

1 WILLIAM A. SOKOL, Bar No. 072740
EMILY P. RICH, Bar No. 168735
2 CAITLIN GRAY, Bar No. 305118
WEINBERG, ROGER & ROSENFELD
3 A Professional Corporation
1001 Marina Village Parkway, Suite 200
4 Alameda, California 94501
Telephone (510) 337-1001
5 Fax (510) 337-1023
E-Mail: bankruptcycourtnotices@unioncounsel.net
6 bsokol@unioncounsel.net
erich@unioncounsel.net
7 cgray@unioncounsel.net

8 ADAM J. THOMAS, Bar No. 297249
WEINBERG, ROGER & ROSENFELD
9 A Professional Corporation
800 Wilshire Blvd, Suite 1020
10 Los Angeles, California 90017
Telephone (213) 380-2344
11 Fax (213) 443-5098
E-Mail: athomas@unioncounsel.net
12

13 Attorneys for Creditors SEIU United Healthcare Workers-West

14 **UNITED STATES BANKRUPTCY COURT**
15 **CENTRAL DISTRICT OF CALIFORNIA**
16 **LOS ANGELES DIVISION**

17 In Re
18
19 VERITY HEALTH SYSTEM OF
CALIFORNIA, INC., et al.,
20 Debtor and Debtor in Possession.

Case No. 2:18-bk-20151-ER

CHAPTER 11 Cases

Jointly Administered With:

Case No.: 2:18-bk-20162-ER;
Case No.: 2:18-bk-20163-ER;
Case No.: 2:18-bk-20164-ER;
Case No.: 2:18-bk-20165-ER;
Case No.: 2:18-bk-20167-ER;
Case No.: 2:18-bk-20168-ER;
Case No.: 2:18-bk-20169-ER;
Case No.: 2:18-bk-20171-ER;
Case No.: 2:18-bk-20172-ER;
Case No.: 2:18-bk-20173-ER;
Case No.: 2:18-bk-20175-ER;
Case No.: 2:18-bk-20176-ER;
Case No.: 2:18-bk-20178-ER;
Case No.: 2:18-bk-20179-ER;
Case No.: 2:18-bk-20180-ER;
Case No.: 2:18-bk-20181-ER

- 23 ☒ Affects All Debtors
24 ☐ Affects Verity Health System of California, Inc.
25 ☐ Affects O'Connor Hospital
26 ☐ Affects Saint Louise Regional Hospital
27 ☐ Affects St. Francis Medical Center
28 ☐ Affects St. Vincent Medical Center
☐ Affects Seton Medical Center
☐ Affects O'Connor Hospital Foundation
☐ Affects Saint Louise Regional Hospital
Foundation
☐ Affects St. Francis Medical Center of Lynwood

NOTICE OF MOTION AND MOTION TO APPROVE CLA
AND AUTHORITIES IN SUPPORT THEREOF
Case No. 2:18-bk-20151-ER



- 1 Foundation
- 2 ☐ Affects St. Vincent Foundation
 - 3 ☐ Affects St. Vincent Dialysis Center, Inc.
 - 4 ☐ Affects Seton Medical Center Foundation
 - 5 ☐ Affects Verity Business Services
 - 6 ☐ Affects Verity Medical Foundation
 - 7 ☐ Affects Verity Holdings, LLC
 - 8 ☐ Affects De Paul Ventures, LLC
 - 9 ☐ Affects De Paul Ventures — San Jose ASC, LLC
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- 11 Debtors and Debtors In Possession.
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**NOTICE OF MOTION AND MOTION
OF PLAINTIFFS LYNN C. MORRIS,
HILDA L. DAILY AND NOE GUZMAN
FOR (1) AUTHORIZATION TO FILE A
CLASS PROOF OF CLAIM ON
BEHALF OF CLAIMANTS
SIMILARLY SITUATED,
MEMORANDUM OF POINTS AND
AUTHORITIES**

Date: May 7, 2019
Time: 10:00 a.m. (PST)
Location: Courtroom 1568
255 East Temple Street

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1 PLEASE TAKE NOTICE that on May 7, 2019 at 10:00 a.m., or as soon as thereafter as
2 the matter can be heard, before the Honorable Ernest M. Robles, United States Bankruptcy Judge,
3 in Courtroom 1658, located at 255 E. Temple Street, Los Angeles, CA 90012, Plaintiffs Lynn C.
4 Morris, Hilda L. Daily, and Noe Guzman ("Plaintiffs") will move for an order authorizing them
5 to file a class prepetition unsecured proof of claim on behalf of all others similarly situated.

6 PLEASE TAKE FURTHER NOTICE that the Motion is made pursuant to Federal Rules
7 of Bankruptcy Procedure 7023 and 9014, and is based on the attached Memorandum of Points
8 and Authorities and such other argument as may be offered prior to or at the time of the hearing
9 on the Motion.

10 PLEASE TAKE FURTHER NOTICE that a formal response to the Motion must be filed
11 with the Bankruptcy Court and served on counsel for Plaintiffs no later than fourteen (14) days
12 before the scheduled hearing. Pursuant to Bankruptcy Rule 9013-1(h), failure to file and serve
13 timely a response in accordance with the Local Bankruptcy Rules may be deemed by the
14 Bankruptcy Court to be consent to the granting of the relief requested in the Motion.

15
16 Dated: April 1, 2019

WEINBERG, ROGER & ROSENFELD
A Professional Corporation

17
18 By: /s/ Emily P. Rich
19 EMILY P. RICH

20 Attorneys for Creditors SEIU United Healthcare
Workers-West
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**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF
PLAINTIFFS' MOTION FOR APPROVAL OF CLASS CLAIM**

I. INTRODUCTION

This motion for approval of a class claim against Verity Health System Of California, Inc. ("Debtor") is brought by Lynn C. Morris, Hilda L. Daily, and Noe Guzman ("Plaintiffs"), on behalf of themselves and others similarly situated. This motion follows the proof of claim (From 410) which Plaintiffs filed in this matter on March 29, 2019. A copy of this filing is attached hereto as Exhibit D.

The class claim pertains to a lawsuit Plaintiffs will be filing pursuant to the Employee Retirement Income Security Act of 1974 ("ERISA"), which will allege Debtor, by and through the actions of its executives, violated ERISA by dealing with the assets of the Debtor's employee retirement plan in their own interest.

Plaintiffs will seek to represent a class of persons who are similarly situated, and will seek relief for the entire class in the form of an equitable monetary remedy payable in part, or in whole by Debtor. Plaintiffs will also be seeking attorney's fees.

The requested relief sought by Plaintiffs, if granted, will impose a financial obligation on the Debtor's estate. In light of this, Plaintiffs ask this court to approve their motion for a class claim brought pursuant to Federal Rule of Bankruptcy Procedure 3001, 3002, 7023, and 9014.

II. JURISDICTION AND VENUE

On August 31, 2018 (the "Petition Date"), the Debtor (along with other debtors named in the action) filed their voluntary petitions for relief under chapter 11 of the Bankruptcy Code to commence the above-captioned case.

This Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. Plaintiffs bring this motion pursuant to Federal Rules of Bankruptcy Procedure 7023 and 9014.

1 **III. BACKGROUND**

2 **A. THE PLAINTIFFS**

3 There are three named-plaintiffs. Lynn C. Morris (“Morris”) has worked at St. Francis
4 Medical Center continuously since December 1, 1987, and; Hilda L. Daily (“Daily”), who has
5 worked at St. Vincent Medical Center continuously since 2000, and; Noe Guzman (“Guzman”)
6 who has worked at St. Francis Medical Center continuously since 2000.

7 Morris, Daily and Guzman are still employed at St. Francis Medical Center and St.
8 Vincent Medical Center today, which is operated as one of the Debtor’s business units. As
9 employees of St. Francis Medical Center and St. Vincent Medical Center, they became
10 participants in the employee retirement plans sponsored by the Debtor.

11 **B. THE DEFENDANTS**

12 **1. The Debtor**

13 Plaintiffs intend to bring a lawsuit naming Debtor Verity Health System of California, Inc.
14 (“Debtor”) as a defendant, wherein they will allege the Debtor violated multiple provisions of
15 ERISA based on how it sponsored and administered the Verity Health System Retirement Plan
16 (“VHSRP”).

17 The VHSRP is an “Employee Welfare Benefit Program” within the meaning of ERISA
18 §§ 3(1), 29 U.S.C. §§ 1002(1). Debtor is the Administrator and Plan Sponsor of the VHSRP, as
19 defined at ERISA §§ 3(16) and 3(17), 29 U.S.C. §§ 1002(16) and 1002(17). As such, Debtor is
20 liable for the alleged violations of ERISA described below.

21 **2. The Benefits Administration Committee (“BAC”)**

22 Plaintiffs will also name as the Debtor’s “Benefits Administration Committee” (“BAC”)
23 as a defendant, both collectively, and each member individually.

24 The Debtor has operated the VHSRP through the BAC, which is made up of Debtor’s own
25 appointed executives, each of whom are also participants in the VHSRP.

26 As such, each member of the BAC acted as a “fiduciary” and a “party-in-interest” each
27 time it made decisions affecting how the VHSRP would be operated. See, ERISA §§ 3(14)(a) and
28 3(21), 29 U.S.C. §§ 1002(14)(a) and 1002(21).) As explained below, the BAC (collectively and

1 individually) violated ERISA when it made a self-interested decision to spin-off a portion of the
2 VHSRP's assets into a new retirement plan created for an elite group of Debtor's executives.

3 **3. Verity Health System Retirement Plans.**

4 Plaintiffs' lawsuit will name the VHSRP as defendant for purposes of seeking complete
5 relief. Plaintiffs seek to represent a class of persons who met the eligibility requirements to
6 become a participant in the VHSRP, which are: (1) the completion of 3 years of service with
7 Debtor, and (2) obtaining the plan's minimum retirement age of 65." This is set forth in the Form
8 5500 filed on October 14, 2016, which is attached hereto as Exhibit A. *Id.* at p. 32.

9 The VHSRP is a separate legal entity, and was taken over by the Debtor from the
10 Daughters of Charity National Health System Retirement Plan in 2015. *Id.* Prior to this, the plan
11 had been operated for twenty years as a "church plan," as defined at section 414 of the Internal
12 Revenue Code ("Code"). *Id.* As such, the plan was historically exempt from having to comply
13 with the Employee Retirement Income Security Act of 1974 ("ERISA"). This changed on
14 December 14, 2015 when the Debtor took over the plan, and restated it to be an ERISA-governed
15 plan. *Id.*

16 Thereafter, the VHSRP filed its first ERISA-mandated filing with the Secretary of Labor
17 on October 14, 2016 (covering the plan year December 13, 2015) which indicated the VHSRP
18 was "under-funded" by 66.36%. Prior to this date, VHSRP was not subject to ERISA and did not
19 have to file such reports. Thus, Plaintiffs learned only as recently as October 14, 2016, that the
20 assets of the VHSRP amounted to only 66.36% of its total current and future liabilities.

21 **4. The "Spin-Off" into Verity Health Systems Plan A and Plan B**

22 On or about December 31, 2016, the BAC approved a "spin-off" of some assets of the
23 VHSRP. This is confirmed by the Form 5500s filed by Plan A on October 16, 2017 (attached
24 hereto as Exhibit B), and as filed by Plan B on October 16, 2017 (attached hereto as Exhibit C).
25 This resulted in the VHSRP (the original plan) being renamed Verity Health Systems Retirement
26 Plan A ("Plan A"). Plaintiffs, and approximately 6,924 other participants in the VHSRP
27 remained in Plan A. Exhibit B, p. 72.

1 At the same time, approximately 1,008 participants (which include all members of the
2 BAC) were transferred out of Plan A, and into a newly formed plan named Verity Health Systems
3 Retirement Plan B (“Plan B”). Exhibit C, p. 4. Approximately \$7,000,000.00 in assets were
4 taken out of Plan A, and transferred into Plan B for the exclusive benefit of Plan B participants.
5 *Id.*

6 The substantive eligibility requirements for Plan A and Plan B remained identical to the
7 original eligibility criteria for the VHSRP. The only difference is that Plan B “only covers
8 designated individuals spun off from the Verity System Retirement Plan A.” Exhibit C.

9 The effect of this decision caused Plan A to become even further “under-funded” by
10 65.36% (a drop of 1% from the prior period). Exhibit B, p. 5. This represents a total monetary
11 loss to Plan A assets of approximately \$4,070,739.00 when this 1% funding decrease is multiplied
12 by total Plan A assets, as of December 31, 2015. Exhibit A, p. 4, line 2.B.

13 Meanwhile, the newly created Plan B reported an astonishing “over-funding” of 128.79%
14 over the same period. Exhibit C, p. 5, line 15.

15 Plaintiffs will name Plan A and Plan B as entity defendants for the purpose of obtaining
16 complete relief for the violations of ERISA describe below.

17 **C. ANTICIPATED CAUSES OF ACTION**

18 **1. Violation of ERISA’s Prohibited Transaction Rules**

19 Plaintiffs’ lawsuit will primarily allege that the BAC decided to transfer assets out of Plan
20 A, and into Plan B, in order to protect their personal retirement benefits from any negative
21 consequences associated with Plan A’s underfunded status.

22 Each of the BAC members, and approximately 1,000 of their fellow executives, were
23 participants in the VHSRP when the BAC decided to take this action, which included spinning
24 \$7,966,440.00 worth of assets out of the “under-funded” Plan A and into Plan B. Exhibit C, p.
25 12, line I(1).

26 Each BAC member personally benefited from this spin-off by virtue of Plan B
27 immediately being overfunded by 128.79% (thereby providing each member of the BAC with a
28

much greater degree of retirement security.) This constitutes a self-interested benefit obtained by each member of the BAC, in violation of ERISA §§ 406(a)(1)(D), and 406(b)(1), 29 U.S.C. §§ 1106(a)(1)(D), and 1106(b)(1).

2. Breach of the Fiduciary Duty of Loyalty

Plaintiffs lawsuit will also include a cause of action alleging the Debtor, by and through the BAC, breached a fiduciary duty of loyalty owed to Plaintiffs (and other persons similarly situated) when it made the decision to spin assets off from Plan A, and into Plan B. In so doing, the Debtor and the BAC (collectively, and as individual members) failed to act solely in the interest of *all* participants and beneficiaries, and “(A) for the exclusive of (i) providing benefits to participants and their beneficiaries; and (ii) defraying reasonable expenses of administering the plan” ERISA §§ 404(a)(1)(A)(i)-(ii), 29 U.S.C. § 1104(a)(1)(A)(i)-(ii); see also, *Calhoun v. Complete Health Care*, 860 F.Supp. 1494, 1500 (S.D. Ala. 1994).

Debtor and the BAC failed to act in the interest of *all* participants and beneficiaries, because the spin-off benefited only the 1,000 participants transferred into Plan B. It was not made for the purposes of “providing benefits to *all* participants and beneficiaries” that were in the plan, prior to the spin-off.

3. Breach of the Fiduciary Duty of Prudence

Plaintiffs will also include a cause of action in the lawsuit alleging the Debtor, by and through the BAC, breached a fiduciary duty of prudence owed to Plaintiffs (and all other persons similarly situated). ERISA § 404(a)(1)(B), 29 U.S.C. § 1104(a)(1)(B).

The BAC breached this duty (collectively, and as individual members) when it transferred approximately \$7,000,000.00 in assets out of Plan A -- for the exclusive benefit of Plan B participants. This caused the Plan B to become “over-funded” while simultaneously causing Plan A to become even more “under-funded” and also causing investment losses on the assets withdrawn from Plan A. See Exhibit B, p. 5; Exhibit C, p. 5.

These actions have caused financial harm to Plan A and constitute a failure by the BAC (collectively, and individually) to act with the requisite “care, skill, prudence, and diligence under

the circumstances then prevailing” as required by ERISA § 404(a)(1)(B), 29 U.S.C. § 1104(a)(1)(B)

4. Plaintiff’s Legal Standing and Request for Relief

Plaintiffs are empowered to bring their lawsuit, on behalf of themselves and other similarly situated, pursuant to ERISA §§ 502(1)(1)(A) and (B), 29 U.S.C. §§ 1132(a)(1)(A) and (B), for the purpose of: (1) recovering benefits due to them under the terms of Plan A, and/or (2) enforcing their rights under Plan A, and/or (3) seeking clarification of rights to future benefits under Plan A.

Plaintiffs are also empowered to bring their lawsuit pursuant to ERISA §§ 502(a)(2) and/or (3), 29 U.S.C. § 1132(a)(2) and/or (3) to redress other violations of ERISA including, but not limited to, the breach of fiduciary duties and prohibited transactions, as discussed above.

Plaintiffs will seek equitable relief in the form of an order from the Court reforming Plan A and Plan B so as to unwind any prohibited transactions, and remedy fiduciary breaches caused by the spin-off. This may include an order placing the assets of Plan B back into Plan A, and restating them into a single employee retirement plan, for all purposes. If the Court is unable to “un-wind” this decision, then the remedy will be an order for all defendants to jointly and severally make Plan A whole for any losses associated with the BAC’s unlawful conduct.

Plaintiffs request for an equitable monetary remedy could be equal to as much as: (1) the value of investment losses experienced by Plan A on the approximate \$7,000,000.00 in assets that were transferred out of Plan A, and (2) any other equitable monetary relief necessary to make Plan A “whole” including but not be limited to payment of an estimated \$4,070,739.00 into the reformed Plan A to fully account for the loss in funding percentage caused by the BAC unlawful decision to create Plan B using assets from Plan A.

Taken together, Plaintiffs’ requested remedy amounts to a monetary liability payable by the Debtor that is as high as \$11,070,739.00, plus attorney’s fees, which Plaintiffs seek pursuant to ERISA § 502(g)(1), 29 U.S.C. § 1132(g)(1).

D. DEBTOR’S UNLAWFUL CONDUCT HAS CONTINUED POST-PETITION

1 The Debtor's illegal conduct described above is continuing post-petition in so much as the
2 Debtor and the BAC continue to violate ERISA until such time as the foregoing violations of
3 ERISA are remedied, and the funding status of Plan A is restored to the same levels that preceded
4 the Debtor's unlawful conduct.

5 **E. EFFORTS TO CONSENSUALLY RESOLVE THE CLASS CLAIM ISSUE**

6 Counsel for Plaintiffs contacted the Debtor's attorneys on March 28, 2019 to gain a
7 stipulation to file a class proof of claim, so as to avoid unnecessary expense and litigation.
8 Declaration of Adam Thomas, ¶ 4. Debtor has declined to so stipulate. *Id.* at ¶ 5.

9 **IV. ARGUMENT**

10 Pursuant to Federal Rules of Bankruptcy Procedure 7023 and 9014, this Court may
11 authorize Plaintiffs' class proof of claim, which Plaintiffs are bringing on behalf of themselves
12 and all others similarly situated. *Birting Fisheries v. Lane (In re Birting Fisheries)*, 92 F.3d 939
13 (9th Cir. 1996). This class claim is favored and "particularly appropriate" in bankruptcy cases.
14 *First Alliance Mortg. Co. v. First Alliance Mortg. Co.*, 269 B.R. 428, 444 (C.D.Cal. 2001).
15 Accordingly, should Debtor oppose this motion, it will have the burden of demonstrating why the
16 class claim should not be permitted. *Id.*

17 **A. PLAINTIFFS MOVE FOR APPROVAL OF A CLASS PROOF OF CLAIM FOR**
18 **ALL CLAIMS ASSERTED PURSUANT TO DEBTOR'S VIOLATIONS OF**
19 **ERISA.**

20 As discussed above, Plaintiff's legal complaint will allege violations of ERISA's fiduciary
21 duties. This class claim is appropriate in order to ensure that the Debtor's estate is administered
22 in such a way that it will be capable of paying any equitable monetary remedies Plaintiffs obtain
23 from the Court through their lawsuit.

