assumed all participants who become disabled will be eligible for Social Security disability benefits	

Form of payment	**Single life**	**50% J&S**	**75% J&S**	**100% J&S**
• Active retirements	50%	25%	5%	20%
• Future vested deferred	50%	25%	5%	20%
• Future disabilities	100%	0%	0%	0%
• Future deaths	0%	0%	0%	100%
• Current vested deferred	50%	25%	5%	20%
- Rationale	The form of payment assumption is based on recent participant elections. This assumption was reviewed for reasonability based on data from the 2019 to 2023 plan years.			
• **Unpredictable contingent event assumptions**	Not applicable.			

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

Actuarial Methods for Funding

Asset Methods

The asset valuation method is an average of the adjusted market value for each year during the last 2 years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the 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. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.
- **Transferred participants:** The liabilities for employees who have transferred into another business unit of the plan sponsor have been included with the liabilities for active participants.
- **Disabled participants:** The liabilities for participants on long-term disability have been included with the liabilities for inactive participants.

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

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 are 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, 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 65.

(A) Retirement age	(B) Retirement percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5.00%	10,000	500	27,500
56	3.00%	9,500	285	15,960
57	3.00%	9,215	276	15,732
58	3.00%	8,939	268	15,544
59	3.00%	8,671	260	15,340
60	3.00%	8,411	252	15,120
61	3.00%	8,159	245	14,945
62	7.00%	7,914	554	34,348
63	10.00%	7,360	736	46,368
64	10.00%	6,624	662	42,368
65	30.00%	5,962	1,789	116,285
66	20.00%	4,173	835	55,110
67	20.00%	3,338	668	44,756
68	20.00%	2,670	534	36,312
69	20.00%	2,136	427	29,463
70	20.00%	1,709	342	23,940
71	100.00%	1,367	1,367	97,057
Total			10,000	646,148
Average				64.61

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

Attained age	Years of credited service[1]										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											
25–29											
30–34											
35–39	1	16	2								19
40–44	2	86	35	4	1						128
45–49	1	60	74	11	4						150
50–54	5	45	48	17	1						116
55–59	13	41	36	6							96
60–64	11	15	20	14	3	2	1				66
65–69	3	5	6	6	2						22
70 & up	1	3	1	1							6
Total	37	271	222	59	11	2	1				603

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

[1] Reflects frozen credited service for active participants who are no longer accruing benefits in the plan.

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial assumptions change since prior valuation

- Expected expenses were updated to $3,000,000 for the 2025 plan year.
- Retirement rates, withdrawal rates, form of payment, spousal age difference and salary scale assumptions were updated as part of an experience study using data from the 2019 to 2023 plan years.

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions

Sparrow Health System Associate Pension Plan A1

Effective date and plan year	Original plan: July 1, 1970 Restated plan: January 1, 2015 Plan year: January 1 - December 31.
Status of the plan	New caregivers are not eligible to participate in the plan.
Significant events that occurred during the year	On December 31, 2024, certain caregivers in the Sparrow Health System Associate Pension Plan A1 and Sparrow Health System Associate Plan A2 were transferred between plans. The result of this restructuring left the Sparrow Health System Associate Pension Plan A1 with a reduced number of active participants, none of whom are accruing additional benefits, and a greater number of inactive participants.
Definitions	
• Covered employees	Participation is based on the later of date of hire or the January 1 following the attainment of age 20½. Effective January 1, 2008, non-union and UAW caregivers as of December 31, 2007 were given a one-time opportunity to irrevocably elect to waive the opportunity to earn future benefit accruals under the Plan. Special rules apply for rehires and caregivers who were not yet eligible to participate as of January 1, 2008. Effective January 1, 2009, the same choice was offered to MNA caregivers as of December 31, 2008. Newly hired caregivers are not eligible to participate in the plan.
• Employee contributions	None
• Vesting service	For employment prior to January 1, 1976, vesting service is credited for all periods for which a Participant receives benefit service as described below. For employment after January 1, 1976, one year of vesting service is credited for a computation period that the participant has 1,000 hours of service.
• Credited service	For employment prior to January 1, 1976, a full time caregiver receives one month of benefit service for any calendar month where an Hour of Service was credited. For employment after January 1, 1976, one year of benefit service for any Plan Year the Participant worked 1,800 hours for the employer or Mason General Hospital. If a participant works 1,000 hours, then 6/10 of a year of service is credited. If a participant has more than 1,000 but less than 1,800 hours, benefit service is given based on a fraction of the number of hours worked divided by 1,800 (rounded to next highest 1/10). No benefit service is credited if less than 1,000 hours were worked. Special rules apply in year of retirement. There are also special rules based on employment with certain adopting employers and for Transferred Employees. No benefit service is credited prior to age 20½. Benefit service is frozen for any caregiver who elected to receive future retirement benefits in a deferred compensation arrangement. Although special rules can apply, rehired associates are provided retirement benefits in a deferred compensation arrangement and are only entitled to future vesting service on their benefits accrued prior to being rehired.