24 The Court should assess the merits of this class claim under the requirements of Rule
25 7023, which include an analysis of: (1) the pre-petition class certification status, (2) if members of
26 the putative class have received any notice of the claims bar date, and (3) if the class certification
27 will adversely affect the administration of the estate. 10 COLLIER ON BANKRUPTCY
28 § 7023.01 (16th 2018).

1 Here, the proposed class was not certified prior to the Debtor's petition, because Plaintiffs
2 were still collecting information about the Plan A underfunding status that would inform them as
3 to whether or not the BAC's decision was unlawful. Plaintiffs are finalizing these efforts and will
4 bring this lawsuit as soon as possible, but certainly within the statute of limitations set forth at
5 ERISA § 413, 29 U.S.C. § 1113.

6 Because the class has not been certified, the individual class members have not been
7 served with any notices about the due date for filing claims. Thus, approval of this motion will
8 allow this Court to ensure that their equitable interests in the Debtor's estate are protected.

9 Finally, approval of this motion will not adversely affect the administration of the
10 Debtor's estate. The process of administering the estate can move forward without obstruction,
11 pending a final determination on the merits of Plaintiffs' legal claims.

12 **B. A CLASS PROOF OF CLAIM WILL BENEFIT THE CLAIMS**
13 **ADMINISTRATION PROCESS**

14 Class claims filed on behalf of current or former employees are routinely authorized by
15 bankruptcy courts because they benefit the claims administration process by grouping persons
16 together into manageable groups of persons holding an equivalent legal interest in the debtor's
17 estate. *See e.g., In re PAC. Sunwear of Cal., Inc.*, 2016 Bankr. LEXIS 2579 (Bankr. D. Del. June
18 22, 2016); *In re MF Global, Inc.*, 512 B.R. 757 (Bankr. S.D.N.Y. 2014); *Bent v. ABMD Ltd.* (In
19 re ABMD Ltd.), 439 B.R. 475 (Bankr. S.D. Ohio 2010); *Burgio v. Protected Vehicles, Inc.* (In re
20 Protected Vehicles, Inc.), 392 B.R. 633 (Bankr. D. S.C.2008); *Turner v. Talbert (In re Talbert)*,
21 347 B.R. 804 (Bankr. E.D. La. 2005). The fact that the prospective class has not been certified
22 does not prevent the Court from approving this motion for a class claim. *First Alliance Mortg.*
23 *Co. v. First Alliance Mortg. Co.*, 269 B.R. at 446.

24 Here, the members of the prospective class include all participants in Plan A, who are
25 current or former employees of the Debtor. There are approximately 6924 participants in Plan A,
26 as of December 14, 2015. They each have standing to bring a lawsuit under ERISA in their own
27 regard. Administering the individual claims for equitable monetary relief sought by each member
28

1 of the class would be overly burdensome upon the bankruptcy court, and would not be in the best
2 interest of the Debtor's estate.

3 The foregoing factors weigh strongly in support of this motion to approve Plaintiffs' class
4 claim. *Id.*

5 **C. THE ELEMENTS OF FRBP 7023(A) ARE SATISFIED**

6 Plaintiffs are confident that the class will be certified because it meets the requisite
7 elements of numerosity, commonality, typicality and adequate class representation required by
8 Federal Rules of Bankruptcy Procedure 7023(a), and Federal Rule of Civil Procedure 23(a).

9 **1. Numerosity is satisfied**

10 The numerosity prerequisite is met if "the class is so large that joinder of all members is
11 impracticable." Federal Rules of Civil Procedure 23(a)(1). Numerosity "requires examination of
12 the specific facts of each case and imposes no absolute limitations." *Gen. Tel. Co. of the Nw.,*
13 *Inc. v. EEOC*, 446 U.S. 318, 330 (1980). "There is no set formula to determine if the class is so
14 numerous that it should be certified." *Rex v. Owens ex rel. State of Oklahoma*, 585 F.2d 432, 436
15 (10th Cir. 1978). Although there is no bright line number, it has been recognized that "generally
16 less than twenty-one is inadequate, more than forty adequate...." *Cox v. Am. Cast Iron Pipe Co.*,
17 *784 F.2d 1546*, 1663 (11th Cir. 1986), (citing 3B Moore's Federal Practice ¶ 23.05[1] at n. 7
18 (1978)); see also 1 William B. Rubenstein, Alba Conte, & Herbert Newberg, *Newberg on Class*
19 *Actions* § 3.12 (5th ed. 2011) ("Newberg on Class Actions") (stating that a class consisting of
20 forty or more members "raises a presumption of impracticability of joinder based on numbers
21 alone").

22 Here, the prospective class consists of approximately 6,924 participants of Plan A, who
23 have been materially harmed by the Debtor's violations of ERISA (as explained above). The
24 numerosity requirement is clearly satisfied, as it is completely impracticable for this Court to
25 process claims on behalf of 6,924 separate persons. Joinder of the claims of the class members
26 would be impracticable and unmanageable.

1 **2. Commonality is satisfied**

2 Federal Rule of Civil Procedure 23 requires that the injury to each member of a
3 prospective class share common questions of law or fact. *Id.* This “requires only a single issue
4 common to the class.” *Lozoya v. AllPhase Landscape Constr. Inc.*, No. 12-cv-1048-JLK, 2015
5 U.S. Dist. LEXIS 42066, at *4 (D. Col. Mar. 31, 2015) (citing *J.B. ex rel. Hart v. Valdez*, 186
6 F.3d 1280, 1288 (10th Cir. 1999). “Because the [commonality] requirement may be satisfied by a
7 single common issue, it is easily met.” *Hart*, 186 F.3d, at 1299. “Class relief is ‘peculiarly
8 appropriate’ when the ‘issues involved are common to the class as a whole’ and when they ‘turn
9 on questions of law applicable in the same manner to each member of the class.’” *Gen. Tel. Co.*
10 *of Sw. v. Falcon*, 457 U.S. 147, 155 (1982). “[T]he commonality test is met when there is at least
11 one issue whose resolution will affect . . . a significant number of the putative class members.”
12 *James v. City of Dallas, Tex.*, 254 F.3d 551, 570 (5th Cir. 2001).

13 Here, the commonality element is satisfied as Plaintiffs seek to remedy Debtor’s and
14 BAC’s alleged breaches of fiduciary duty to the participants of Plan A as described above. Each
15 punitive class member was and is affected in the same manner by the “spin off” of Plan B. The
16 resolution of the case hinges on the common question of whether this spin off constituted a
17 prohibited transaction or a breach of fiduciary duty in violation of ERISA.

18 **3. Typicality is satisfied**

19 The typicality requirement is satisfied if “the claims or defenses of the representative
20 parties are typical of the claims and defenses of the class,” Rule 23(a)(3); *Hanlon v. Chrysler*
21 *Corp.*, 150 F.3d 1011, 1020 (9th Cir 1998), 150 F.3d at 1020. “A plaintiff’s claim is typical if it
22 arises from the same event, practice, or course of conduct that gives rise to the claims of other
23 class members and if his or her claims are based on the same legal theory.” 1 *Newberg on Class*
24 *Actions* § 3:29 (5th ed. Supp. 2016) (citing, inter alia, *Foster v. Apache Corp.*, 285 F.R.D. 632,
25 644 (W.D. Okla. 2012).

26 “When finding a class representative’s claims typical, it is not necessary to first find that
27 “all putative class members share identical claims.” *Jones v. NovaStar Fin. Inc.*, 257 F.R.D. 181,
28 187 (W.D. Mo. 2009) (citing *Piazza v. Ebsco Indus., Inc.*, 273 F.3d 1341, 1351 (11th Cir. 2001)

(finding that the putative class representative's ERISA section 502(a)(2) breach of fiduciary duty claims were typical even though he was not an employee for the entire class period and individual damage calculations would vary). "The typicality 'requirement is generally considered to be satisfied if the claims or defenses of the representatives and the members of the class stem from a single event or are based on the same legal procedure or remedial theory.'" *Id.*; citing *Paxton v. Union Nat. Bank*, 688 F.2d 552, 562-63 (8th Cir. 1982).

Here, the typicality element is satisfied because the proposed representatives' claims stem from same breach of fiduciary duty by the Debtor and the BAC that gives rise to the claims of the other proposed class members. The Debtor and the BAC's single act of spinning assets off from Plan A and into Plan B, thereby causing Plan A to become further underfunded caused the same type of harm to the proposed representatives and all members of the prospective class. The proposed representatives and all members of the prospective class experienced the same harm from this conduct, and seek relief based on the same legal theory that this conduct was a breach of fiduciary duty in violation of ERISA.

4. Adequacy is satisfied

Legal adequacy requires (1) the absence of conflicts of interests between the class representatives and their counsel, with other class members and (2) a finding that the class representatives and their counsel will vigorously prosecute the action on behalf of the class. *Resnick v. Frank (In re Online DVD-Rental Antitrust Litig.)*, 779 F.3d 934, 3943 (9th Cir. 2015).

Here, Plaintiffs are represented by well-qualified counsel, and their interests are not antagonistic to those of the class. Plaintiffs are each a participant in Plan A. The interests they seek to assert under ERISA apply to Plan A participants as a whole. They will benefit from the equitable monetary remedy they seek, on the same basis as all other participants in Plan A. Thus, there are no conflicts of interest and they adequately represent the unified interests of all Plan A participants. In addition, Plaintiffs' attorneys, who have substantial experience litigating ERISA lawsuits, will diligently represent the putative class members, Plaintiffs' attorneys are well-qualified and experienced, having successfully handled ERISA suits of various kinds. Thomas Decl., ¶¶ 6-10.

D. THE ELEMENTS OF FRBP 7023(B) ARE SATISFIED

Plaintiffs will also be able to demonstrate that the elements of FRBP 7023 are satisfied because the prospective class meets the requirements of Federal Rule of Civil Procedure 23(b)(1)(B), as well as Federal Rule of Civil Procedure 23(b)(3).

1. Federal Rule of Civil Procedure 23(b)(1)(B) is satisfied

To satisfy this element, Plaintiffs must demonstrate the prosecution of separate actions under ERISA, by multiple Plan A participants, would create a risk of “adjudications with respect to individual class members that, as a practical matter, would be dispositive of the interests of the other members not parties to the individual adjudications or would substantially impair or impede their ability to protect their interests.” Federal Rule of Civil Procedure 23(b)(1)(B).

Here, the adjudication of a breach of fiduciary duty by the Debtor (by and through the actions of the BAC) by a court of competent jurisdiction would be dispositive of the interests that all members in upholding the requirements of ERISA. Thus, certification of this class will not impair or impede their ability to protect individual interests, as all such interests are already aligned by virtue of the uniform plan participation rules applicable to Plan A.

2. Federal Rule of Civil Procedure 23(b)(3) is satisfied

To qualify for certification under Federal Rule of Civil Procedure 23(b)(3), it is necessary that the “questions of law or fact common to class members predominate over any questions affecting only individual members, and a class action [be] superior to other available methods for fairly and efficiently adjudicating the controversy.” *Id.* “In adding ‘predominance’ and ‘superiority’ to the qualification-for-certification list, the Advisory Committee sought to cover cases in which a class action would achieve economies of time, effort, and expense, and promote . . . uniformity of decision as to persons similarly situated, without sacrificing procedural fairness or bringing about other undesirable results.” *Amchem Prods. v. Windsor*, 521 U.S. 591, 615 (1997) (internal quotations omitted). “Where common questions present a significant aspect of the case and they can be resolved for all members of the class in a single adjudication, there is clear justification for handling the dispute on a representative rather than on an individual basis.” *Hanlon v. Chrysler Corp*, 150 F.3d 1011, 1023 (9th Cir 1998). “It is not necessary that all

1 questions of fact or law be common, but only that some questions are common and that they
2 predominate over individual questions.” *Klay v. Humana, Inc.*, 382 F.3d 1241, 1254 (11th Cir.
3 2004). Ultimately, “the Rule requires a pragmatic assessment of the entire action and all issues
4 involved.” *Williams v. Mohawk Indus., Inc.*, 568 F.3d 1350, 1357 (11th Cir. 2009). Even a
5 “single common issue may be the overriding one in the litigation, despite the fact that the suit also
6 entails numerous individual questions.” 2 Newberg on Class Actions § 4:51, at 200 (5th ed. 2012)
7 (citing *Chavez v. Don Stoltzner Mason Contractor, Inc.*, 272 F.R.D. 450, 455 (N.D. Ill. 2011).

8 Here, Plaintiffs’ legal claims are completely unified with the claims of the entire
9 prospective class. All of these claims are predominated by three common questions that should
10 be resolved in a single adjudication, because they apply to the prospective class as a whole. As
11 such, it is appropriate for class certification under Rule 23(b)(3).

12 **First**, Plaintiffs seek a declaration that the Debtor, by and through the conduct of the
13 BAC, engaged in a prohibited transaction by transferring all of the BAC members (and their
14 retirement contributions) into a separate Plan B, and by using Plan A assets to “over-fund” Plan
15 B. The rules defining a prohibited transaction apply equally to the role that Debtor and all
16 members of BAC played in making this decision.

17 Any adjudication on the prohibited transaction claim will apply equally to all defendants,
18 and to all members of the prospective class. This presents “a significant aspect of the case that
19 can be resolved for all members of the class in a single adjudication.” *Hanlon, supra* at 1023.

20 **Second**, Plaintiffs’ breach of fiduciary loyalty and duty claims are identical to those of the
21 prospective class, such that all interests can be resolved in a single proceeding.

22 Plaintiffs allege that the Debtor, by and through the BAC, acted in their own self-interest,
23 and failed to uphold their fiduciary duty of prudence when they made a decision to transfer some
24 of those assets into Plan B. These facts present a single event, which gives rise to a “single
25 common legal issue” that applies to the class as a whole.

26 ///

27 ///

V. CONCLUSION

For the reasons set forth above, Plaintiffs request that the Bankruptcy Court enter and order authorizing Plaintiffs to file a proof of claim on behalf of themselves, and all others similarly situated.

Dated: April 1, 2019

WEINBERG, ROGER & ROSENFELD
A Professional Corporation

By: /S/ Emily P. Rich
EMILY P. RICH

Attorneys for Creditors SEIU United Healthcare
Workers-West

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

Weinberg Roger & Rosenfeld, 1001 Marina Village Parkway, Suite 200, California 94501

A true and correct copy of the foregoing document entitled (*specify*):

NOTICE OF MOTION AND MOTION OF PLAINTIFFS LYNN C. MORRIS, HILDA L. DAILY AND NOE GUZMAN FOR (1) AUTHORIZATION TO FILE A CLASS PROOF OF CLAIM ON BEHALF OF CLAIMANTS SIMILARLY SITUATED, AND (2) AUTHORIZATION TO FILE A CLASS REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE ON BEHALF OF CLAIMANTS SIMILARLY SITUATED; MEMORANDUM OF POINTS AND AUTHORITIES

will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) April 1, 2019, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

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x Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) April 1, 2019, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

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3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) April 1, 2019, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

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I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Stephanie Mizuhara

Date

Printed Name

/s/ Stephanie Mizuhara

Signature

SERVICE LIST

Via Personal Delivery:

Honorable Ernest Robles
USBC Central District of California
Roybal Federal Building
255 E. Temple Street, Suite 1560
Los Angeles, CA 90012

Via CM/ECF

- Robert N Amkraut ramkraut@foxrothschild.com
- Kyra E Andrassy kandrassy@swelawfirm.com,
csheets@swelawfirm.com; gacruz@swelawfirm.com; jchung@swelawfirm.com
- Simon Aron saron@wrslawyers.com
- Lauren T Attard lattard@bakerlaw.com, abalian@bakerlaw.com
- Keith Patrick Banner kbanner@greenbergglusker.com,
sharper@greenbergglusker.com; calendar@greenbergglusker.com
- Cristina E Bautista cristina.bautista@kattenlaw.com, ecf.lax.docket@kattenlaw.com
- James Cornell Behrens jbehrens@milbank.com,
gbray@milbank.com; mshinderman@milbank.com; hmaghakian@milbank.com; dodonnell@milbank.com;
mjbrewster@milbank.com; JWeber@milbank.com
- Ron Bender rb@lnbyb.com
- Bruce Bennett bbennett@jonesday.com
- Peter J Benvenuti pbenvenuti@kellerbenvenuti.com, pjbenven74@yahoo.com
- Elizabeth Berke-Dreyfuss edreyfuss@wendel.com
- Steven M Berman sberman@slk-law.com
- Alicia K Berry Alicia.Berry@doj.ca.gov
- Stephen F Biegenzahn efile@sfbllaw.com
- Karl E Block kblock@loeb.com, jvazquez@loeb.com; ladocket@loeb.com
- Dustin P Branch branchd@ballardspahr.com,
carolod@ballardspahr.com; hubenb@ballardspahr.com; Pollack@ballardspahr.com
- Michael D Breslauer mbreslauer@swsslaw.com,
wynes@swsslaw.com; mbreslauer@ecf.courtdrive.com; wynes@ecf.courtdrive.com
- Chane Buck cbuck@jonesday.com
- Damarr M Butler butler.damarr@pbgc.gov, efile@pbgc.gov
- Lori A Butler butler.lori@pbgc.gov, efile@pbgc.gov
- Howard Camhi hcamhi@ecjlaw.com, tcastelli@ecjlaw.com; amatsuoka@ecjlaw.com
- Shirley Cho scho@pszjlaw.com
- Shawn M Christianson cmcintire@buchalter.com, schristianson@buchalter.com
- David N Crapo dcrapo@gibbonslaw.com, elrosen@gibbonslaw.com
- Mariam Danielyan md@danielyanlawoffice.com, danielyan.mar@gmail.com
- Brian L Davidoff bdavidoff@greenbergglusker.com,
calendar@greenbergglusker.com; jking@greenbergglusker.com

- Aaron Davis aaron.davis@bryancave.com, kat.flaherty@bryancave.com
- Kevin M Eckhardt keckhardt@huntonak.com, keckhardt@hunton.com
- Andy J Epstein taxcpaesq@gmail.com
- Christine R Etheridge christine.etheridge@ikonfin.com
- M Douglas Flahaut flahaut.douglas@arentfox.com
- Michael G Fletcher mfletcher@frandzel.com, sking@frandzel.com
- Eric J Fromme efromme@tocounsel.com, lchapman@tocounsel.com; sschuster@tocounsel.com
- Jeffrey K Garfinkle jgarfinkle@buchalter.com,
docket@buchalter.com; dcyrankowski@buchalter.com
- Lawrence B Gill lgill@nelsonhardiman.com, rrange@nelsonhardiman.com
- Paul R. Glassman pglassman@sycr.com
- Eric D Goldberg eric.goldberg@dlapiper.com, eric-goldberg-1103@ecf.pacerpro.com
- Mary H Haas maryhaas@dwt.com,
melissastrobel@dwt.com; laxdocket@dwt.com; yunialubega@dwt.com
- Michael S Held mheld@jw.com
- Lawrence J Hilton lhilton@onellp.com, lthomas@onellp.com; info@onellp.com;
evescance@onellp.com; nlichtenberger@onellp.com; rgolder@onellp.com
- Robert M Hirsh Robert.Hirsh@arentfox.com
- Florice Hoffman fhoffman@socal.rr.com, floricehoffman@gmail.com
- Michael Hogue hoguem@gtlaw.com, fernandezc@gtlaw.com; SFOlitDock@gtlaw.com
- Marsha A Houston mhouston@reedsmith.com
- Brian D Huben hubenb@ballardspahr.com, carolod@ballardspahr.com
- John Mark Jennings johnmark.jennings@kutakrock.com
- Monique D Jewett-Brewster mjb@hopkinscarley.com, jkeehnen@hopkinscarley.com
- Gregory R Jones gjones@mwe.com, rnhunter@mwe.com
- Lance N Jurich ljurich@loeb.com, karnote@loeb.com; ladocket@loeb.com
- Ivan L Kallick ikallick@manatt.com, ihernandez@manatt.com
- Jane Kim jkim@kellerbenvenutti.com
- Monica Y Kim myk@lnbrb.com, myk@ecf.inforuptcy.com
- Gary E Klausner gek@lnbyb.com
- Marilyn Klinger MKlinger@smtldlaw.com, svargas@smtldlaw.com
- Joseph A Kohanski jkohanski@bushgottlieb.com, kprestegard@bushgottlieb.com
- Jeffrey C Krause jkrause@gibsondunn.com, dtujillo@gibsondunn.com; jstern@gibsondunn.com
- Chris D. Kuhner c.kuhner@kornfieldlaw.com
- Darryl S Laddin bkrfilings@agg.com
- Robert S Lampl advocate45@aol.com, rlisarobinsonr@aol.com
- Richard A Lapping richard@lappinglegal.com
- Paul J Laurin plaurin@btlaw.com, slmoore@btlaw.com; jboustani@btlaw.com
- David E Lemke david.lemke@wallerlaw.com, chris.cronk@wallerlaw.com;
Melissa.jones@wallerlaw.com; cathy.thomas@wallerlaw.com
- Elan S Levey elan.levey@usdoj.gov, louisa.lin@usdoj.gov
- Tracy L Mainguy bankruptcycourtnotices@unioncounsel.net, tmainguy@unioncounsel.net
- Samuel R Maizel samuel.maizel@dentons.com,
alicia.aguilar@dentons.com; docket.general.lit.LOS@dentons.com; tania.moyron@dentons.com; kathryn.howard@dentons.com; joan.mack@dentons.com
- Alvin Mar alvin.mar@usdoj.gov
- Craig G Margulies Craig@MarguliesFaithlaw.com,

- Victoria@MarguliesFaithlaw.com; David@MarguliesFaithLaw.com; Helen@MarguliesFaithlaw.com
- **Hutchison B Meltzer** hutchison.meltzer@doj.ca.gov, Alicia.Berry@doj.ca.gov
 - **Christopher Minier** becky@ringstadlaw.com, arlene@ringstadlaw.com
 - **John A Moe** john.moe@dentons.com, glenda.spratt@dentons.com, derry.kalve@dentons.com, andy.jinnah@dentons.com, bryan.bates@dentons.com
 - **Monserrat Morales** mmorales@marguliesfaithlaw.com, Victoria@marguliesfaithlaw.com; David@MarguliesFaithLaw.com; Helen@marguliesfaithlaw.com
 - **Kevin H Morse** kevin.morse@saul.com, rmarcus@AttorneyMM.com; sean.williams@saul.com
 - **Marianne S Mortimer** mmortimer@sycr.com, jrothstein@sycr.com
 - **Tania M Moyron** tania.moyron@dentons.com, chris.omeara@dentons.com
 - **Alan I Nahmias** anahmias@mbnlawyers.com, jdale@mbnlawyers.com
 - **Jennifer L Nassiri** jennifernassiri@quinnemanuel.com
 - **Charles E Nelson** nelsonc@ballardspahr.com, wassweilerw@ballardspahr.com
 - **Sheila Gropper Nelson** shedoesbkla@aol.com
 - **Mark A Neubauer** mneubauer@carltonfields.com, mlrodriguez@carltonfields.com; smcloughlin@carltonfields.com; schau@carltonfields.com; NDunn@carltonfields.com; ecfla@carltonfields.com
 - **Bryan L Ngo** bngo@fortislaw.com, BNgo@bluecapitallaw.com; SPicariello@fortislaw.com; JNguyen@fortislaw.com; JNguyen@bluecapitallaw.com
 - **Melissa T Ngo** ngo.melissa@pbgc.gov, efile@pbgc.gov
 - **Abigail V O'Brient** avobrient@mintz.com, docketing@mintz.com; DEHashimoto@mintz.com; nleali@mintz.com; ABLevin@mintz.com
 - **John R OKeefe** jokeefe@metzlewis.com, slohr@metzlewis.com
 - **Paul J Pascuzzi** ppascuzzi@ffwplaw.com, lnlasley@ffwplaw.com
 - **Lisa M Peters** lisa.peters@kutakrock.com, marybeth.brukner@kutakrock.com
 - **Christopher J Petersen** cjpetersen@blankrome.com, gsolis@blankrome.com
 - **Mark D Plevin** mplevin@crowell.com, cromo@crowell.com
 - **David M Poitras** dpoitras@wedgewood-inc.com, dpoitras@jmbm.com; dmarcus@wedgewood-inc.com; aguisinger@wedgewood-inc.com
 - **Steven G. Polard** spolard@ch-law.com, cborrayo@ch-law.com
 - **Lori L Purkey** bareham@purkeyandassociates.com
 - **William M Rathbone** wrathbone@grsm.com, jmydlandevans@grsm.com
 - **Jason M Reed** Jason.Reed@Maslon.com
 - **Michael B Reynolds** mreynolds@swlaw.com, kcollins@swlaw.com
 - **Emily P Richerich** ericherich@unioncounsel.net, bankruptcycourtnotices@unioncounsel.net
 - **Lesley A Riis** lriis@dpmclaw.com
 - **Debra Riley** driley@allenmatkins.com, plewis@allenmatkins.com; jalisuag@allenmatkins.com; bcrfilings@allenmatkins.com
 - **Julie H Rome-Banks** julie@bindermalter.com
 - **Mary H Rose** mrose@buchalter.com, salarcon@buchalter.com
 - **Megan A Rowe** mrowe@dsrhealthlaw.com, lwestoby@dsrhealthlaw.com
 - **Nathan A Schultz** nschultz@foxrothschild.com
 - **William Schumacher** wschumacher@jonesday.com
 - **Mark A Serlin** ms@swllplaw.com, mor@swllplaw.com
 - **Seth B Shapiro** seth.shapiro@usdoj.gov

- Rosa A Shirley rshirley@nelsonhardiman.com, ksherry@nelsonhardiman.com; lgill@nelsonhardiman.com; jwilson@nelsonhardiman.com; rrange@nelsonhardiman.com
- Kyrsten Skogstad kskogstad@calnurses.org, rcraven@calnurses.org
- Michael St James ecf@stjames-law.com
- Andrew Still astill@swlaw.com, kcollins@swlaw.com
- Jason D Strabo jstrabo@mwe.com, ahoneycutt@mwe.com
- Sabrina L Streusand Streusand@slolllp.com
- Ralph J Swanson ralph.swanson@berliner.com, sabina.hall@berliner.com
- Gary F Torrell gft@vrmlaw.com
- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Matthew S Walker matthew.walker@pillsburylaw.com, candy.kleiner@pillsburylaw.com
- Jason Wallach jwallach@ghplaw.com, g33404@notify.cincompass.com
- Kenneth K Wang kenneth.wang@doj.ca.gov, Jennifer.Kim@doj.ca.gov; susan.lincoln@doj.ca.gov; yesenia.caro@doj.ca.gov
- Phillip K Wang phillip.wang@rimonlaw.com, david.kline@rimonlaw.com
- Gerrick Warrington gwarrington@frandzel.com, dmoore@frandzel.com
- Adam G Wentland awentland@tocounsel.com
- Latonia Williams lwiliams@goodwin.com, bankruptcy@goodwin.com
- Michael S Winsten mike@winsten.com
- Jeffrey C Wisler jwisler@connollygallagher.com, dperkins@connollygallagher.com
- Neal L Wolf nwolf@hansonbridgett.com, calendarclerk@hansonbridgett.com, lhappell@hansonbridgett.com
- Hatty K Yip hatty.yip@usdoj.gov
- Andrew J Ziaja aziaja@leonardcarder.com, sgroff@leonardcarder.com; msimons@leonardcarder.com; lbadar@leonardcarder.com
- Rose Zimmerman rzimmerman@dalycity.org

Via Electronic Mail and U.S. Mail

Dentons US LLP 601 S. Figueroa Street, Suite 2500 Los Angeles, CA 90017 Attn: Samuel R. Maizel samuel.maizel@dentons.com <i>Counsel to the Debtors</i>	Milbank, Tweed, Hadley & McCloy LLP 2029 Century Park East, 33rd Floor Los Angeles, CA 90067 Attn: Gregory A. Bray gbray@milbank.com <i>Counsel to the Official Committee of Unsecured Creditors</i>
McDermott Will & Emery LLP 2049 Century Park East, Suite 3800 Los Angeles, CA 90067 Attn: James F. Owens JFowens@mwe.com <i>Counsel to the Stalking Horse Purchase</i>	Cain Brothers, a division of KeyBanc Capital Markets, 601 California Street, Suite 1505, San Francisco, CA 94108 Attn: James Moloney jmoloney@cainbrothers.com <i>Debtors' Investment Banker</i>

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

Office of the United States Trustee 915 Wilshire Blvd., Suite 1850 Los Angeles, California 90017 Attn: Hatty Yip Hatty.Yip@usdoj.gov <i>U.S. Trustee</i>	Maslon, LLP 3300 Wells Fargo Center 90 South Seventh Street Minneapolis MN 55402 Attn: Clark Whitmore and Jason Reed Clark.Whitmore@maslon.com Jason.Reed@Maslon.com <i>Counsel to the Series 2015 and Series 2017 Notes Trustee</i>
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center Boston, Massachusetts 02111 Attn: Daniel S. Bleck and Paul Ricotta dsbleck@mintz.com; pricotta@mintz.com <i>Counsel for Master Trustee and Series 2005 Bond Trustee</i>	

EXHIBIT A

**To SEIU UHW's
Motion For (1) Authorization To File a
Class Proof of Claim on Behalf of
Claimants Similarly Situated, and (2)
Authorization to File a Class Request for
Payment of Administrative Expense on
Behalf of Claimants Similarly Situated;
Memorandum of Points and Authorities**

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 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2015 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2015 or fiscal plan year beginning <u>12/14/2015</u> and ending <u>12/31/2015</u>	
A This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) _____ B This return/report is: <input checked="" type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input checked="" type="checkbox"/> a short plan year return/report (less than 12 months). C If the plan is a collectively-bargained plan, check here. <input type="checkbox"/> D Check box if filing under: <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

Part II Basic Plan Information —enter all requested information		
1a Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN</u> 2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>VERITY HEALTH SYSTEM</u> <u>203 REDWOOD SHORES PARKWAY</u> <u>SUITE 800</u> <u>REDWOOD CITY, CA 94065-1199</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
1c Effective date of plan <u>12/14/2015</u>		
2b Employer Identification Number (EIN) <u>91-2145484</u>		
2c Plan Sponsor's telephone number <u>650-551-6650</u>		
2d Business code (see instructions) <u>622000</u>		

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

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

SIGN HERE	Filed with authorized/valid electronic signature. Signature of plan administrator	10/14/2016 Date	MICHAEL KATZ Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 7999
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits..... f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 2793 6a(2) 2784 6b 2275 6c 2738 6d 7797 6e 200 6f 7997 6g 6h 1
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> <u>0</u> A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 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 2015 This Form is Open to Public Inspection
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 For calendar plan year 2015 or fiscal plan year beginning 12/14/2015 and ending 12/31/2015
► **Round off amounts to nearest dollar.**► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>VERITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>91-2145484</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500		

Part I Basic Information

1	Enter the valuation date: Month <u>12</u> Day <u>14</u> Year <u>2015</u>		
2	Assets:		
	a Market value	2a	<u>258072464</u>
	b Actuarial value	2b	<u>270143416</u>
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment	<u>2475</u>	<u>178491422</u>
	b For terminated vested participants	<u>2738</u>	<u>83649100</u>
	c For active participants	<u>2793</u>	<u>142444831</u>
	d Total	<u>8006</u>	<u>404585353</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/>		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5	Effective interest rate	5	<u>6.30%</u>
6	Target normal cost	6	<u>184763</u>

Statement by Enrolled Actuary

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

SIGN HERE	Signature of actuary <u>CARLOS DE LA PARRA</u> Type or print name of actuary <u>WILLIS TOWERS WATSON</u> Firm name <u>345 CALIFORNIA STREET, SUITE 2000</u> <u>SAN FRANCISCO, CA 94104</u> Address of the firm	<u>10/07/2016</u> Date <u>14-07455</u> Most recent enrollment number <u>415-733-4100</u> Telephone number (including area code)
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 If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2015
v. 150123

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)	0	0
10 Interest on line 9 using prior year's actual return of <u>-0.64%</u>	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		
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 ____%		0
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		0
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)	0	0

Part III	Funding Percentages
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14	Funding target attainment percentage.....	14	66.36 %
15	Adjusted funding target attainment percentage	15	66.36 %
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	100.00 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	63.39 %

Part IV	Contributions and Liquidity Shortfalls
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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		
12/30/2015	1102000	0					
09/14/2016	218697	0					
			Totals ►	18(b)	1320697	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	1307910

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

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

21 Discount rate:				
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	184763	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	136930582	1123112	
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	1307875	
	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	1307875	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1307910	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	35	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 12/14/2015 and ending 12/31/2015

A Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VERITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>91-2145484</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

36-2723087

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
NORTHERN TRUST INVESTMENTS, INC

36-3608252

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

36-1561860

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>12/14/2015</u> and ending <u>12/31/2015</u>		
A Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VERITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>91-2145484</u>	

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	3025117	5109788
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	218697
(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)	2558890	1063889
(2) U.S. Government securities.....	1c(2)	98956126	99337898
(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)	111594503	125416788
(5) Partnership/joint venture interests	1c(5)	28338196	28406123
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	244472832	259553183

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	244472832	259553183
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1320697	
(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)		1320697
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	242	
(B) U.S. Government securities	2b(1)(B)	943172	
(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)	69378	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1012792
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	595654	
(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)		595654
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	318833	
(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)		318833
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	11891751	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		11891751

	(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)	
(7) Net investment gain (loss) from pooled separate accounts	2b(7)	
(8) Net investment gain (loss) from master trust investment accounts	2b(8)	
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)	
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)	
c Other income	2c	
d Total income. Add all income amounts in column (b) and enter total	2d	15139727

Expenses

e Benefit payment and payments to provide benefits:		
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	19071
(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)	19071
f Corrective distributions (see instructions)	2f	
g Certain deemed distributions of participant loans (see instructions)	2g	
h Interest expense	2h	
i Administrative expenses: (1) Professional fees	2i(1)	
(2) Contract administrator fees	2i(2)	
(3) Investment advisory and management fees	2i(3)	40305
(4) Other	2i(4)	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)	40305
j Total expenses. Add all expense amounts in column (b) and enter total	2j	59376

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k	15080351
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) ☐ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☐ No

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

(1) Name:

(2) EIN:

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☒ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

	Yes	No	N/A	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.)		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.)		X		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		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.)		X		
e Was this plan covered by a fidelity bond?	X			10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
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?		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?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		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.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No Amount:**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

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

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined**Part V Trust Information****6a** Name of trust**6b** Trust's EIN**6c** Name of trustee or custodian**6d** Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information <p>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</p> <p style="text-align: center;">▶ File as an attachment to Form 5500.</p>	<small>OMB No. 1210-0110</small> <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2015</div> <p style="text-align: center;">This Form is Open to Public Inspection.</p>
For calendar plan year 2015 or fiscal plan year beginning <u>12/14/2015</u> and ending <u>12/31/2015</u>		
A Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>	
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VERITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>91-2145484</u>	

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>13-3808042</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>1</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A

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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015
v. 150123

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

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

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

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

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

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

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

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

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

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	<input type="checkbox"/> Design-based safe harbor method	<input type="checkbox"/> ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	<input type="checkbox"/> Ratio percentage test	<input type="checkbox"/> Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
22a Has the plan been timely amended for all required tax law changes?	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data for Frozen Plans as of December 14, 2015¹ All monetary amounts shown in US Dollars

		Years of Credited Service																40 & Over			
		Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
Attained		Avg.	Ben.	Avg.	Ben.	Avg.	Ben.	Avg.	Ben.	Avg.	Ben.	Avg.	Ben.	Avg.	Ben.	Avg.	Ben.	Avg.	Ben.	Avg.	Ben.
Age	No.	No.		No.		No.		No.		No.		No.		No.		No.		No.		No.	
Under 25			5																		
25 - 29	1			62	0	22	10														
30 - 34	22	2,158	76	22	22	82	470	13													
35 - 39	45	3,679	77	295	110	1,460	43	4,787	5												
40 - 44	100	5,911	108	1,738	127	2,811	68	6,138	34	8,742	8										
45 - 49	83	4,935	86	3,767	100	4,222	70	8,523	29	14,869	30	9,574	1								
50 - 54	65	5,174	68	2,717	92	4,928	72	7,336	46	9,771	56	15,583	3								
55 - 59	69	6,377	57	3,809	92	6,199	85	15,231	45	15,944	81	21,395	12			1					
60 - 64	55	5,927	41	3,286	58	8,427	86	18,194	31	21,059	100	22,488	21	38,043	1						
65 - 69	25	5,385	13		17		29	19,335	8		31	25,096	1								
70 & Up	5		4		5		5		2		4										

¹ There are fewer than 1,000 active participants in the plan who are accruing additional benefits, so the table provides average accrued benefits in lieu of compensation.

Plan Name: Verity Health System Retirement Plan
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: December 14, 2015

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data for Cash Balance Plans as of December 14, 2015

All monetary amounts shown in US Dollars

		Years of Credited Service																			
		Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
Attained		Cash		Cash		Cash		Cash		Cash		Cash		Cash		Cash		Cash		Cash	
Age	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.
Under 25																					
25 - 29			1																		
30 - 34	20	2,373	4		21	1,836	4														
35 - 39	40	4,138	9		48	3,345	30	6,862	2												
40 - 44	96	6,157	21	8,937	64	5,578	53	7,875	31	9,588	5										
45 - 49	78	5,251	34	9,529	61	6,922	59	10,112	26	16,585	24	11,968	1								
50 - 54	60	5,605	21	8,797	62	7,312	52	10,157	37	12,148	49	17,809	3								
55 - 59	61	7,214	21	10,338	60	9,505	71	18,234	39	18,397	78	22,218	11								
60 - 64	50	6,520	16		46	10,626	71	22,038	30	21,761	82	27,424	20	39,946	1						
65 - 69	22	6,119	6		11		25	22,429	6		25	31,119	1								
70 & Up	3		2		3		5		1		4										

Plan Name: Verity Health System Retirement Plan
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 Plan Sponsor: Verity Health System
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SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions and Methods

Economic Assumptions

Interest rate basis:

- | | |
|-----------------------|---------------|
| ▪ Applicable month | December 2015 |
| ▪ Interest rate basis | Segment Rates |

Interest rates:

- | | Reflecting
Corridors | Not Reflecting
Corridors |
|---|-------------------------|-----------------------------|
| ▪ First segment rate | 4.72% | 1.39% |
| ▪ Second segment rate | 6.11% | 3.98% |
| ▪ Third segment rate | 6.81% | 5.00% |
| ▪ Effective interest rate | 6.30% | 4.33% |
| ▪ Match balance interest crediting rate | 5.00% | N/A |
| ▪ Expected return on assets | 7.00% | N/A |

Annual rates of increase

- | | |
|-------------------------------------|-------|
| ▪ Compensation: | 3.50% |
| ▪ Future Social Security wage bases | 3.00% |
| ▪ Statutory limits on compensation | N/A |

Administrative expenses	\$83,844
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Plan Name:	Verity Health System Retirement Plan
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Plan Sponsor:	Verity Health System
Valuation Date:	December 14, 2015

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Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

■ **Healthy** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2030 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2022 using Scale AA).

■ **Disabled** Same as healthy mortality.