Schedule SB, Part V — Summary of Plan Provisions

• Pensionable earnings	Non-Transferred Employees: Form W-2 wages divided by a fraction (not to exceed one) equal to Hours of Service for the year divided by 2,080. Non-periodic pay (i.e. bonuses) will be included in pay, but not annualized. This definition also applies to Transferred Employees' compensation paid after December 31, 1998.
• Average final compensation	Highest 5 consecutive years of Compensation out of the last 10 years of employment divided by 60. This definition also applies to Transferred Employees' compensation paid after December 31, 1998.
Normal retirement	
• Eligibility	A member shall be eligible to retire on the later of the date the Participant attains age 65 or the Participant's fifth anniversary of participation in the Plan.
• Benefit	Effective December 31, 2010 for non-represented caregivers and caregivers whose benefits are collectively bargained with the UAW, and December 31, 2011 for caregivers whose benefits are collectively bargained with the MNA, a change in the formula used to calculate retirement benefits under this plan was adopted. Subject to limited grandfathering, caregivers will have their accrued benefit frozen as of December 31, 2010 (December 31, 2011 for MNA caregivers), with additional future benefits being earned as a career average benefit at the annual rate of 1.5% of pensionable earnings. Frozen benefits as of December 31, 2010 (December 31, 2011 for MNA caregivers) are calculated as follows: For Sparrow Associates, greater of the following: 1. 1.3% of final average compensation times years of benefit service (maximum 40) plus 0.65% of final average compensation in excess of covered compensation times years of benefit service (maximum 35) 2. The participant's accrued benefit on December 31, 1988 plus 1.3% of final average compensation times years of benefit service after December 31, 1988 (maximum 40 years of combined service) plus 0.65% of final average compensation in excess of covered compensation times years of benefit service after December 31, 1988 (maximum 35 years of combined service) 3. If the participant is a UAW member, $20 ($22.50 effective December 1, 2003, $25.00 effective December 1, 2006 and $30 effective December 1, 2011) times total years of benefit service 4. A Social Security offset formula based on service while a nonhighly compensated employee for participants on December 31, 1988. Accruals under this formula cease if and when an eligible nonhighly compensated participant becomes highly compensated. For former St. Lawrence associates, the greater of the following: 1. 1.1% of final average compensation up to 50% of the average Social Security wage base for the latest 5 years times years of benefit service earned prior to 1999 plus 1.65% of final average compensation in excess of 50% of the average Social Security wage base for the latest 5 years times years of benefit service earned prior to 1999 (maximum of 35 years)

Schedule SB, Part V — Summary of Plan Provisions

	2. 1.3% of final average compensation times years of benefit service earned after December 31, 1998 (maximum 40 years including benefit service earned before 1999) plus 0.65% of final average compensation in excess of covered compensation times years of benefit service earned after December 31, 1998 (maximum 35 years including benefit service earned before 1999) 3. $20.00 ($22.50 effective December 1, 2003, $25.00 effective December 1, 2006 and $30.00 effective December 31, 2011) times total years of benefit service Some former St. Lawrence associates also have a frozen cash balance account that was accrued from a prior plan and is maintained in this plan with interest credits only.
Early retirement	
• Eligibility	An employee is eligible for an early retirement allowance upon attaining age 55 and completing either five years of Vesting Service or five years of Benefit Service. A Participant who has attained age 55 with at least 25 Years of Service for Vesting while employed at an Adopting Employer is eligible for the Social Security Supplemental Benefit. In the case of former St. Lawrence caregivers, age 55 and 25 years of vesting service earned after 1998.
• Benefit	The early retirement allowance will be the Normal Retirement accrued benefit reduced for each month prior to age 65. See the table below for factors. In addition, a Social Security Supplemental Benefit is payable beginning at Early Retirement and ending at Normal Retirement. This supplement is equal to 1.00% of Final Average Compensation multiplied by Years of Benefit Service (max of 40 Years). The supplement is limited to $1,333.33 per month (or $1,400 for UAW caregivers), unless 1.00% of Final Average Compensation as of December 31, 1998 multiplied by Years of Benefit Service as of December 31, 1998 if greater. Effective December 15, 2008, caregivers meeting certain eligibility requirements were offered the opportunity to retire with enhanced benefits. The age and service used to determine the benefits payable for these participants were enhanced by adding 3 years to each.