Termination During the first five years of employment the following rates of termination are assumed:

Years of Service	Percentage Terminating
1	22%
2	20%
3	14%
4	12%
5	10%

For employees with five or more years of employment the following rates of termination are assumed:

Age	Percentage Terminating
21-27	9.0%
28-33	8.0%
34-38	7.0%
39-42	6.0%
43-46	5.0%
47-50	4.0%
51-54	3.0%

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Disability

Rates of disablement among active participants are based on 75% of the 1964 OASDI experience table. Sample rates of disablement are as follows:

Attained Age	Percentage Disabled During the Year
25	0.06%
30	0.08%
35	0.11%
40	0.17%
45	0.27%
50	0.45%
55	0.76%
60	1.22%

Retirement

Rates varying by age, average age 64.

Age	Percentage Retiring During the Year
55-59	5%
60-61	8%
62-63	15%
64	20%
65-67	30%
68-69	35%
70 & up	100%

Benefit commencement date:

- Preretirement death benefit
 - Deferred vested benefit
 - Disability benefit
 - Retirement benefit

If the participant was married, upon death of the participant

If the participant was single, upon the later of the death of the participant or the date the participant would have attained age 55

The later of age 65 or termination of employment

The later of age 65 or disablement

Upon termination of employment

Form of payment

Participants are assumed to elect a single life annuity for the traditional benefit and a lump sum for the match benefit.

Percent married

85% of the male participants and 50% of the female participants are assumed to be married

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Spouse age	Wife three years younger than husband
Covered pay	Compensation assumed paid in the current year beginning on the valuation date is the prior year's pay increased by the salary rate.
At-risk assumptions	For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan.
Timing of benefit payments	Benefit payments are assumed to be made uniformly throughout the year and, on average, at mid-year.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430.
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.
Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and 12 and 24 months preceding the valuation date, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited to the third segment rate as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year.)</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the</p>

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method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued based on discussions with Verity Health System regarding the likelihood that these benefits will be paid. Willis Towers Watson has reviewed the plan provisions with Verity Health System and, based on that review, is not aware of any significant benefits required to be valued that were not.

The plan pays small benefits (with a present value up to \$5,000 in a single lump sum payment). Such lump sums are not explicitly valued; rather such participants' benefits are valued using the benefit choice assumptions described above.

Assumptions Rationale - Significant Economic Assumptions

Discount rate

The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.

Match Balance Interest crediting rate

The plan credits interest to match balance accounts using the 30-year Treasury rate, but with a minimum interest credit rate of 5.00%. Our long term estimate of the 30-year Treasury rate is below 5.00%, based on a combination of current conditions, past history, including relationships to other assumptions such as CPI, and future economic expectations.

Rates of increase in:

- **Compensation**

Assumed compensation increases are based on plan sponsor expectations.

- **Assumed return for asset smoothing**

The assumed return used for asset smoothing is the expected return on assets assumption chosen by the client for the 2016 fiscal year under U.S. GAAP, limited by the third segment rate. We concurred with that assumption

Administrative expenses

Based on prior year administrative expenses, rounded to the nearest 100,000 and prorated to account for short plan year.

Plan Name: Verity Health System Retirement Plan
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Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination	Termination rates were based on Verity Health System's experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Retirement	Retirement rates were based on Verity Health System's experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Source of Prescribed Methods

Funding methods	The methods used for funding purposes, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.
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Changes in Assumptions and Methods

Change in assumptions since prior valuation	Not applicable.
Change in methods since prior valuation	Not applicable.

Plan Name: Verity Health System Retirement Plan
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Plan Sponsor: Verity Health System
Valuation Date: December 14, 2015

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 12/14/2015 and ending 12/31/2015

► **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 Verity Health System Retirement Plan	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Verity Health System	D Employer Identification Number (EIN) 91-2145484	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>12</u> Day <u>14</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a	258,072,464	
b Actuarial value	2b	270,143,416	
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.....	2,475	178,491,422	178,491,422
b For terminated vested participants.....	2,738	83,649,100	83,649,100
c For active participants.....	2,793	142,444,831	144,933,476
d Total.....	8,006	404,585,353	407,073,998
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate.....	5	6.30%	
6 Target normal cost.....	6	184,763	

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 Carlos De la Parra Type or print name of actuary Willis Towers Watson Firm name 345 California Street, Suite 2000 San Francisco CA 94104 Address of the firm	<u>10/7/2016</u> Date 1407455 Most recent enrollment number 415-733-4100 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2015
v. 150123

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

21 Discount rate:				
a Segment rates:	1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" type="checkbox"/> Prescribed - separate	<input type="checkbox"/> 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.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	184,763	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	136,930,582		1,123,112
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	1,307,875	
	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	1,307,875	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1,307,910	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	35	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of December 14, 2015

See Statement of Actuarial Assumptions and Methods in Part V for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

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Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Verity Health System
EIN/PN	91-2145484/001
Plan Name	Verity Health System Retirement Plan
Valuation Date	December 14, 2015
Enrolled Actuary	Carlos De la Parra
Enrollment Number	14-07455

The Plan was originally effective May 25, 1995, as a result of the spin-off of assets and liabilities from the Daughters of Charity National Health System Retirement Plan. The Plan was intended to be a "church plan" as described in Code section 414(e) and therefore exempt from Title I and Title IV of ERISA. The plan sponsor amended and restated the plan effective December 14, 2015, as of which the plan sponsor is no longer controlled by or associated with the Catholic Church. Accordingly, effective December 14, 2015 the plan is no longer intended to be a "church plan" as described in Code section 414(e) and therefore is subject to and intended to comply with Title I and Title IV of ERISA.

The contribution requirement for the short plan year beginning December 14, 2015 and ending December 31, 2015 has been determined as follows:

- 1) A valuation of the Plan liabilities as of December 14, 2015 has been performed.
- 2) The Actuarial Value of Assets has been determined as the average of the fair market value of assets on December 14, 2015, December 14, 2014 and December 14, 2013, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited to the third segment rate as described in IRS Notice 2009-22). It was verified that this average asset value is within 10% of the market value at December 14, 2015.
- 3) The Plan's shortfall (the difference between the Funding Target and the Actuarial Value of Assets at December 14, 2015 determined in (1) and (2) above) was amortized over a 7-year period. The annual amount has been prorated to account for the length of the short plan year. A final prorated installment will be required in the 8th year in an amount equal to the difference between the full annual installment and the prorated initial installment.
- 4) The target normal cost is the present value of benefits expected to accrue and expenses expected to be paid from plan assets during the short plan year.
- 5) The minimum required contribution for the short plan year is equal to sum of the target normal cost for the short plan year (described in (4) above) and the prorated shortfall amortization payment (described in (3) above)

Plan Name:	Verity Health System Retirement Plan
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Plan Sponsor:	Verity Health System
Valuation Date:	December 14, 2015

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Sponsor

Verity Health System

Effective Date and Most Recent Amendment

The plan was originally effective May 25, 1995, as a result of the spin-off of assets and liabilities from the Daughters of Charity National Health System Retirement Plan. The plan was intended to be a "church plan" as described in Code section 414(e) and therefore exempt from Title I and Title IV of ERISA. The plan sponsor amended and restated the plan effective December 14, 2015, as of which the plan sponsor is no longer controlled by or associated with the Catholic Church. Accordingly, effective December 14, 2015 the plan is no longer intended to be a "church plan" as described in Code section 414(e) and therefore is subject to and intended to comply with Title I and Title IV of ERISA.

Credited Service

The sum of (1) and (2), subject to (3):

- (1) Vesting service credited from the Effective Date of Participation, or from date used for crediting Past Service.
- (2) Credited Future Service
- (3) For participants at the O'Connor and St. Louise Divisions, there will be no more credited service granted after December 31, 2000. For non-contractual participants in all health ministries, there will be no more credited service granted after February 28, 2011. For members of UNAC and SEIU, there will be no more credited service granted after December 31, 2011 and December 31, 2012 respectively.

Vesting Service

The sum of (1) and (2):

- (1) Service credited for vesting purposes under the prior plan as of the Effective Date of Participation.
- (2) Plan years from the Effective Date of Participation during which at least 1,000 hours of service are credited. Pro rata credit is given for initial year and termination year.

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Highest Average Earnings

Highest five consecutive complete or partial plan years of earnings in the last ten years of employment. Earnings include W-2 compensation subject to FICA tax plus any compensation deferred under an IRC Section 125 or Section 401(k) or Section 403(b) plan. Compensation is limited as required under Internal Revenue Code Section 401(a)(17).

Covered Compensation

A 35-year average of the Maximum Taxable Wages (MTW) under social security. The MTW is the annual limit on wages subject to the FICA tax for social security. The 35-year period ends with the year the employee reaches eligibility for an unreduced social security benefit (age 65, 66, or 67 depending on the year the employee was born).

Normal Retirement Benefit

Eligibility: Age 65.

Annual Benefit: The greater of (i) or (ii) (or (iv), for St. Vincent participants) plus (iii)

- (i) Equal to (a) plus (b) multiplied by (c), plus (d) plus (e):
 - (a) 1.00% (1.25% for Regional Office Executives) of Highest Average Earnings up to Covered Compensation,
 - (b) 1.50% (1.75% for Regional Office Executives) of Highest Average Earnings in excess of Covered Compensation,
 - (c) Credited Future Service to a maximum of 35 years,
 - (d) 1.00% (1.25% for Regional Office Executives) of Highest Average Earnings multiplied by Credited Future Service in excess of 35 years,
 - (e) Any Accrued Benefit from a Prior Plan formula.
- (ii) \$180 multiplied by Credited Total Service.
- (iii) An annuity provided by an employer contribution of \$.35 (\$.50 for Regional Office Executives) for each \$1.00 contributed by the participant to the Verity Health System Retirement Plan TSA Savings Plan up to 5% (6% for Regional Office Executives) of earnings (maximum

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employee contribution of \$14,000 for 2005). The contributions accumulate at the 30-year US Treasury securities rate to termination and at 5% thereafter. The annuity is equal to the actuarial equivalent of the projected age 65 balance using 417(e) assumptions, adjusted for early retirement and/or form of payment.

No future employer match contributions will accrue after 1/1/2009.

- (iv) Same as (i) using Credited Total Service in place of Credited Future Service, and excluding (e).

Normal Form of Retirement Income: Life annuity for single participants; actuarially reduced joint and 50% to surviving spouse annuity for married participants.

For participants at the O'Connor and St. Louise Divisions, there will be no more credited service granted after December 31, 2000. Compensation for calculating accrued benefits is allowed to continue.

Benefits were frozen, including compensation, for non-contractual participants effective February 28, 2011.

Benefits were frozen, including compensation, for members of UNAC effective December 31, 2011.

Benefits were frozen, including compensation, for members of SEIU effective December 31, 2012.

Late Retirement Benefit

If retirement occurs after the normal retirement date, the late retirement income will be based on the plan formula using credited service and final average monthly compensation as of the late retirement date.

Accrued Benefit

The participant's accrued benefit at any given date is determined under the normal retirement formula shown above, but is based on current years of benefit service, final average compensation, and covered compensation.

Early Retirement Benefit

Eligibility: Age 55 and 5 years of Vesting Service.

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Monthly Benefit: The normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of early retirement. The benefit is reduced 5/12 of 1% for each month that payment precedes the normal retirement date.

Disability Benefit

Eligibility: Physically or mentally impaired, preventing a participant from working for at least six months; disabled under the terms of the Verity Health System Retirement Plan Long-Term Disability Plan; or eligible for and receiving Social Security disability benefits. At least five years of Vesting Service at the date of disablement are required in order to receive the benefit provided by the employer contributions corresponding to the participants' contributions to the TSA Savings Plan. At the O'Connor and St. Louise divisions, no participant shall become disabled participant on or after January 1, 2001.

Monthly Benefit: The normal retirement benefit, assuming Credited Service and Earnings continue until normal retirement date. Immediate lump sum equal to the accumulated contributions matching the TSA Savings Plan.

Vested Benefits Upon Termination of Service

Vesting: A participant is 100% vested upon completion of 3 years of Vesting Service, or upon reaching age 65.

Monthly Benefit: The normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of termination. The benefit is not reduced when deferred to age 65. When retirement eligibility requirements are met, and the benefit is taken early, the reduction is 5/12 of 1% for each month that payment precedes the normal retirement date.

Pre-Retirement Death Benefits

1. Eligibility: Spouse of a participant who dies with five years of Vesting Service for basic benefit; immediate for Verity Health System Retirement Plan TSA Savings Plan match.

2. Benefit:

(i) Death of an active vested participant:

50% of the normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of death. Immediate Lump Sum payment of accumulated employer contributions matching the TSA contributions. The benefit is reduced for payment under the Qualified 50% Joint and Survivor option, but it is not reduced for early payment. The benefit is payable immediately to the surviving spouse and continues for life with a minimum of 60 monthly payments. If a spouse does not survive the participant, the benefit is paid to eligible children for a

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Valuation Date: December 14, 2015

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minimum of 60 months and continues until the youngest child reaches age 21. In the case of no surviving spouse or child, the benefit is paid to the designated beneficiary for 60 months.

(ii) Death of terminated vested participant:

50% of the deferred vested benefit, reduced for payment under the Qualified 50% Joint and Survivor option and for early payment. The benefit is payable to the surviving spouse for life. If the participant had attained age 55, payment begins immediately; otherwise, payment is deferred to the date the participant would have attained age 55.

Substantive Commitments

No substantive commitments other than the above plan provisions have been included in this valuation.

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Plan Sponsor: Verity Health System
Valuation Date: December 14, 2015

Portfolio Statement

Desc Exhibit A Page 40 of 46

Account number DCHALL
Account Name DCHS ALL ACCOUNTS

31 DEC 2015

◆ **Asset Summary**

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Asset Summary									
Country	Accrued income/expense	Market value	Cost	Market	Unrealized gain/loss	Translation	Total	Market value incl. accruals	%
Equities									
Common stock									
Australia - AUD	0.00	235,692.77	226,629.37	18,252.12	-9,188.72		9,063.40	235,692.77	0.092%
France - EUR	0.00	973,342.71	974,155.77	90,490.22	-91,303.28		- 813.06	973,342.71	0.379%
Germany - EUR	0.00	422,207.20	342,298.30	115,284.89	-35,375.99		79,908.90	422,207.20	0.164%
Hong Kong - HKD	0.00	675,585.68	724,498.93	- 49,205.27	292.02		- 48,913.25	675,585.68	0.263%
Hong Kong - USD	0.00	184,786.00	184,525.42	260.58	0.00		260.58	184,786.00	0.072%
Israel - USD	0.00	268,731.68	256,409.17	12,322.51	0.00		12,322.51	268,731.68	0.105%
Japan - JPY	4,318.33	1,960,125.54	1,898,884.92	298,313.59	-237,072.97		61,240.62	1,964,443.87	0.764%
Netherlands - EUR	0.00	131,044.63	141,344.33	12,838.53	-23,138.23		- 10,299.70	131,044.63	0.051%
Netherlands - USD	0.00	204,727.50	113,457.91	91,269.59	0.00		91,269.59	204,727.50	0.080%
Singapore - SGD	0.00	88,436.19	116,430.57	- 23,165.07	-4,829.31		- 27,994.38	88,436.19	0.034%
Spain - EUR	0.00	35,960.55	33,994.06	2,333.32	-366.83		1,966.49	35,960.55	0.014%
Sweden - SEK	0.00	88,076.85	74,615.84	25,819.72	-12,358.71		13,461.01	88,076.85	0.034%
Switzerland - USD	0.00	561,747.48	553,865.24	7,882.24	0.00		7,882.24	561,747.48	0.219%
United Kingdom - GBP	2,335.73	852,729.61	639,499.81	270,715.61	-57,485.81		213,229.80	855,065.34	0.333%
United States - USD	58,539.65	22,207,971.05	17,374,282.66	4,833,688.39	0.00		4,833,688.39	22,266,510.70	8.661%
Total common stock	65,193.71	28,891,165.44	23,654,892.30	5,707,100.97	-470,827.83		5,236,273.14	28,956,359.15	11.263%
Funds - common stock									
United States - USD	404,451.39	95,388,477.65	94,180,165.52	1,208,312.13	0.00		1,208,312.13	95,792,929.04	37.261%
Total funds - common stock	404,451.39	95,388,477.65	94,180,165.52	1,208,312.13	0.00		1,208,312.13	95,792,929.04	37.261%
Stapled securities									
Australia - AUD	13,643.51	653,855.85	669,167.94	70,252.99	-85,565.08		- 15,312.09	667,499.36	0.260%
Total stapled securities	13,643.51	653,855.85	669,167.94	70,252.99	-85,565.08		- 15,312.09	667,499.36	0.260%
Total equities	483,288.61	124,933,498.94	118,504,225.76	6,985,666.09	-556,392.91		6,429,273.18	125,416,787.55	48.784%

Portfolio Statement

Desc Exhibit A Page 41 of 46

Account number DCHALL
Account Name DCHS ALL ACCOUNTS

31 DEC 2015

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◆ **Asset Summary**

Asset Summary

Country	Accrued income/expense	Market value	Cost	Market	Unrealized gain/loss	Translation	Total	Market value incl. accruals	%
Fixed Income									
Government bonds									
Colombia - USD	490.61	55,825.00	66,425.00	- 10,600.00		0.00	- 10,600.00	56,315.61	0.022%
Mexico - USD	3,205.59	195,865.00	210,999.32	- 15,134.32		0.00	- 15,134.32	199,070.59	0.077%
Peru - USD	973.40	57,750.00	61,937.50	- 4,187.50		0.00	- 4,187.50	58,723.40	0.023%
Turkey - USD	1,408.99	145,320.56	150,668.75	- 5,348.19		0.00	- 5,348.19	146,729.55	0.057%
United States - USD	224,727.23	27,194,614.94	26,098,295.54	1,096,319.40		0.00	1,096,319.40	27,419,342.17	10.665%
Total government bonds	230,805.82	27,649,375.50	26,588,326.11	1,061,049.39		0.00	1,061,049.39	27,880,181.32	10.845%
Government agencies									
Mexico - USD	67.22	82,757.40	106,225.00	- 23,467.60		0.00	- 23,467.60	82,824.62	0.032%
United States - USD	18,086.37	1,270,224.51	1,034,594.69	235,629.82		0.00	235,629.82	1,288,310.88	0.501%
Total government agencies	18,153.59	1,352,981.91	1,140,819.69	212,162.22		0.00	212,162.22	1,371,135.50	0.533%
Municipal/provincial bonds									
United States - USD	20,518.41	2,423,760.29	2,570,983.46	- 147,223.17		0.00	- 147,223.17	2,444,278.70	0.951%
Total municipal/provincial bonds	20,518.41	2,423,760.29	2,570,983.46	- 147,223.17		0.00	- 147,223.17	2,444,278.70	0.951%
Corporate bonds									
Australia - USD	8,235.45	537,597.82	669,861.30	- 132,263.48		0.00	- 132,263.48	545,833.27	0.212%
Belgium - USD	1,195.99	162,956.89	146,038.23	16,918.66		0.00	16,918.66	164,152.88	0.064%
Canada - USD	10,269.84	606,605.92	671,411.39	- 64,805.47		0.00	- 64,805.47	616,875.76	0.240%
Cayman Islands - USD	1,390.00	51,190.72	74,542.70	- 23,351.98		0.00	- 23,351.98	52,580.72	0.020%
France - USD	3,612.18	390,452.66	398,400.10	- 7,947.44		0.00	- 7,947.44	394,064.84	0.153%
Mexico - USD	1,109.72	76,612.20	98,833.00	- 22,220.80		0.00	- 22,220.80	77,721.92	0.030%
Netherlands - USD	10,371.86	1,142,955.81	1,117,510.92	25,444.89		0.00	25,444.89	1,153,327.67	0.449%
Spain - USD	517.36	169,417.20	160,492.00	8,925.20		0.00	8,925.20	169,934.56	0.066%
Switzerland - USD	2,864.21	309,263.04	383,236.75	- 73,973.71		0.00	- 73,973.71	312,127.25	0.121%

Portfolio Statement

Desc Exhibit A Page 42 of 46

Account number DCHALL
Account Name DCHS ALL ACCOUNTS

31 DEC 2015

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◆ **Asset Summary**

Asset Summary

Country	Accrued income/expense	Market value	Cost	Market	Unrealized gain/loss	Translation	Total	Market value incl. accruals	%
Fixed Income									
Corporate bonds									
United Kingdom - USD	27,766.50	1,884,182.90	2,015,614.49	- 131,431.59		0.00	- 131,431.59	1,911,949.40	0.744%
United States - USD	384,743.12	27,570,931.30	27,978,749.22	- 407,817.92		0.00	- 407,817.92	27,955,674.42	10.874%
Total corporate bonds	452,076.23	32,902,166.46	33,714,690.10	- 812,523.64		0.00	- 812,523.64	33,354,242.69	12.974%
Funds - corporate bond									
United States - USD	0.00	10,391,453.12	7,918,075.81	2,473,377.31		0.00	2,473,377.31	10,391,453.12	4.042%
Total funds - corporate bond	0.00	10,391,453.12	7,918,075.81	2,473,377.31		0.00	2,473,377.31	10,391,453.12	4.042%
Asset backed securities									
United States - USD	1,093.33	507,899.60	549,171.87	- 41,272.27		0.00	- 41,272.27	508,992.93	0.198%
Total asset backed securities	1,093.33	507,899.60	549,171.87	- 41,272.27		0.00	- 41,272.27	508,992.93	0.198%
Funds - other fixed income									
International Region - USD	0.00	10,028,503.56	7,656,356.70	2,372,146.86		0.00	2,372,146.86	10,028,503.56	3.901%
United States - USD	0.00	13,650,924.30	14,154,717.55	- 503,793.25		0.00	- 503,793.25	13,650,924.30	5.310%
Total funds - other fixed income	0.00	23,679,427.86	21,811,074.25	1,868,353.61		0.00	1,868,353.61	23,679,427.86	9.211%
Total fixed income	722,647.38	98,907,064.74	94,293,141.29	4,613,923.45		0.00	4,613,923.45	99,629,712.12	38.753%
Venture Capital and Partnerships									
Partnerships									
United States - USD	0.00	28,406,123.00	14,733,953.00	13,672,170.00		0.00	13,672,170.00	28,406,123.00	11.049%
Total partnerships	0.00	28,406,123.00	14,733,953.00	13,672,170.00		0.00	13,672,170.00	28,406,123.00	11.049%
Total venture capital and partnerships	0.00	28,406,123.00	14,733,953.00	13,672,170.00		0.00	13,672,170.00	28,406,123.00	11.049%

Portfolio Statement

Desc Exhibit A Page 43 of 46

Account number DCHALL
Account Name DCHS ALL ACCOUNTS

31 DEC 2015

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◆ **Asset Summary**

Country	Accrued income/expense	Market value	Cost	Market	Unrealized gain/loss	Translation	Total	Market value incl. accruals	%
<i>All Other</i>									
Recoverable taxes									
Recoverable taxes	69,115.24	0.00	0.00	0.00		0.00	0.00	69,115.24	0.027%
Total recoverable taxes	69,115.24	0.00	0.00	0.00		0.00	0.00	69,115.24	0.027%
Total all other	69,115.24	0.00	0.00	0.00		0.00	0.00	69,115.24	0.027%
<i>Cash and Cash Equivalents</i>									
Funds - short term investment									
Funds - Short Term Investment	247.47	3,928,640.81	3,928,640.81	0.00		0.00	0.00	3,928,888.28	1.528%
Total funds - short term investment	247.47	3,928,640.81	3,928,640.81	0.00		0.00	0.00	3,928,888.28	1.528%
Currency									
Currency	- 39,502.00	0.00	0.00	0.00		0.00	0.00	-39,502.00	- 0.015%
Total currency	- 39,502.00	0.00	0.00	0.00		0.00	0.00	-39,502.00	- 0.015%
Cash									
Cash	0.16	0.00	0.00	0.00		0.00	0.00	0.16	0.000%
Total cash	0.16	0.00	0.00	0.00		0.00	0.00	0.16	0.000%
Invested cash									
Invested cash	15.20	173,142.40	173,142.40	0.00		0.00	0.00	173,157.60	0.067%
Total invested cash	15.20	173,142.40	173,142.40	0.00		0.00	0.00	173,157.60	0.067%
Total cash and cash equivalents	- 39,239.17	4,101,783.21	4,101,783.21	0.00		0.00	0.00	4,062,544.04	1.580%

Portfolio Statement

Desc Exhibit A Page 44 of 46

Account number DCHALL
Account Name DCHS ALL ACCOUNTS

31 DEC 2015

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◆ **Asset Summary**

Country	Accrued income/expense	Market value	Cost	Market	Unrealized gain/loss Translation	Total	Market value incl. accruals	%
<i>Adjustments To Cash</i>								
Pending trade purchases								
Pending trade purchases	0.00	- 537,545.46	- 537,545.46	0.00	0.00	0.00	-537,545.46	- 0.209%
Total pending trade purchases	0.00	- 537,545.46	- 537,545.46	0.00	0.00	0.00	-537,545.46	- 0.209%
Pending trade sales								
Pending trade sales	0.00	39,502.00	39,502.00	0.00	0.00	0.00	39,502.00	0.015%
Total pending trade sales	0.00	39,502.00	39,502.00	0.00	0.00	0.00	39,502.00	0.015%
Total adjustments to cash	0.00	- 498,043.46	- 498,043.46	0.00	0.00	0.00	-498,043.46	- 0.194%
Total Unrealized Gains						33,517,227.58		
Total Unrealized Losses						- 8,801,860.95		
Total	1,235,812.06	255,850,426.43	231,135,059.80	25,271,759.54	-556,392.91	24,715,366.63	257,086,238.49	100.000%

Total Cost incl. Accruals

232,370,871.86

ASSETS HELD FOR INVESTMENT**For Period December 1, 2015 to December 31, 2015**

Assets	Cost Basis	Shares	Market Price Per Share	Principal Value	Est. Income Accrual	Market Value
Daughters of Charity Ret Port						
PIMCO Money Market Fund Admin	1,063,888.60	1,063,888.60	1.0000	1,063,888.60		1,063,888.60
<i>Total Daughters of Charity Ret Port</i>	<i>1,063,888.60</i>			<i>1,063,888.60</i>		<i>1,063,888.60</i>
<i>Total Assets Held for Investment</i>	<i>1,063,888.60</i>	<i>1,063,888.600</i>		<i>1,063,888.60</i>	<i>0.00</i>	<i>1,063,888.60</i>

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of December 14, 2015

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1 Shortfall	12/14/2015	136,930,582	7	136,930,582	22,771,931 ¹
Total				136,930,582	22,771,931 ¹

¹ Reflects the amortization installment for a full plan year. The shortfall amortization installment is prorated for short plan years. A final prorated installment will be required in the 8th year in an amount equal to the difference between the full installment of \$22,771,931 and the prorated initial installment of \$1,123,112.

Plan Name: Verity Health System Retirement Plan
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: December 14, 2015

EXHIBIT B

**To SEIU UHW's
Motion For (1) Authorization To File a
Class Proof of Claim on Behalf of
Claimants Similarly Situated, and (2)
Authorization to File a Class Request for
Payment of Administrative Expense on
Behalf of Claimants Similarly Situated;
Memorandum of Points and Authorities**

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2016</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>
A This return/report is for: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> <input type="checkbox"/> a multiemployer plan </div> <div> <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> <input checked="" type="checkbox"/> a single-employer plan </div> <div> <input type="checkbox"/> a DFE (specify) ____ </div> </div>	
B This return/report is: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> <input type="checkbox"/> the first return/report </div> <div> <input type="checkbox"/> the final return/report </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> <input type="checkbox"/> an amended return/report </div> <div> <input type="checkbox"/> a short plan year return/report (less than 12 months) </div> </div>	
C If the plan is a collectively-bargained plan, check here. ▶ <input type="checkbox"/>	
D Check box if filing under: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> <input checked="" type="checkbox"/> Form 5558 </div> <div> <input type="checkbox"/> automatic extension </div> <div> <input type="checkbox"/> the DFVC program </div> </div> <div style="margin-top: 5px;"> <input type="checkbox"/> special extension (enter description) </div>	

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN A</u>		1b Three-digit plan number (PN) ▶	<u>001</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>VERITY HEALTH SYSTEM</u> <u>203 REDWOOD SHORES PARKWAY</u> <u>SUITE 800</u> <u>REDWOOD CITY, CA 94065-1199</u>		1c Effective date of plan <u>12/14/2015</u> 2b Employer Identification Number (EIN) <u>91-2145484</u> 2c Plan Sponsor's telephone number <u>650-551-6650</u> 2d Business code (see instructions) <u>622000</u>	

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	<u>10/16/2017</u>	<u>STEVE SHARRER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 7997
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 2784 6a(2) 2332 6b 2078 6c 2364 6d 6774 6e 150 6f 6924 6g 0 6h 32
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> <u>0</u> A (Insurance Information) (4) <input type="checkbox"/> C (Service Provider Information) (5) <input checked="" type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

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

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

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

A Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN A</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>VERITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>91-2145484</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500		

Part I	Basic Information		
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>		
2	Assets:		
	a Market value	2a	<u>259543992</u>
	b Actuarial value	2b	<u>272994605</u>
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment	<u>2477</u>	<u>182115619</u>
	b For terminated vested participants	<u>2743</u>	<u>89690388</u>
	c For active participants	<u>2784</u>	<u>151106142</u>
	d Total	<u>8004</u>	<u>420838372</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input checked="" type="checkbox"/>		
	a Funding target disregarding prescribed at-risk assumptions	4a	<u>417316141</u>
	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	<u>445296179</u>
5	Effective interest rate	5	<u>6.12 %</u>
6	Target normal cost	6	<u>8372671</u>

Statement by Enrolled Actuary

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

SIGN HERE	Signature of actuary <u>CARLOS DE LA PARRA</u> Type or print name of actuary <u>WILLIS TOWERS WATSON</u> Firm name <u>345 CALIFORNIA STREET, SUITE 2000</u> <u>SAN FRANCISCO, CA 94104</u> Address of the firm	<u>10/10/2017</u> Date <u>17-07455</u> Most recent enrollment number <u>415-733-4100</u> Telephone number (including area code)
------------------	---	--

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

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

Schedule SB (Form 5500) 2016
v. 160205

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>-1.48%</u>	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		35
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.30%</u>		2
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		37
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	65.41%
15	Adjusted funding target attainment percentage	15	65.36%
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	66.36%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	61.37%

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
04/14/2016	6629537	0	06/22/2017	1229579	0
07/14/2016	6629537	0	07/17/2017	4002416	0
10/14/2016	6629537	0	08/16/2017	2459158	0
10/28/2016	2787580	0			
01/13/2017	6629537	0			
05/16/2017	915899	0			
Totals ▶			18(b)	37912780	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	36010725

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21 Discount rate:			
a Segment rates:			
1st segment: 4.43%		2nd segment: 5.91%	3rd segment: 6.65%
			<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 64
23 Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.			27
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28 Unpaid minimum required contributions for all prior years			28 0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)			29 0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)			30 0
Part VIII	Minimum Required Contribution For Current Year		
31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)			31a 8372671
b Excess assets, if applicable, but not greater than line 31a			31b 0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		149917544	24901376
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 33274047
		Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement			0
36 Additional cash requirement (line 34 minus line 35)			36 33274047
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)			37 36010725
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)			38a 2736678
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances			38b 0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)			39 0
40 Unpaid minimum required contributions for all years			40 0
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)		
41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years			
b Eligible plan year(s) for which the election in line 41a was made <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011			
42 Amount of acceleration adjustment			42
43 Excess installment acceleration amount to be carried over to future plan years			43

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN A</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>VERITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>91-2145484</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: VERITY HEALTH SYSTEM DIRECTED RETIR

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

c EIN-PN <u>91-2145484-006</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>264972164</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

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

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

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

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

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

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

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

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)

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

C EIN-PN

SCHEDULE H (Form 5500) 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 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN A</u>	B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VERITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>91-2145484</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1	Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets			
a	Total noninterest-bearing cash	1a	5109788	1610956
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions.....	1b(1)	218697	0
	(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)	1063889	0
	(2) U.S. Government securities	1c(2)	99337898	0
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common.....	1c(4)(B)	125416788	0
	(5) Partnership/joint venture interests	1c(5)	28406123	0
	(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)	0	264972164
	(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)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	259553183 266583120
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	259553183 266583120

Part II Income and Expense Statement

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

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	22676191
	(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)	22676191
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	915
	(B) U.S. Government securities	2b(1)(B)	822610
	(C) Corporate debt instruments	2b(1)(C)	1582393
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	134923
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	2540841
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	208629
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	782948
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	991577
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	63872927
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	63554162
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	318765
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	4505878
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	4505878

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		7241894
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		1100043
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		2680885
c Other income	2c		466339
d Total income. Add all income amounts in column (b) and enter total	2d		42522413

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	21414291	
(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)		21414291
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	328115	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	293086	
(4) Other	2i(4)	5490544	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		6111745
j Total expenses. Add all expense amounts in column (b) and enter total	2j		27526036

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		14996377
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		7966440

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: MOSS ADAMS LLP

(2) EIN: 91-0189318

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		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.)		X	
e Was this plan covered by a fidelity bond?	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?		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?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		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.			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?			

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

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
VERITY HEALTH SYSTEM RETIREMENT PLAN B	91-2145484	005

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 3988257. (See instructions.)

Part V Trust Information

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

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection.
For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan VERITY HEALTH SYSTEM RETIREMENT PLAN A	B Three-digit plan number (PN) 001	
C Plan sponsor's name as shown on line 2a of Form 5500 VERITY HEALTH SYSTEM	D Employer Identification Number (EIN) 91-2145484	

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 80-0709115		
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	30

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)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A

Part III	Amendments
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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.....	<input type="checkbox"/> Increase	<input checked="" type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> 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.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
11 a Does the ESOP hold any preferred stock?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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.)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:	
a	The current year	14a
b	The plan year immediately preceding the current plan year	14b
c	The second preceding plan year	14c
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:	
a	The corresponding number for the plan year immediately preceding the current plan year	15a
b	The corresponding number for the second preceding plan year	15b
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:	
a	Enter the number of employers who withdrew during the preceding plan year	16a
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. <input type="checkbox"/>	

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

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment	
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)	
a	Enter the percentage of plan assets held as: Stock: <u>49.0</u> % Investment-Grade Debt: <u>25.0</u> % High-Yield Debt: <u>0.0</u> % Real Estate: <u>15.0</u> % Other: <u>11.0</u> %	
b	Provide the average duration of the combined investment-grade and high-yield debt: <input type="checkbox"/> 0-3 years <input type="checkbox"/> 3-6 years <input type="checkbox"/> 6-9 years <input type="checkbox"/> 9-12 years <input type="checkbox"/> 12-15 years <input checked="" type="checkbox"/> 15-18 years <input type="checkbox"/> 18-21 years <input type="checkbox"/> 21 years or more	
c	What duration measure was used to calculate line 19(b)? <input checked="" type="checkbox"/> Effective duration <input type="checkbox"/> Macaulay duration <input type="checkbox"/> Modified duration <input type="checkbox"/> Other (specify):	

Part VII IRS Compliance Questions

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



*Report of Independent Auditors
and Financial Statements with
Supplemental Schedules*

**Verity Health System
Retirement Plan A**

December 31, 2016 and 2015

MOSSADAMS.COM

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Report of Independent Auditors

To the Benefits Administration Committee
Verity Health System Retirement Plan A

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Verity Health System Retirement Plan A (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the year ended December 31, 2016 and the period from December 14, 2015 through December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by John Hancock Trust Company LLC and The Northern Trust Company, the custodians of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the custodians as of December 31, 2016 and 2015, and for the year ended December 31, 2016 and the period from December 14, 2015 through December 31, 2015, that the information provided to the plan administrator by the custodians is complete and accurate.



Disclaimer of Opinion

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

Other Matter

The Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2016, and the Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2015, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

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

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

Moss Adams LLP

San Francisco, California
October 16, 2017

Financial Statements

Verity Health System Retirement Plan A
Statements of Net Assets Available for Benefits

	December 31,		December 13
	2016	2015	2015 (Compiled)
ASSETS			
Investments, at fair value			
Common stock and common stock funds	\$ 136,106,585	\$ 125,925,781	\$ 119,360,905
Corporate bonds and corporate bond funds	37,578,254	43,745,696	41,150,954
Government and municipal bonds	35,763,246	31,695,596	28,993,445
Venture capital and partnership funds	27,569,846	28,406,123	26,711,756
Funds and other fixed income	26,282,377	23,387,614	21,984,357
Cash, cash equivalents, short term investments	2,156,762	4,131,659	3,883,759
Total investments	265,457,070	257,292,469	242,085,176
Receivables			
Pending trades	(484,906)	(498,043)	-
Employer's contribution	-	218,697	-
Total receivables	(484,906)	(279,346)	-
Cash, non-interest bearing	1,610,956	2,540,060	2,387,656
NET ASSETS AVAILABLE FOR BENEFITS	\$ 266,583,120	\$ 259,553,183	\$ 244,472,832

Verity Health System Retirement Plan A
Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31, 2016	For the period December 14, 2015 through December 31, 2015
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income		
Net appreciation in fair value of investments	\$ 14,366,321	\$ 12,210,584
Interest and dividends	5,679,216	1,608,446
	20,045,537	13,819,030
Employer contributions	22,242,890	1,320,697
Total additions	42,288,427	15,139,727
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid directly to participants	21,357,277	19,071
Administrative expenses	5,934,773	40,305
Total deductions	27,292,050	59,376
TRANSFERS		
Transfers to Verity Health System Retirement Plan B	(7,966,440)	-
CHANGE IN NET ASSETS	7,029,937	15,080,351
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of period	259,553,183	244,472,832
End of period	\$ 266,583,120	\$ 259,553,183

Verity Health System Retirement Plan A**Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN

The following brief description of the Verity Health System Retirement Plan A (the Plan) provides only general information. Participants should refer to the Plan document for more complete description of the Plan's provisions.

General – The Plan is a defined benefit plan covering substantially all of the employees of Verity Health System (the Organization) except those who are covered by a collective bargaining agreement which does not include the Plan and certain employees covered by a multiple-employer plan, and is subject to the Employee Retirement Income Security Act of 1974 (ERISA). Benefits are frozen for all participants except certain union members. The Plan was, originally effective May 25, 1995, under the Daughters of Charity and was qualified as a church plan under Section 3(33) of ERISA. As a church plan, the Plan was not subject to ERISA or to audits. When the Daughters of Charity came under the leadership of the Organization, the Plan was amended and restated effective December 14, 2015, and became subject to provisions of ERISA. Accordingly, the Plan filed an initial 2015 Form 5500 as of December 31, 2015 and for the period December 14, 2015 through December 31, 2015. The Organization is the Plan's sponsor and serves as plan administrator.

The Plan is administered by the Organization's Benefits Administration Committee (BAC), which is a committee of the board of directors of the Organization. The BAC has overall responsibility for the operation and administration of the Plan. The BAC determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Plan's Board of Trustees.

Payment of Benefits:

Pension benefits and vesting – Employees with three or more years of service are entitled to an annual amount of vested benefits to be payable in equal monthly installments, commencing on his or her Normal Retirement Date (age 65) and continuing during their lifetime. Employees who reach early retirement age, 55, may choose to receive reduced benefits paid out in monthly installments. Or, an employee who reaches early retirement age may elect a deferred commencement of their benefit and an immediate lump sum payment of their match benefit.