Schedule SB, Part V — Summary of Plan Provisions

			Former St. Lawrence Caregivers	
	Early Commencement Age	Sparrow Caregivers	Pre 1999	Post 1999 & UAW Minimum
	65	1.000	1.00	1.000
	64	0.923	0.95	0.923
	63	0.846	0.90	0.846
	62	0.769	0.85	0.769
	61	0.731	0.80	0.731
	60	0.692	0.75	0.692
	59	0.654	0.70	0.654
	58	0.615	0.65	0.615
	57	0.577	0.60	0.577
	56	0.529	0.55	0.529
	55	0.486	0.50	0.486

Late retirement	
• Eligibility	Working beyond normal retirement age.
• Benefit	The administrator provides suspension of benefits notices prior to Normal Retirement Date. Therefore, the postponed retirement benefit shall include the normal retirement benefit as of the normal retirement date increased to reflect all benefit service earned and compensation paid after the normal retirement date. If the late retirement date is after age 70½, then the postponed retirement benefit shall also be increased by an actuarial adjustment for the period after age 70½ and prior to benefit commencement date.
Deferred vested	
• Eligibility	Five Years of Service for Vesting and termination of employment from all adopting employers prior to Normal Retirement, other than by death, entitles a member to a deferred vested retirement allowance.
• Benefit	The Normal Retirement Basic Monthly Benefit allowance for all participants after five Years of Service for Vesting. The benefit is reduced if payment is made before age 65 in accordance with the early retirement benefit factor table above.
Disability	
• Eligibility	Active Transferred Employees having completed five Years of Service for Vesting, and either qualified for a social security disability benefit or because of a physician’s examination, been determined to be totally incapacitated on or before December 31, 1998, the Transferred Employee shall be eligible for a disability retirement allowance.
• Benefit	The disability retirement allowance will be the Active accrued benefit determined as of the Disability Retirement Date.

Schedule SB, Part V — Summary of Plan Provisions

Pre-retirement death	
• Eligibility	Death of a married member, after having fulfilled vesting eligibility, entitles the surviving spouse or eligible beneficiary to a benefit provided an optional retirement allowance was not elected.
• Benefit	The actuarial present value of the participant's vested accrued benefit as of the date of death. In addition, the actuarial present value of the supplemental early retirement benefit is paid to the beneficiary of those participants with 25 or more years of service at date of death.
Form of benefits	
• Automatic form for unmarried participants	Life annuity
• Automatic form for married participants	Actuarially reduced 50% contingent annuity which pays the full benefit for the lifetime of the employee, and after the employee's death pays 50% of the benefit to the surviving spouse or designated beneficiary for life.
• Optional forms	Life annuity Life annuity with 5 or 10 year period certain Joint and 50%, 75% or 100% Survivor annuity Social Security leveling option for early retirement benefits Death benefits and cash balance accounts may be payable as a lump sum
• Optional form conversion factors	For conversions of non-transfer benefits and the leveling income option, 417(e) mortality with 6.00% interest is used. For transfer-related benefits, the basis for the five year certain and life option is the same as for non-transfer benefits, the conversion factor for the ten year certain and life form is 0.95, and the conversion to joint and survivor options uses tabular factors based on the age difference between participant and spouse. Lump sums of cash balance accounts are converted using 417(e) mortality and interest.
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2025, the limit is $350,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2025, the limit is $280,000.