Death and disability benefits – If an active employee dies at age 55 or older, a death benefit equal to the value of the employee's accumulated pension benefit is paid to the employee's beneficiary. Active employees who become totally disabled receive annual disability benefits that are equal to the equivalent normal retirement benefit they have accumulated as of the time they become disabled. Disability benefits are paid until normal retirement age, at which time disabled participants will receive the normal retirement benefit computed as though they had been employed to normal retirement age, with their annual compensation remaining the same as at the time they became disabled.

NOTE 2 – SUMMARY OF ACCOUNTING POLICIES

Basis of accounting – The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, using the accrual method of accounting.

Verity Health System Retirement Plan A
Notes to Financial Statements

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

ACCOUNTING STANDARDS UPDATES –

ASU 2015-12 – In July 2015 the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960) II. Plan Investment Disclosures. The amendments remove the requirement to:

- disclose individual investments held which exceed 5% of net assets available for benefits.
- disclose net appreciation in fair value of investments by type of investment held.
- disaggregate investments reported in the fair value hierarchy table by class of investment. They may be presented by general type only.

ASU 2015-12 has been adopted for the December 31, 2016 plan year end, however, the retrospective approach requires that the above items, applicable to the prior year, be presented in accordance with ASU 2015-12 as well.

In February 2017, FASB issued ASU 2017-06, Employee Benefit Plan Master Trust Reporting. The amendments require that a Plan:

- Present its interest in the master trust and the change in its interest in the master trust in separate line items in the statement of net assets available for benefits and the statement of changes in net assets available for benefits, respectively.
- Disclose each general type of investment held by the master trust, and the dollar amount of the plan's interest in each of those general types of investment held by the master trust.
- Disclose the master trust's other assets and liabilities and the dollar amount of the plan's interest in each of those other assets and liabilities.
- Disclose the net appreciation or depreciation in the fair value of investments in the master trust and investment income for each period that a statement of changes in net assets available for benefits is presented.
- Describe the basis used to allocate net assets and total investment income to the plan.
- Disclose its percentage interest in the master trust for each period that a statement of net assets available for benefits is presented. This disclosure applies only to a plan with an undivided interest in the master trust (that is, when the plan has a proportionate, rather than a specific, interest in the master trust). FASB ASU No. 2017-06 removes the requirement to disclose the percentage interest in the master trust for a plan with divided interests.

Verity Health System Retirement Plan A**Notes to Financial Statements**

The Plan has not yet adopted ASU 2017-06, the Plan Sponsor is currently evaluating the impact the adoption this new standard will have on its financial statements.

Investment valuation – The investments are stated at fair value. The Plan's custodians, John Hancock Trust Company LLC (John Hancock) and The Northern Trust Company (Northern Trust), certify the fair market value of all investments. If available, quoted market prices are used to value investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability (the "exit price") in an orderly transaction between market participants at the measurement date.

Income recognition – Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The net appreciation in fair value of investments consists of both the realized gains or losses and unrealized appreciation and depreciation of those investments.

Payment of benefits – Benefit payments to participants are recorded upon distribution.

Expenses – The Plan's expenses are paid by the Plan or the Organization, as specified in the plan document. Expenses that are paid by the Organization are excluded from these financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment related expenses are deducted from investment earnings, as disclosed in the investment prospectus, and thus are not separately disclosed in the accompanying financial statements.

Subsequent events – Subsequent events are events or transactions that occur after the statement of net assets available for benefits date but before the financial statements are available to be issued. The Plan recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of net assets available for benefits, including the estimates inherent in the process of preparing the financial statements. The Plan's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of net assets available for benefits but arose after the statement of net assets available for benefits date and before the financial statements are available to be issued.

The Plan has evaluated subsequent events through October 16, 2017, which is the date the financial statements were available to be issued.

NOTE 3 – ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

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

Verity Health System Retirement Plan A

Notes to Financial Statements

The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of January 1, 2016 were (a) life expectancy of participants based on RP-2014 tables, (b) retirement age assumptions (the assumed average retirement age was 64), and (c) investment return of 7% and 7.25% for 2016 and 2015, respectively.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2016 and 2015. Had the valuations been performed as of December 31, 2016 and 2015 or December 14, 2015, there would be no material differences.

	January 1,	
	2016	2015
Actuarial present value of accumulated plan benefits		
Vested benefits		
Participants currently receiving payments	\$ 174,194,277	\$ 146,021,588
Other participants	216,381,391	225,381,910
	390,575,668	371,403,498
Nonvested benefits	1,915,875	2,250,972
Total actuarial present value of accumulated plan benefits	<u>\$ 392,491,543</u>	<u>\$ 373,654,470</u>

The change in actuarial present value of accumulated plan benefits is as follows for the year ended January 1, 2016:

Actuarial present value of accumulated plan benefits at beginning of year	<u>\$ 373,654,470</u>
Increase (decrease) during the year attributable to:	
Plan amendment	(14,677)
Actuarial (gains) loss	3,206,540
Change in actuarial assumptions	8,808,613
Benefits accumulated	1,747,621
Decrease for interest due to the decrease in the discount period	26,446,253
Benefits paid	<u>(21,357,277)</u>
Net increase	<u>18,837,073</u>
Actuarial present value of accumulated plan benefits at end of year	<u><u>\$ 392,491,543</u></u>

Verity Health System Retirement Plan A

Notes to Financial Statements

NOTE 4 – FUNDING POLICY

Employee contributions – Contributions by participants are not required or permitted by the Plan.

Employer contributions – The Organization's funding policy is to make annual contributions to the Plan from time to time. The Internal Revenue Code sets forth minimum contributions to assure adequate funding and a maximum amount that an employer may deduct as a Plan contribution. The minimum funding standards of ERISA have been met for the years ended December 31, 2016 and 2015, and for the period December 14, 2015 to December 31, 2015.

Although it has not expressed any intention to do so, the Organization has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

NOTE 5 – PLAN TERMINATION

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a) Benefits attributable to employee contributions, taking into account those paid out before termination, if any.
- b) Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- c) Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed below).
- d) All other vested benefits (that is, vested benefits not insured by the PBGC).
- e) All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2017 that ceiling is \$5,369 per month. That ceiling applies to those annuitants who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Verity Health System Retirement Plan A
Notes to Financial Statements

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

NOTE 6 – FAIR VALUE MEASUREMENTS

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

The three levels of the fair value hierarchy are described as follows:

- Level 1** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
- Level 2** Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation techniques used for assets measured at fair value. There have been no changes in the techniques used at December 31, 2016 and 2015.

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

Corporate bonds and government bonds: Valued at the closing price reported on the major market on which the individual securities are traded or have reported broker trades which may be considered indicative of an active market. Where quoted prices are available in an active market, the investments are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available for the specific security, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, discounted cash flows and other observable inputs. Such securities are classified within Level 2 of the valuation hierarchy.

Interest bearing cash (certificates of deposit): Certificates of deposit are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

Verity Health System Retirement Plan A**Notes to Financial Statements**

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

The following tables disclose by level, the fair value hierarchy, of the Master Trust's assets at fair value as of December 31, 2016 and 2015:

	Investment Assets in Master Trust at Fair Value at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Common stock and common stock funds	\$ 136,106,585	\$ -	\$ -	\$ 136,106,585
Corporate bonds and corporate bond funds	-	37,578,254	-	37,578,254
Government and municipal bonds	35,763,246	-	-	35,763,246
Venture capital and partnership fund	-	27,569,846	-	27,569,846
Funds and other fixed income	26,282,377	-	-	26,282,377
Cash, cash equivalents, short term investments	2,156,762	-	-	2,156,762
Total assets in the fair value hierarchy	<u>\$ 200,308,970</u>	<u>\$ 65,148,100</u>	<u>\$ -</u>	265,457,070
Investments, at fair value				<u>\$ 265,457,070</u>

	Investment Assets in the Plan at Fair Value at December 31, 2015			
	Level 1	Level 2	Level 3	Total
Common stock and common stock funds	\$ 125,925,781	\$ -	\$ -	\$ 125,925,781
Corporate bonds and corporate bond funds	-	43,745,696	-	43,745,696
Government and municipal bonds	31,695,596	-	-	31,695,596
Venture capital and partnership fund	-	28,406,123	-	28,406,123
Funds and other fixed income	23,387,614	-	-	23,387,614
Cash, cash equivalents, short term investments	4,131,659	-	-	4,131,659
Total assets in the fair value hierarchy	<u>\$ 185,140,650</u>	<u>\$ 72,151,819</u>	<u>\$ -</u>	257,292,469

NOTE 7 – INTEREST IN MASTER TRUST

The Verity Health System Master Trust (Master Trust) was established for the investment of assets of the Plan and the Verity Health System Retirement Plan B. Each participating retirement plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by John Hancock and Northern Trust, the Plan's custodians.

The value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. As of December 31, 2016 and 2015, the Plan's interest in the net assets of the Master Trust was approximately 97.15% and 100%, respectively. Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon the amount of time the plan's assets were invested in the master trust.

Verity Health System Retirement Plan A

Notes to Financial Statements

The following table presents the net assets of the Master Trust as of December 31:

	2016	2015
Investments at fair value		
Common stock and common stock funds	\$ 139,782,865	\$ 125,925,781
Corporate bonds and corporate bond funds	38,590,810	43,745,696
Government and municipal bonds	36,726,896	31,695,596
Venture capital and partnership funds	28,312,723	28,406,123
Funds and other fixed income	26,990,562	23,387,614
Cash, cash equivalents, short term investments	2,214,876	4,131,659
	<u>272,618,732</u>	<u>257,292,469</u>
Cash, non-interest bearing	2,429,948	2,540,060
Pending trades	(499,120)	(498,043)
Employer's contribution	-	218,697
	<u>274,549,560</u>	<u>259,553,183</u>
Total net assets	<u>\$ 274,549,560</u>	<u>\$ 259,553,183</u>

The following are the changes in net assets for the Master Trust for the year ended December 31, 2016:

Investment income	
Net appreciation in fair value of investments	\$ 14,789,613
Interest and dividends	5,056,609
	<u>19,846,222</u>
Employer contributions	<u>22,676,191</u>
Total additions	<u>42,522,413</u>
Benefits paid directly to participants	21,414,291
Administrative expenses	6,111,745
	<u>27,526,036</u>
Total deductions	<u>27,526,036</u>
CHANGE IN NET ASSETS	14,996,377
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of period	<u>259,553,183</u>
End of period	<u>\$ 274,549,560</u>

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model based valuation techniques may require transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Verity Health System Retirement Plan A**Notes to Financial Statements**

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2016, and the period from December 14, 2015 through December 31, 2015, there were no significant transfers in or out of Level 1, 2, or 3.

NOTE 8 – INFORMATION CERTIFIED BY THE CUSTODIANS

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, John Hancock and Northern Trust, the custodians of the Plan, have certified to the completeness and accuracy of:

- Investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2016 and 2015.
- Net appreciation in fair value of investments, dividends, and interest reflected on the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2016, and the period from December 14, 2015 through December 31, 2015.
- Investments reflected on the schedule of assets (held at end of year) as of December 31, 2016 and 2015.

NOTE 9 – TAX STATUS

The Internal Revenue Service has determined and informed the Organization by a letter dated August 28, 2015, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the plan administrator and custodians believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

In accordance with guidance on accounting for uncertainty in income taxes, the plan administrator and Custodians have evaluated the Plan's tax positions and do not believe the Plan has any uncertain tax positions that require disclosure or adjustment to the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 10 – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible, that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of 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 would be material to the financial statements.

**Supplemental Schedules
Required by the Department Of Labor**

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2016**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Invested Cash	Cash	\$ 115,187	\$ 115,187
	NTGI Coltv Govt Stif Regi stered	Short Term Investment	2,041,575	2,041,575
	21st cCenty Fox 6.2% Due 2-15-2034	Corporate Bonds	179,672	182,612
	21st Centy Fox Amer Inc 4.75% Due 09-15-2044 Reg	Corporate Bonds	161,732	141,782
	Abbott Labs 4.9% Due 11-30-2046	Corporate Bonds	202,430	209,392
	Abbvie Inc 4.3% Due 05-14-2036	Corporate Bonds	59,747	60,175
	Abbvie Inc Fixed 4.7% Due 05-14-2045	Corporate Bonds	192,269	188,732
	Actavis FDG SCS 4.55% Due 03-15-2035	Corporate Bonds	46,433	46,157
	Actavis FDG SCS 4.75% Due 03-15-2045	Corporate Bonds	117,407	113,499
	Actavis FDG SCS 4.85% Due 06-15-2044	Corporate Bonds	104,591	102,106
	Aetna Inc New 4.375% Due 06-15-2046	Corporate Bonds	97,055	97,555
	Aflac Inc 6.45% Due 08-15-2040	Corporate Bonds	20,803	26,600
	Alleghany Corp Del 4.9% Due 09-15-2044	Corporate Bonds	141,417	136,063
	Allstate Corp 4.2% Due 12-15-2046	Corporate Bonds	228,538	235,137
	Amegen Inc 5.15% Due 11-15-2041	Corporate Bonds	73,821	66,758
	Amern Intl Group 3.9% Due 04-01-2026	Corporate Bonds	86,423	87,986
	Amern Intl Group 4.375% Due 01-15-2055	Corporate Bonds	160,898	170,896
	Apple Inc 3.85% Due 08-04-2046	Corporate Bonds	85,961	89,363
	Apple Inc 4.375% Due 05-13-2045	Corporate Bonds	202,374	208,596
	AT&T Inc 4.35% Due 06-15-2045	Corporate Bonds	125,588	128,983
	AT&T Inc 4.5% Due 05-15-2035	Corporate Bonds	233,389	230,908
	AT&T Inc 4.75% Due 05-15-2046	Corporate Bonds	545,715	553,605
	Bank Amer Corp 5% Due 01-21-2044	Corporate Bonds	231,846	239,379
	Baxalta Inc 4% Due 06-23-2025	Corporate Bonds	147,133	141,283
	Bk of Amer NA 6 Due 10-15-2036	Corporate Bonds	462,260	597,778
	Boardwalk 5.95% Due 06-01-2026	Corporate Bonds	106,914	105,531
	Buckeye Partners L 5.6% Due 10-15-2044	Corporate Bonds	134,307	142,653
	Bunge Ltd Fin Corp 3.25% Due 08-15-2026	Corporate Bonds	112,602	107,287
	Burl Northn Santa 4.15% Due 04-01-2045	Corporate Bonds	144,258	158,621
	CA Inst Tech 4.7% Due 11.01-2111	Corporate Bonds	245,236	233,282
	Celgene Corp 5% Due 08-15-2045	Corporate Bonds	100,984	95,961
	CF Loomis Sayle High Yield Full Discretion Trust			
	CL A Fund	Corporate Bonds	7,652,897	11,656,616
	Citigroup Inc 4.45% Due 09-29-2027	Corporate Bonds	124,099	124,352

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2016**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Citigroup Inc 4.6% Due 03-09-2026	Corporate Bonds	367,233	363,502
	Comcast Corp New 4.25% Due 01.15-2033	Corporate Bonds	172,611	181,986
	Comwlth Edison Co 3.65% Due 06-15-2046	Corporate Bonds	53,087	50,215
	Conoco FDG Co 7.25% Due 10-15-2031	Corporate Bonds	52,598	62,364
	ConocoPhillips Co 4.3% Due 11-15-2044	Corporate Bonds	166,034	159,453
	Cons Edison Co N Y 4.5% Due 12-01-2045	Corporate Bonds	111,080	113,317
	CSX Corp 4.25% Due 11-01-2066	Corporate Bonds	139,711	132,990
	CVS Health Corp 5.125% Due 07-20-2045	Corporate Bonds	150,355	150,497
	Dow Chem Co 4.625% Due 10-01-2044	Corporate Bonds	50,987	48,743
	Dow Chem Co NT 9.4 Due 05-15-2039	Corporate Bonds	131,964	131,137
	DTE Elec Co 3.7% Due 06-01-2046	Corporate Bonds	58,768	56,075
	DTE Energy Co 2.85% Due 10-01-2026	Corporate Bonds	67,937	63,178
	Duke Energy 4.375% Due 03-30-2044	Corporate Bonds	186,668	186,244
	Energy Transfer 5.15% Due 03-15-2045	Corporate Bonds	166,797	195,671
	Energy Transfer 5.95 Due 10-01-2043	Corporate Bonds	74,829	75,096
	Energy Transfer 6.5% Due 02-01-2042	Corporate Bonds	35,355	36,736
	Energy Transfer 7.5% Due 07-01-2038	Corporate Bonds	73,978	73,219
	Ensco PLC Formerly 5.75% Due 10-01-2044	Corporate Bonds	136,466	98,609
	Enterprise Prods 4.95% Due 10-15-2054	Corporate Bonds	82,177	80,972
	Enterprise Prods 5.1% Due 02-15-2045	Corporate Bonds	171,494	174,184
	Exelon Generation 5.6 Due 06-15-2042	Corporate Bonds	94,675	80,954
	Exxon Mobil Corp 4.114% Due 03-01-2046	Corporate Bonds	129,351	124,388
	FL Pwr & LT Co 4.125% Due 02-01-2042	Corporate Bonds	74,463	74,737
	FMR LLC 6.5% Due 12-14-2040	Corporate Bonds	134,621	131,636
	Ford Mtr Co Del NT 4.75 01-15-2043	Corporate Bonds	63,045	64,565
	GE Cap Intl FDG Cp 4.418% 11-15-2035	Corporate Bonds	624,635	577,241
	Gen Elec Cap Corp 6.15% Due 08-07-2037	Corporate Bonds	85,703	116,619
	Gen Elec Corp Medium Term NTS BO	Corporate Bonds	179,772	254,781

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2016

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	General Elec Cap Corp Tranche # TR			
	005286.75% Due 03-15-2032/03-20-2002	Corporate Bonds	177,673	219,848
	Gilead Sciences 4.15% Due 03-01-2047	Corporate Bonds	175,044	166,096
	Gilead Sciences 4.75% Due 03-01-2046	Corporate Bonds	36,986	35,182
	Goldman Sachs 3.5% Due 11-16-2026	Corporate Bonds	81,595	80,679
	Hasbro Inc 6.35% Due 03-15-2040	Corporate Bonds	44,675	45,289
	Hlth Care Reit Inc 4% Due 06-01-2025	Corporate Bonds	93,539	94,324
	Home Depot Inc 4.25% Due 04-01-2046	Corporate Bonds	152,054	158,094
	Hospitality PPTYS 4.5% Due 03-15-2025	Corporate Bonds	23,992	23,675
	Hospitality PPTYS TR 4.65 Due 03-15-2024 Reg			
	Host Hotels & Resorts L P 4.0% 06-15-2025	Corporate Bonds	132,758	130,720
	HSBC Bk USA 5.875	Corporate Bonds	126,515	124,394
	Intel Corp 4.1% Due 05-19-2046	Corporate Bonds	128,555	124,418
	Intl Paper Co 4.8% Due 06-15-2044	Corporate Bonds	38,888	38,518
	Intl Paper Co 8.7% Due 06-15-2038	Corporate Bonds	112,670	111,936
	Johns Hopkins Hlth 3.837% Due 05-15-2046	Corporate Bonds	213,704	271,160
	JPMorgan Chase & 4.95% Due 06-01-2045	Corporate Bonds	136,013	128,977
	JPMorgan Chase & 5.6% Due 07-15-2041	Corporate Bonds	323,143	347,041
	JPMorgan Chase 3.9%	Corporate Bonds	434,816	506,519
	Kentucky Utils Co 4.375% Due 10-01-2045	Corporate Bonds	197,619	189,809
	Kinder Morgan 6.5% Due 09-01-2039	Corporate Bonds	51,715	50,610
	Kinder Morgan Inc 5.55% Due 06-01-2045	Corporate Bonds	90,190	90,668
	KLA-Tencor Corp 5.65% Due 11-01-2034	Corporate Bonds	256,668	265,673
	Kraft Foods Group 6.5% Due 02-09-2040	Corporate Bonds	83,179	86,268
	Kraft Heinz Foods 5.2% Due 07-15-2045	Corporate Bonds	369,733	346,836
	Lam Resh Corp 3.8% Due 03-15-2025	Corporate Bonds	97,152	101,700
	Lincoln Natl Corp 7% Due 06-15-2040	Corporate Bonds	78,338	77,806
	Lockheed Martin 4.7% Due 05-15-2046	Corporate Bonds	150,900	141,059
	Marathon Pete Corp 5% Due 09-15-2054	Corporate Bonds	221,098	244,110
		Corporate Bonds	130,094	112,699

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2016**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Marathon Pete Corp 5.85% Due 12-15-2045	Corporate Bonds	53,299	53,113
	May Dept Stores Co 6.65% Due 07-15-2024	Corporate Bonds	64,392	61,225
	Mcdonalds Corp 4.875% Due 12-09-2045	Corporate Bonds	150,586	161,288
	Medtronic Inc 4.375% Due 03-15-2035	Corporate Bonds	10,187	10,278
	Medtronic Inc 4.625% Due 03-15-2045	Corporate Bonds	308,951	326,744
	Metlife Inc 4.875% Due 11-13-2043	Corporate Bonds	116,994	120,960
	Metlife Inc 5.875% Due 02-06-2041	Corporate Bonds	232,839	276,157
	Microsoft Corp 3.7% Due 08-08-2046	Corporate Bonds	178,629	180,187
	Microsoft Corp 4.45% Due 11-03-2045	Corporate Bonds	111,339	119,034
	Molson Coors 4.2% Due 07-15-2046	Corporate Bonds	131,278	123,185
	Monsanto Co New 4.7% Due 07-15-2064	Corporate Bonds	83,893	75,254
	Morgan Stanley 4.3% Due 01-27-2045	Corporate Bonds	177,419	178,147
	Mosaic Co New SR NT 5.625 Due 11-15-2043	Corporate Bonds	70,619	65,538
	Motorola Solutions 5.5% Due 09-01-2044	Corporate Bonds	66,294	60,372
	Newell Brands Inc 5.375% Due 04-01-2036	Corporate Bonds	55,377	62,415
	Newell Brands Inc 5.5% Due 04-01-2046	Corporate Bonds	114,445	117,110
	Nike Inc 3.375% Due 11-01-2046	Corporate Bonds	105,128	100,891
	Noble Energy Inc 5.05% Due 11-15-2044	Corporate Bonds	172,595	169,543
	Oracle Corp 6.5% Due 04-15-2038	Corporate Bonds	71,742	69,816
	Pacificorp 6.25% Due 10-15-2037	Corporate Bonds	115,892	106,969
	Pepsico Inc 3.45% Due 10-06-2046	Corporate Bonds	54,915	53,102
	Pfizer Inc 4.125% Due 12-15-2046	Corporate Bonds	29,095	29,649
	Plains All Mern Pipeln L P/PAA 4.9% 02-15-2045	Corporate Bonds	165,365	166,937
	Protective Life 8.45% Due 10-15-2039	Corporate Bonds	94,250	96,526
	Prudential Finl 6.2% Due 11-15-2040	Corporate Bonds	2,942	3,562
	Pub Svc Elec Gas Co Secd 3.95 Due 05-01-2042	Corporate Bonds	48,672	43,646
	PVTPL CF Inds Inc SR Secd NT 144A 4.5% Due 12-01-2026	Corporate Bonds	61,886	62,069
	PVTPL Johnson S C & Son Inc SR NT 144A 4.8% Due 09-01-2040/08-30-2010	Corporate Bonds	96,534	98,072

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2016

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	PVTPL Nationwide Finl Svcs Inc SR NT 144A 5.3% Due 11-18-2044 BEO	Corporate Bonds	117,692	116,345
	PVTPL Pacific Lifecorp 5.125% 01-30-2043	Corporate Bonds	130,417	129,093
	PVTPL Teachers Ins & 4.9% Due 09-15-2044	Corporate Bonds	232,984	236,464
	Sempra Energy 6% Due 10-15-2039	Corporate Bonds	504,970	556,296
	Southern Calif Edison Co 4.65 Due 10-01-2043	Corporate Bonds	179,692	166,052
	Southern Co 4.4% Due 07-01-2046	Corporate Bonds	301,545	299,816
	Southwestn Pub Svc 4.5% Due 08-15-2041	Corporate Bonds	159,467	154,081
	Stryker Corp 4.625% Due 03-15-2046	Corporate Bonds	93,763	94,110
	Time Warner Cable 5.75% Due 06-15-2039	Corporate Bonds	12,389	11,295
	Time Warner Cable 6.55% Due 05-01-2037	Corporate Bonds	57,217	54,991
	Time Warner Inc Fixed 4.85% Due 07-15-2045	Corporate Bonds	316,203	324,842
	UnitedHealth Group 4.75% Due 07-15-2045	Corporate Bonds	157,221	165,888
	University PA Trustees 4.674 Due 09-01-2112 Reg	Corporate Bonds	299,027	294,853
	Unum Group Formerly Unumprovident 5.75 08-15-2042	Corporate Bonds	340,371	339,937
	UTD Parcel Svc Inc 3.4% Due 11-15-2046	Corporate Bonds	28,890	26,866
	UTD Technologies 3.75% Due 11-01-2046	Corporate Bonds	119,543	115,573
	VA Elec & Pwr Co 6.35% Due 11-30-2037	Corporate Bonds	165,786	162,669
	Ventas Rlty Ltd 3.25% Due 10-15-2026	Corporate Bonds	139,075	133,656
	Verizon 4.672% Due 03-15-2055	Corporate Bonds	160,391	171,525
	Verizon Communications 4.4% Due 11-01-2034 Reg	Corporate Bonds	242,733	234,926
	Verizon Communications 4.522% 09-15-2048	Corporate Bonds	309,799	344,693
	Visa Inc 4.3% Due 12-14-2045	Corporate Bonds	325,886	344,553
	Wal-Mart Stores 4.3 Due 04-22-2044	Corporate Bonds	126,506	117,901
	Wells Fargo & Co 3.9% Due 05-01-2045	Corporate Bonds	58,475	59,897

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2016**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Wells Fargo & Co 5.606% Due 01-15-2044	Corporate Bonds	704,456	744,085
	Wells Fargo & Co New Medium Term SR			
	NTS Tranche # TR 00155 4.3% Due 07-22-2027	Corporate Bonds	180,583	184,867
	Williams Partners 4% Due 09-15-2025	Corporate Bonds	19,406	19,213
	Xylem Inc 3.25% Due 11-01-2026	Corporate Bonds	29,085	28,302
	Abbot Lab Com	Equities	335,521	295,469
	ADR AIA Group Ltd Sponsored ADR	Equities	242,794	262,966
	ADR Alibaba Group Holding Ltd			
	Sponsored Ads	Equities	229,480	260,791
	ADR Ctrip Com Intl Ltd Ads	Equities	220,701	218,126
	ADR Roche Hldg Ltd Sponsored ADR ISIN	Equities	208,880	202,366
	ADR Vestas Wind Sys A/S Un-sponsored			
	ADR Repstg 3 Ord Shs	Equities	309,462	286,346
	Affiliated Managers Group Inc Com Stk	Equities	370,180	251,975
	Alexanfria Real Estate Equities Inc Com	Equities	122,491	140,355
	Align Technology Inc Com	Equities	107,684	167,173
	Alphabet Inc Cap Stl CL C Stk CL C	Equities	245,783	403,416
	Amazon Com Inc Com	Equities	98,186	348,957
	American Campus CMNTYS Inc Com	Equities	98,500	101,541
	American Homes 4 Rent Common Stock	Equities	52,343	50,956
	American Wtr Wks Co Inc New Com	Equities	177,892	241,900
	Apple Inc Com Stk	Equities	242,645	415,802
	Ascendas R/EST Inv NPV (Reit)	Equities	96,291	82,737
	AvalonBay CMNTYS Reit	Equities	217,652	272,098
	Bio Rad Labs Inc CL A	Equities	301,339	322,302
	Bristol Myers Squibb Co Com	Equities	211,890	303,353
	Broadcom Limited Com NPV	Equities	309,652	412,567
	Brucker Corp	Equities	318,133	305,628
	BSTN PPTYS INC	Equities	71,904	73,319
	CF Baillie Gifford Intl Choice Cl2 Fund	Equities	24,167,048	27,433,456
	CF Blackrock Russell 1000 Index	Equities	2,381,399	5,686,525
	CF Blackrock Russell 1000 Value	Equities	25,340,731	28,854,017
	CF Mondrian All Countries world Ex-US	Equities	24,355,816	23,263,472
	Citibank CR Card 6.15% Due 06-15-2039	Equities	558,533	536,277
	CK Property Ltd HKD1	Equities	114,596	104,873
	Colgate-Palmolive Co Com	Equities	250,108	253,034

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2016

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Comcast Corp New-CL A	Equities	304,918	400,596
	Concho Res Inc Com Stk	Equities	240,036	271,947
	Crown Castle Intl Corp New Com	Equities	73,729	75,869
	Cubesmart	Equities	86,208	76,982
	CVS Health Corp Com	Equities	143,000	161,299
	Daito Trust Const NPV	Equities	253,497	248,938
	Daiwa House Inds NPV	Equities	48,669	86,945
	Danaher Corp Com	Equities	284,202	313,081
	DCT Incl TR Inc	Equities	93,431	139,549
	DDR Corp Com	Equities	173,410	180,989
	Delphi Automotive PLC	Equities	296,738	298,501
	Deutsche Wohnen AG EUR1 (BR)	Equities	53,895	62,256
	Dexus Property GP NPV (Stapled)	Equities	71,446	73,109
	Digital Rlty TR Inc Com	Equities	221,303	309,392
	Duke Rlty Corp Com New Reit	Equities	65,253	64,509
	Ecolan Inc Com Stk USD1	Equities	379,274	399,464
	Eqty Resdntl Eff 5/15/02	Equities	295,773	318,889
	Eurocommercial EUR0.50	Equities	66,870	63,432
	Fabege AB NPV	Equities	26,135	25,509
	Facebook Inc CL A CL A	Equities	239,894	369,070
	Fortinet Inc Com	Equities	186,953	161,176
	Gaming & Leisure PPTYS Inc Com	Equities	177,624	166,589
	Gecina EUR7.50	Equities	165,919	174,973
	GGP Inc 2E1YAU2 01-27-2017	Equities	347,118	391,113
	Global Logistic PR NPV	Equities	51,861	51,336
	GLP J-Reit Reit	Equities	41,592	45,968
	Goldman Sachs Group Inc Com	Equities	86,027	158,189
	Goodman Group NPV (Stapled Units)	Equities	157,934	147,033
	GPT Group NPV (Stapled Securities)	Equities	136,865	131,049
	Great Portland Estates Ord GBP0.125	Equities	37,354	52,380
	Hammerson Ord GBP0.25	Equities	112,828	102,533
	HCP Inc Com Reit	Equities	117,808	98,170
	Healthcare Rlty TR	Equities	96,071	114,881
	Healthcare TR AMER Inc CL A New CL A New	Equities	86,823	99,803
	Henderson Land Development HKD2	Equities	16,033	18,091
	Hexcel Corp New Com	Equities	269,654	321,589
	Highwoods PPTYS Inc Com	Equities	62,939	84,247

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2016**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Hispania Activos EUR1	Equities	21,095	18,665
	Home Depot Inc Com	Equities	319,367	324,061
	Host Hotels & Resorts Inc Reit	Equities	232,489	268,073
	Hufvudstaden AB Ser'a NPV	Equities	64,249	79,099
	Icade NPV (Post Merger)	Equities	47,722	38,414
	Icon PLC Com	Equities	157,885	155,615
	Intercontinental Exchange Inc Com	Equities	172,700	360,612
	Japan Real Estate Investment Co	Equities	57,737	53,060
	Japan Retail Fund Reit	Equities	155,527	167,517
	Kenedix Office Investment	Equities	101,460	128,742
	Kerry Properties HKD1	Equities	33,858	30,334
	KilRoy Rlty Corp Com	Equities	95,031	149,383
	Kimco Rlty Corp Com	Equities	264,224	287,211
	Klepierre EUR1.40	Equities	328,565	313,885
	Land Securities GP Ord GBP0.10	Equities	285,762	261,185
	Leg Immobilien AG NPV	Equities	172,269	214,847
	Link Real Estate Investment	Equities	157,255	187,569
	Mapletree Commercial Trust	Equities	30,685	27,116
	MFO DFA US Small Cap Portfolio	Equities	5,841,476	6,037,660
	MFO Fidelity Comwlth TR Strategic Real Return FD	Equities	16,312,780	16,283,549
	Microsoft Corp Com	Equities	320,399	318,152
	Mirvac Group Staples Securities	Equities	183,533	186,994
	Mitsubishi Estate Co Ltd	Equities	390,593	383,709
	Mitsui Fudosan Co Ltd NPV	Equities	360,397	379,219
	Mobileye NV EUR0.01	Equities	187,035	189,838
	Monster Beverage Corp New Com	Equities	202,024	283,276
	Mori Hills Reit In Reit	Equities	76,198	84,176
	MSCI Inc Common	Equities	311,406	297,727
	Netflix Inc Com Stk	Equities	293,886	379,679
	Nike Inc CL B	Equities	183,439	283,554
	Nippon Prologis RE Reit	Equities	162,226	173,125
	NSI NV	Equities	59,910	41,890
	NVIDIA Corp Com	Equities	43,735	292,954
	NXP Semiconductors N V Com Stk	Equities	148,408	242,427
	Orix Jreit Inc Reit	Equities	119,359	136,776
	Palo Alto Networks Inc Com USD0.0001	Equities	275,170	300,685

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2016

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Paramount Group Inc Com	Equities	91,100	82,334
	Prologis Inc Com	Equities	244,310	356,031
	Pub Storage Com	Equities	227,740	293,133
	QTS Rlty TR Inc Com CL A Com CL A	Equities	137,454	135,061
	Quintiles IMS Holdings Inc Com USD0.01	Equities	214,967	339,277
	Range Ctrs Corp Com	Equities	197,671	198,620
	Regency Ctrs Corp Com	Equities	241,280	234,453
	Regeneron Pharmaceuticals Inc Com	Equities	302,064	224,681
	Rockwell Automation	Equities	206,908	323,950
	Safestore Hldgs Ord GBP0.01	Equities	35,868	34,512
	Salesforce Com Inc Com Stk	Equities	168,930	284,931
	Scentre Group	Equities	266,723	274,873
	Schwab Charles Corp Com New	Equities	114,681	240,583
	Segro PLC Ord GBP0.10	Equities	65,951	67,455
	Simon Property Group Inc Com	Equities	522,749	614,809
	Sino Land Co NPV	Equities	65,137	55,330
	SL Green Rlty Corp Com Stk	Equities	161,483	250,769
	Spirit Rlty Cap Inc New Com	Equities	151,827	151,487
	Starbucks Corp Com	Equities	200,898	338,737
	Sumitomo Realty & Development NPV	Equities	185,853	157,765
	Sun Communities Inc Com	Equities	177,762	215,842
	Sun Huang Kai Prop NPV	Equities	261,471	239,462
	Sunstone Hotel Invs Inc New Com	Equities	59,472	66,701
	TE Connectivity Ltd	Equities	161,137	183,076
	TGR Investment Inc Reit	Equities	60,497	46,531
	UDR Inc Com Stk	Equities	115,490	184,896
	Unbail-Rodamco SE EUR5	Equities	288,564	290,210
	Unite Group Ord GBP0.25	Equities	26,442	28,640
	UnitedHealth Group Inc Com	Equities	231,340	372,164
	Vereit Inc Com USD0.001	Equities	240,429	199,724
	Vicinity Centres NPV (Stapled Security)	Equities	25,983	25,330
	Visa Inc Com CL A Stk	Equities	247,074	396,862
	Vornado Rlty TR Com	Equities	353,529	401,130
	Walt Disney Co	Equities	319,718	319,956
	WellTower Inc Com Reit	Equities	325,607	358,918
	West Pharmaceutical Svcs Inc Com	Equities	362,605	413,061
	Westfield Corp NPV Stapled Units	Equities	122,274	122,471
	Xylem Inc Com	Equities	314,759	410,799

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2016**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Amer Movil Sab De 4.375% Due 07-16-2042	Foreign Corporate Bonds	52,654	53,973
	Anheuser-Busch 4.9% Due 02-01-2046	Foreign Corporate Bonds	339,295	362,281
	Anheuser-Busch 8% Due 11-15-2039	Foreign Corporate Bonds	141,879	167,163
	Barclays PLC 3.65% Due 03-16-2025	Foreign Corporate Bonds	396,385	407,651
	Barrick N Amer Fin 5.7% Due 05-30-2041	Foreign Corporate Bonds	122,767	126,918
	Barrick PD 5.95% Due 10-15-2039	Foreign Corporate Bonds	216,879	234,272
	BHP Billiton Fin 5% Due 09-30-2043	Foreign Corporate Bonds	75,973	81,386
	BP Cap Mkts P L C 3.723% Due 11-28-2028	Foreign Corporate Bonds	112,348	113,521
	Burlington Res Fin Co 7.2 Due 08-15-2031/08-14-2031 BEO	Foreign Corporate Bonds	71,666	68,877
	Cooperatieve 5.25% Due 05-24-2041	Foreign Corporate Bonds	103,066	116,466
	Cooperatieve Rabobank UA 4.625% Due 12-01-2023 Reg	Foreign Corporate Bonds	573,932	579,387
	EDF S A 4.95% Due 10-13-2045	Foreign Corporate Bonds	202,489	181,849
	Enbridge Inc 5.5% Due 12-01-2046	Foreign Corporate Bonds	110,317	118,508
	Koninklijke NT 5 Due 03-15-2042	Foreign Corporate Bonds	130,580	124,023
	Novartis Cap Corp 4% Due 11-20-2045	Foreign Corporate Bonds	96,862	98,045
	PVTPL Societe Generale SUB NT 144A 4.25% Due 04-14-2025	Foreign Corporate Bonds	72,565	75,398
	PVTPL Societe Generale SUB NT 144A 4.75% Due 11-24-2025	Foreign Corporate Bonds	67,749	68,411
	PVTPL Standard Chartered PLC Sub NT 144A 5.7% Due 03-26-2044 BEO	Foreign Corporate Bonds	194,642	194,061
	PVTPL Xstrata Fin CDA Ltd NT 6 Due 11-15-2041 BEO	Foreign Corporate Bonds	132,554	138,500
	Santander 5.179% Due 11-19-2025	Foreign Corporate Bonds	48,576	49,033
	Shell International Fin 4.375% Due 05-11-2045	Foreign Corporate Bonds	175,854	172,223
	Shell Intl Fin B V 3.75% Due 01-2-2046	Foreign Corporate Bonds	53,186	49,167
	Statoil ASA 3.95 Due 05-15-2043	Foreign Corporate Bonds	25,933	27,800
	Telefonica 7.045% Due 06-20-2036	Foreign Corporate Bonds	107,345	112,766
	Transcanada 6.2% Due 10-15-2037	Foreign Corporate Bonds	263,770	327,649
	Transcanada 7.625% Due 01-15-2039	Foreign Corporate Bonds	31,736	31,990
	Westpac Bkg Corp 4.322% Due 11-23-2031	Foreign Corporate Bonds	19,410	19,493