Schedule SB, Part V — Summary of Plan Provisions

Provisions for Former Participants of the Clinton Memorial Hospital Pension Plan

Definitions	
• Covered employees	Participants must meet the following requirements: 1. Participant in the Clinton Memorial Hospital Supplemental Retirement Plan as of December 31, 2002 2. Properly executing a Waiver of Rights under the Clinton Memorial Hospital Supplemental Retirement Plan Agreement 3. Appearing on Schedule B of the Sparrow Health System Associate Pension Plan A1
• Benefit	Monthly benefit equal to the amount specified in Schedule B of the Sparrow Health System Associate Pension Plan A1
Normal retirement	
• Eligibility	Age 65
• Benefit	Monthly benefit equal to the amount specified in Schedule B of the Sparrow Health System Associate Pension Plan A1
Early retirement	
• Eligibility	Age 55
• Benefit	The monthly Normal Retirement Benefit reduced by 1/3 of 1% for each month that Early Retirement precedes Normal Retirement.
Pre-retirement death	
• Eligibility	Payable to the participant's surviving spouse if the participant and the spouse have been married for at least one year prior to the participant's death.
• Benefit	Qualified Pre-retirement Survivor Annuity (QPSA) is 50% of the benefit the participant would have received had the participant retired on the first day of the month following the date of death (age 55 if later) and elected the actuarially reduced 50% Joint and Survivor annuity.
Form of benefits	
• Automatic form for unmarried participants	Life annuity
• Automatic form for married participants	Actuarially equivalent 50% joint and survivor annuity.
• Optional forms	Life annuity Life annuity with 5 or 20 year period certain Joint and 50% or 100% Survivor annuity
Miscellaneous	
• Maximum Benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2025, the limit is $280,000.

Schedule SB, Part V — Summary of Plan Provisions

Provisions for Former Participants of the Carson City Hospital Hourly and Salaried Employees' Retirement Plan

Definitions	
• Covered employees	This plan covers those employees who were participants as of June 30, 1995. Employees hired on or after July 1, 1995 are not eligible for participation in the plan.
• Benefit	Frozen monthly benefit as of July 1, 1995
Normal retirement	
• Eligibility	Age 65
• Benefit	Frozen monthly benefit as of July 1, 1995.
Early retirement	
• Eligibility	Age 55 and 10 years of service
• Benefit	The monthly Normal Retirement Benefit reduced by 1/2 of 1% for each month that Early Retirement precedes Normal Retirement. Participants who have at least 20 years of service and have attained age 55 are eligible for unreduced early retirement benefits.
Pre-retirement death	
• Eligibility	Death of a married member, after having fulfilled vesting eligibility, entitles the surviving spouse to a benefit.
• Benefit	Qualified Pre-retirement Survivor Annuity (QPSA) is 50% of the benefit the participant would have received had the participant retired on the first day of the month following the date of death (age 55 if later) elected the actuarially reduced 50% Joint and Survivor annuity and died the next day.
Form of benefits	
• Automatic form for unmarried participants	Life annuity
• Automatic form for married participants	Actuarially equivalent 50% joint and survivor annuity.
• Optional forms	Lump Sum Joint with 66 2/3%, 75% or 100% Survivor Benefit
• Optional form conversion Factors	Mortality - UP84 Interest – 8.00%
Miscellaneous	
• Maximum Benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2025, the limit is $280,000.

Schedule SB, Part V — Summary of Plan Provisions

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated and amended effective January 1, 2015 and further amended through amendment #9, are included in this valuation.

- **Most recent plan amendments included:** Amendment #9 is included because it was adopted by the valuation date and is effective by the end of the plan year.
- **Plan amendments excluded:** None.
- **Late retirement increases:**
  - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement so late retirement increases are not included in the valuation.
  - *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 Sections 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 percent 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.

Additional Benefits Included or Excluded

- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
  - *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. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes since Prior Valuation

- Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2024 to 2025.

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

2025

This Form is Open to Public Inspection

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

▶ **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
SPARROW HEALTH SYSTEM ASSOCIATE 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
SPARROW HEALTH SYSTEM

D Employer Identification Number (EIN)
38-2542859

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2025

2 Assets:

a Market value	**2a**	209,461,852
b Actuarial value	**2b**	193,201,370

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	2,201	171,398,943	171,398,943
b For terminated vested participants	1,307	39,296,811	39,296,811
c For active participants	603	12,559,082	13,520,382
d Total	4,111	223,254,836	224,216,136

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.36%
6 Target normal cost		
a Present value of current plan year accruals	**6a**	0
b Expected plan-related expenses	**6b**	3,000,000
c Target normal cost	**6c**	3,000,000

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 JDV — Signature of actuary

9/25/2026 — Date

JESSICA DIGREGORIO-VANDERHOEF — Type or print name of actuary

2608957 — Most recent enrollment number

MERCER — Firm name

248-450-9333 — Telephone number (including area code)

ONE TOWNE SQUARE

SOUTHFIELD MI 48076 — 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	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 8.94%	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		3,209
	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 5.15%		165
	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		3,374
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages

14	Funding target attainment percentage	14	86.16%
15	Adjusted funding target attainment percentage	15	86.16%
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	92.99%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/09/2025	3,737,616	0			
07/11/2025	3,737,616	0			
		Totals ► 18(b)	7,475,232	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	7,322,463

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

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

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

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
5.07 %	5.31 %	5.50%	

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

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

Part VI Miscellaneous Items

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

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

26 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**	3,000,000
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	31,014,766	3,144,905
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**	6,144,905

	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**	6,144,905
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	7,322,463
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	1,177,558
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

Plan: Sparrow Health System Associate Pension Plan A1
EIN/PN: 38-2542859/001
Valuation Date: 01/01/2025

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
2025	126,618	592,785	17,450,870	18,170,273
2026	250,443	833,540	16,934,757	18,018,740
2027	346,341	1,144,770	16,370,599	17,861,710
2028	437,145	1,394,030	15,851,650	17,682,825
2029	507,827	1,577,905	15,311,292	17,397,024
2030	573,223	1,778,671	14,738,123	17,090,017
2031	637,295	1,973,314	14,151,996	16,762,605
2032	701,008	2,140,267	13,560,525	16,401,800
2033	757,994	2,239,983	12,954,655	15,952,632
2034	816,772	2,392,632	12,321,495	15,530,899
2035	876,210	2,470,033	11,681,767	15,028,010
2036	928,151	2,588,850	11,032,262	14,549,263
2037	972,816	2,654,864	10,373,893	14,001,573
2038	1,015,550	2,783,529	9,709,984	13,509,063
2039	1,059,981	2,903,879	9,044,195	13,008,055
2040	1,091,845	3,029,015	8,380,434	12,501,294
2041	1,127,972	3,172,108	7,722,829	12,022,909
2042	1,156,741	3,253,266	7,075,661	11,485,668
2043	1,185,062	3,298,631	6,443,205	10,926,898
2044	1,209,403	3,429,733	5,829,687	10,468,823
2045	1,235,332	3,476,397	5,239,232	9,950,961
2046	1,249,792	3,532,688	4,675,734	9,458,214
2047	1,246,346	3,549,464	4,142,785	8,938,595
2048	1,238,129	3,556,155	3,643,567	8,437,851
2049	1,220,012	3,523,679	3,180,699	7,924,390
2050	1,193,426	3,481,812	2,756,135	7,431,373
2051	1,163,391	3,390,596	2,371,024	6,925,011
2052	1,126,248	3,307,072	2,025,689	6,459,009
2053	1,087,115	3,173,326	1,719,653	5,980,094
2054	1,046,569	3,045,642	1,451,668	5,543,879
2055	1,004,673	2,903,970	1,219,804	5,128,447
2056	961,690	2,756,094	1,021,578	4,739,362
2057	917,929	2,607,121	854,095	4,379,145
2058	873,583	2,458,194	714,183	4,045,960
2059	828,818	2,310,356	598,550	3,737,724
2060	783,764	2,164,494	503,907	3,452,165
2061	738,519	2,021,338	427,084	3,186,941
2062	693,168	1,881,432	365,115	2,939,715
2063	647,791	1,745,167	315,310	2,708,268
2064	602,478	1,612,800	275,291	2,490,569
2065	557,344	1,484,105	243,010	2,284,459
2066	512,523	1,359,983	216,759	2,089,265
2067	468,178	1,240,217	195,138	1,903,533
2068	424,504	1,124,964	177,033	1,726,501
2069	381,740	1,014,406	161,568	1,557,714
2070	340,174	908,794	148,079	1,397,047
2071	300,134	808,420	136,073	1,244,627
2072	261,966	713,593	125,190	1,100,749
2073	226,008	624,654	115,182	965,844
2074	192,576	541,910	105,871	840,357

Schedule SB, line 32 — Schedule of Amortization bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installments for each plan year since the IRC Section 430 changes made by ARPA took effect for the plan. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than $0.

Shortfall bases					
Year established		Outstanding balance	Years remaining		2025 installment
2023	$	24,084,461	13	$	2,475,299
2024		5,307,394	14		518,285
2025		1,622,911	15		151,321
Total	$	31,014,766		$	3,144,905

Federal Statements

Sparrow Health System Associate Pension Plan
Plan: 001

Assets Held for Investment

Party in Interest	Identity	Description	Cost	Current Value
		ER CONTR. RECEIVABLE	$ 15,490,458	$ 7,475,232