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2016

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Petroleos 5.5% Due 06-27-2044	Foreign Government Agencies	42,212	36,383
	PVTPL Petroleos Mexicanos Medium			
	Term NTS Book 6.75% Due 09-21-2047			
	Reg	Foreign Government Agencies	85,583	81,692
	Philippines Rep NT 3.7% Due 03-01-2041			
	REG	Foreign Government Bonds	27,307	27,909
	Republica Oriental Del Uruguay SR NT			
	5.1% Due 06-1-2050 Reg	Foreign Government Bonds	26,231	26,231
	Saudi Arabia Kingdom Tranche # TR 3			
	4.5% Due 10/26/2046 REG	Foreign Government Bonds	38,303	37,222
	UTD Mexican STS Tranche # TR 00026			
	4.75 Due 03-08-2044	Foreign Government Bonds	239,690	220,851
	CF Golden Tree High Yied Value Off-shore			
	B-1 Series FD	Funds-Other Fixed Income	9,381,364	12,228,586
	MFO Prin FDS Inc Diversified Real Ast			
	FDInstl CL	Funds-Other Fixed Income	14,108,572	14,053,791
	Bay Area Toll Auth Calif Toll Brdg Rev			
	6.263 04-01-2049 BEO	Government Agencies	160,343	151,781
	California State 7.55 Mun BDS Due 04-01-			
	2039 USD5000	Government Agencies	204,834	201,980
	FNMA NT 5.625 07-15-2037	Government Agencies	178,795	161,955
	IL ST Taxable-Pension 5.1 Due 06-01-			
	2033 BEO Taxable Sinking Df 06-01-2024			
	N/C	Government Agencies	65,321	60,764
	New Jersey ST Transn TR FD Auth			
	6.561% 12-15-2040 BEO Taxable	Government Agencies	70,904	58,882
	New York N Y City Mun WTR Fin Auth			
	WTR & SWR SYS Rev 5.75% 06-15-2041	Government Agencies	189,138	180,661
	New Yprk N Y City Transitional Fin Auth			
	Rev 5.508% 08-01-2037 BEO Taxable	Government Agencies	70,890	64,912
	Oh St Univ Gen Rcpts Taxable-Ser A 4.8			
	Due 06-01-2111	Government Agencies	354,510	321,036
	Port Auth N Y & N J Taxable-Cons-100D			
	4.926 Due 10-01-2051 BEO Taxable	Government Agencies	170,167	150,635
	San Diego Cnty Calif WTR Auth Fing AGY			
	WTR Rev 6.138% 05-01-2049 BEO			
	Taxable	Government Agencies	168,232	158,216
	University Calif Revs 4.131% 05-15-2045			
	BEO Taxable	Government Agencies	156,951	148,476

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2016**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	University Calif Revs 4.858% 05-15-2112 BEO Taxable	Government Agencies	315,865	306,234
	United States of Amer Treas Bonds 2.75 BDS Due 08-15-2042 USD100'BONDS 08/42'	Government Bonds	944,875	931,591
	United States of Amer Treas Bonds DTD 02-15-2045 REG	Government Bonds	2,578,962	2,511,993
	United States of Amer Treas Bonds DTD 05-15-2016 2.5% Due 05-15-2046 REG	Government Bonds	1,836,855	1,586,173
	United States Treas BD Stripped Prin PMT00080 02-15-2040 (Unddate) Reg	Government Bonds	1,117,021	1,727,436
	United States Treas BDS ..3.125% Due 11- 15-2041 Reg	Government Bonds	1,318,799	1,385,304
	United States Treas BDS 0 Deb 15/02/2040USD1000 4.625 Due 02-15- 2040 Reg	Government Bonds	610,079	603,406
	United States Treas BDS 00202 4.75% Due 02-15-2037 Reg	Government Bonds	1,553,074	1,454,127
	United States Treas BDS 1.5% Due 08-15- 2026 Reg	Government Bonds	1,231,055	1,152,303
	United States Treas BDS 2.25% Due 08- 15-2046	Government Bonds	915,114	905,098
	United States Treas BDS 2.875 Due Due 05-15-2043	Government Bonds	4,947,469	4,964,957
	United States Treas BDS 3.125% Due 02- 15-2043 Reg	Government Bonds	885,105	974,544
	United States Treas BDS 3.125% Due 08- 15-2044	Government Bonds	3,146,340	2,863,182
	United States Treas BDS BD 3.75% Due 08-15-2041 Reg	Government Bonds	1,465,093	1,400,595
	United States Treas BDS DTD 00209 3.5% Due 02-15-2039 Reg	Government Bonds	1,884,171	2,158,965
	United States Treas BDS DTD 00247 2.5% Due 02-15-2046 Reg	Government Bonds	1,144,208	973,617
	United States Treas BDS DTD 02/15/2012 3.125% Due 02-15-2042 Reg	Government Bonds	1,308,708	1,429,453
	United States Treas BDS DTD 11/15/2012 2.75% Due 11-15-2042 Reg	Government Bonds	1,178,167	1,179,109

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2016

Plan Sponsor: Verity Health System

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Schedule H, Line 4(i)

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	United States Treas NTS 1.625% Due 05-15-2026	Government Bonds	698,030	645,395
	United States Treas NTS WI Treasury Note 2% Due 11-15-2026 Reg	Government Bonds	355,855	359,878
	US Treas BDS 4.375 Due 05-15-2040 Reg	Government Bonds	4,549,856	4,160,300
	D.E. Shaw US Broad Market Core Alpha Extension Fund, LLC Series B	Partnership	11,885,556	27,569,846
			<u>\$ 229,684,725</u>	<u>\$ 265,457,070</u>

Column (a), party-in-interest to the Plan, is not applicable

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2015

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

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Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Invested Cash	Cash	173,142	173,142
	NTGI Coltv Govt Stif Regi stered	Short Term Investment	3,958,517	3,958,517
	21st cCenty Fox 6.2% Due 2-15-2034	Corporate Bonds	236,953	232,766
	21st Centy Fox Amer Inc 144A 4.95% Due 10-15-2045/10-21-2015 BEO	Corporate Bonds	29,810	29,545
	21st Centy Fox Amer Inc 4.75% Due 09+15+2044 REG	Corporate Bonds	340,927	287,595
	Abbvie Inc Fixed 4.7% Due 05-14-2045	Corporate Bonds	333,140	325,496
	Actavis FDG SCS 4.55% Due 03-15-2035	Corporate Bonds	47,794	46,649
	Actavis FDG SCS 4.75% Due 03-15-2045	Corporate Bonds	199,046	191,109
	Actavis FDG SCS 4.85% Due 06-15-2044	Corporate Bonds	107,657	104,879
	Aflac Inc 6.45% Due 08-15-2040	Corporate Bonds	489,437	588,818
	Aflac Inc 6.9% Due 12-17-2039	Corporate Bonds	177,341	217,211
	Alabama Pw Co 4.15% Due 08-15-2044	Corporate Bonds	134,848	123,665
	Alleghany Corp Del 4.9% Due 09-15-2044	Corporate Bonds	124,909	118,546
	Amerada Hess Corp 7.3% Due 08-15-2031	Corporate Bonds	103,475	79,426
	Amern Intl Group 4.375% Due 01-15-2055	Corporate Bonds	178,195	153,812
	Analog Devices Inc 5.3% Due 12-15-2045	Corporate Bonds	139,374	144,232
	AOL Time Warner 7.7% Due 05-01-2032	Corporate Bonds	102,875	99,853
	Apple Inc 3.45% Due 02-09-2045	Corporate Bonds	93,543	81,791
	Apple Inc 4.375% Due 05-13-2045	Corporate Bonds	253,802	256,467
	AT&T Inc 4.35% Due 06-15-2045	Corporate Bonds	307,619	288,294
	AT&T Inc 4.5% Due 05-15-2035	Corporate Bonds	264,342	250,637
	AT&T Inc 4.75% Due 05-15-2046	Corporate Bonds	578,377	567,670
	AT&T Inc 5.55% Due 08-15-2041	Corporate Bonds	118,248	115,560
	Bank Amer Corp 5% Due 01-21-2044	Corporate Bonds	238,642	234,830
	Baxalta Inc 4% Due 06-23-2025	Corporate Bonds	85,040	84,117
	Biogen Inc 5.2% Due 09-15-2045	Corporate Bonds	126,215	125,047
	Bk of Amer NA 6 Due 10-15-2036	Corporate Bonds	475,810	605,477
	Buckeye Partners L 5.6% Due 10-15-2044	Corporate Bonds	101,110	78,398
	Burl North Santa Fixed 4.15% Due 04-01-2045	Corporate Bonds	148,487	145,919
	Burl North Santa Fixed 4.7% Due 09-01-2045	Corporate Bonds	105,280	104,772
	CA Inst Tech 4.7% Due 11.01-2111	Corporate Bonds	252,425	244,324
	CBS Corp New 4.6% Due 01-15-2045	Corporate Bonds	215,168	187,020
	CF Loomis Sayle High Yield Full Discretion Trust CL A Fund	Corporate Bonds	7,918,076	10,646,453
	Citigroup Inc 4.4% Due 06-10-2025	Corporate Bonds	134,982	136,351
	Citigroup Inc 4.45% Due 09-29-2027	Corporate Bonds	220,976	219,537
	Citigroup Inc 8.125% Due 07-15-2039	Corporate Bonds	421,502	461,837
	Comcast Corp 4.5 BDS Due 01-15-2043	Corporate Bonds	454,031	453,127
	Comcast Corp New 4.2% Due 08-15-2034	Corporate Bonds	198,798	196,137
	Comcast Corp New 4.25% Due 01-15-2033	Corporate Bonds	191,964	191,612
	ConocoPhillips Co 4.3% Due 11-15-2044	Corporate Bonds	170,901	137,119
	ConocoPhillips NT 5.9 Due 10-15-2032	Corporate Bonds	43,732	35,810
	Cons Edison Co N Y 4.5% Due 12-01-2045	Corporate Bonds	50,276	50,614
	Cooperatieve 5.25% Due 05-24-2041	Corporate Bonds	106,087	117,456
	Cooperatieve Rabobank UA 4.625% Due 12-01-2023 Reg	Corporate Bonds	577,244	577,348
	CVS Health Corp 5.125% Due 07-20-2045	Corporate Bonds	46,881	46,351
	Devron Energy Corp 5% Due 06-15-2045	Corporate Bonds	168,905	129,601

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2015

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Plan Number: 001

Schedule H, Line 4(i)

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	Dow Chem Co NT 9.4 Due 05-15-2039	Corporate Bonds	135,832	125,029
	Dr Pepper Snapple 4.5% Due 11-15-2045	Corporate Bonds	29,921	29,332
	Duke Energy 4.375% Due 03-30-2044	Corporate Bonds	192,140	187,915
	EDF S A 4.95% Due 10-13-2045	Corporate Bonds	214,750	208,755
	Energy Transfer 5.15% Due 03-15-2045	Corporate Bonds	171,686	148,432
	Energy Transfer 5.95 Due 10-01-2043	Corporate Bonds	77,022	60,169
	Energy Transfer 6.5% Due 02-01-2042	Corporate Bonds	36,391	28,465
	Energy Transfer 7.5% Due 07-01-2038	Corporate Bonds	76,146	60,036
	Enlink Midstream Partners LP 5.05% Due 04-01-2045	Corporate Bonds	34,931	24,803
	Ensco PLC Formerly 5.75% Due 10-01-2044	Corporate Bonds	416,884	274,223
	Enterprise Prods 4.95% Due 10-15-2054	Corporate Bonds	84,586	67,277
	Enterprise Prods 5.1% Due 02-15-2045	Corporate Bonds	251,833	208,469
	Exelon Generation 5.6 Due 06-15-2042	Corporate Bonds	108,278	93,117
	Ford Mtr Co Del NT 4.75 01-15-2043	Corporate Bonds	57,048	56,558
	Freeport-McMoran Inc 5.4% Due 11-14-2034/11-14-2014	Corporate Bonds	9,952	5,300
	GE Cap Intl FDG Cp 4.418% 11-15-2035	Corporate Bonds	553,810	557,487
	Gen Elec Cap Corp 6.15% Due 08-07-2037	Corporate Bonds	88,215	116,752
	Gen Elec Corp Medium Term NTS BO	Corporate Bonds	185,042	253,531
	General Elec Cap Corp Tranche # TR 005286.75% Due 03-15-2032/03-20-2002	Corporate Bonds	261,473	301,826
	General Elec Co 4.5% Due 03-11-2044	Corporate Bonds	144,156	144,078
	Gilead Sciences 4.75% Due 03-01-2046	Corporate Bonds	145,400	146,744
	Goldman Sachs 4.25% Due 10-21-2025	Corporate Bonds	49,650	49,618
	Goldman Sachs 4.75% Due 10-21-2045	Corporate Bonds	49,542	49,669
	Goldman Sachs 4.8% Due 07-08-2044	Corporate Bonds	159,021	14,101
	Haliburton Co 6.7% Due 09-15-2038	Corporate Bonds	189,746	216,976
	Haliburton Co 7.45% Due 09-15-2039	Corporate Bonds	312,445	319,701
	Harris Corp Del 6.15% Due 12-15-2040	Corporate Bonds	145,197	142,341
	Hasbro Inc 6.35% Due 03-15-2040	Corporate Bonds	103,467	98,045
	Heinz (H.J.) Co BNDS 5.2% Due 07-15-2045 BEO	Corporate Bonds	99,606	104,491
	Hospitality PPTYS TR 4.5% Due 03-15-2025	Corporate Bonds	24,695	24,002
	Hospitality PPTYS TR 4.65 Due 03-15-2024 Reg	Corporate Bonds	136,650	132,874
	Host Hotels & Resorts L P 4.0% 06-15-2025	Corporate Bonds	130,224	124,619
	HSBC Bk USA 5.875	Corporate Bonds	41,054	40,556
	HSBC Bk USA N A 7 Due 01-15-2039	Corporate Bonds	809,237	857,864
	Ingersoll-Rand 4.65% Due 11-01-2044	Corporate Bonds	66,575	66,996
	Intel Corp 4.9% Due 07-29-2045	Corporate Bonds	187,457	190,253
	Intl Business Machs Corp 5.875 Due 11-29-2032 BEO	Corporate Bonds	66,704	65,577
	Intl Paper Co 4.8% Due 06-15-2044	Corporate Bonds	213,405	191,951
	Intl Paper Co 8.7% Due 06-15-2038	Corporate Bonds	219,968	248,250
	Jeffries Group 6.5% Due 01-20-2043	Corporate Bonds	135,510	124,827
	JPMorgan Chase & 4.95% Due 06-01-2045	Corporate Bonds	332,615	334,936

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2015**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	JPMorgan Chase & 5.6% Due 07-15-2041	Corporate Bonds	447,562	503,262
	Kinder Morgan Energy Partners 5.0% 08-15-2042	Corporate Bonds	41,436	33,940
	Kinder Morgan Inc 5.55% Due 06-01-2045	Corporate Bonds	264,193	202,964
	Kinder Morgan Inc 6.5% Due 09-01-2039	Corporate Bonds	180,207	135,854
	KLA-Tencor Corp 5.65% Due 11-01-2034	Corporate Bonds	125,907	121,792
	Koninklijke 6.875% Due 03-11-2038	Corporate Bonds	256,998	289,847
	Koninklijke NT 5 Due 03-15-2042	Corporate Bonds	177,182	158,304
	Kraft Foods Group 6.5% Due 02-09-2040	Corporate Bonds	380,571	351,561
	Lab Corp Amer 4.7% Due 02-01-2045	Corporate Bonds	133,964	118,775
	Lam Resh Corp 3.8% Due 03-15-2025	Corporate Bonds	80,634	75,301
	Lincoln Natl Corp 7% Due 06-15-2040	Corporate Bonds	136,155	125,428
	Lockheed Martin 4.7% Due 05-15-2046	Corporate Bonds	227,579	236,630
	Marathon Pete Corp 5% Due 09-15-2054	Corporate Bonds	203,304	166,596
	Marathon Pete Corp 5.85% Due 12-15-2045	Corporate Bonds	119,696	111,519
	May Dept Stores Co 6.65% Due 07-15-2024	Corporate Bonds	66,279	61,956
	McDonalds Corp 4.875% Due 12-09-2045	Corporate Bonds	285,000	286,736
	Medtronic Inc 4.625% Due 03-15-2045	Corporate Bonds	395,305	397,827
	Memorial Sloan-Kettering 4 7-1-2042	Corporate Bonds	118,368	117,806
	Metlife Inc 4.875% Due 11-13-2043	Corporate Bonds	141,367	141,629
	Metlife Inc 5.875% Due 02-06-2041	Corporate Bonds	625,724	710,942
	Microsoft Corp 4.2% Due 11-03-2035	Corporate Bonds	174,871	178,703
	Microsoft Corp 4.45% Due 11-03-2045	Corporate Bonds	300,993	311,117
	Monsanto Co New 3.375% Due 07-15-2024	Corporate Bonds	23,918	23,835
	Monsanto Co New 4.7% Due 07-15-2064	Corporate Bonds	86,352	65,301
	Morgan Stanley 4.3% Due 01-27-2045	Corporate Bonds	182,620	175,556
	Mosaic Co New SR NT 5.625 Due 11-15-2043	Corporate Bonds	99,263	86,265
	Motorola Solutions 5.5% Due 09-01-2044	Corporate Bonds	78,735	58,929
	Noble Energy Inc 5.05% Due 11-15-2044	Corporate Bonds	177,654	140,488
	Noble Hldg Inrl Step CPN 8.2% Due 04-01-2045	Corporate Bonds	74,543	51,191
	Northfold Southn 4.65% Due 01-15-2046	Corporate Bonds	54,630	52,589
	Oracle Corp 6.5% Due 04-15-2038	Corporate Bonds	68,898	62,705
	Pacificorp 6.25% Due 10-15-2037	Corporate Bonds	56,322	49,479
	Pacificorp 6.35% Due 07-15-2038	Corporate Bonds	179,537	174,648
	Pas Gas & Elec Co 6.05% Due 03-01-2034	Corporate Bonds	30,269	29,456
	Phillips 66 4.65% Due 11-15-2034	Corporate Bonds	210,325	199,638
	Phillips 66 4.68% Due 02-15-2045	Corporate Bonds	69,967	51,748
	Phillips 66 4.875% Due 11-15-2044	Corporate Bonds	166,656	151,668
	Plains All Amern Pipeln L P/PAA 4.9% 02-15-2045	Corporate Bonds	170,212	133,767
	Protective Life 8.45% Due 10-15-2039	Corporate Bonds	116,416	118,706
	Prudential Finl Inc DTD 06-21-2010	Corporate Bonds	268,296	270,811
	Prudential Finl Inc NT 5.625% Due 05-12-2041	Corporate Bonds	105,584	113,965

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2015

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Prudential Finl Inc NT 6.2% Due 11-15-2040	Corporate Bonds	256,393	299,885
	PVTPL Hewlett Packard Enterprise Co NY 144A 6.6% Due 10-15-2045/10-09-2015	Corporate Bonds	49,966	47,467
	PVTPL Johnson S C & Son Inc SR NT 144A 4.8% Due 09-01-2040/08-30-2010	Corporate Bonds	115,053	113,907
	PVTPL Nationwide Finl Svcs Inc SR NT 144A 5.3% Due 11-18-2044 BEO	Corporate Bonds	63,153	60,065
	PVTPL Pacific Lifecorp 5.125% 01-30-2043	Corporate Bonds	134,240	132,421
	PVTPL S C Johnson & Son Inc 4.35% Due 09-30-2044 BEO	Corporate Bonds	44,985	43,389
	PVTPL Societe Generale Sub NT 14A 4.25% Due 04-14-2025 BEO	Corporate Bonds	84,029	84,934
	PVTPL Societe Generale Sub NT 14A 4.75% Due 11-24-2025 BEO	Corporate Bonds	99,622	96,764
	PVTPL Teachers Ins & 4.9% Due 09-15-2044	Corporate Bonds	221,842	212,118
	PVTPL Tesco PLC Corp 6.15% Due 11-15-2037 BEO	Corporate Bonds	321,845	260,143
	Qualcomm Inc 4.8% Due 05-20-2045	Corporate Bonds	58,745	53,311
	RIO Tinto Fin USA 3.75% Due 06-15-2025	Corporate Bonds	94,366	86,236
	RIO Tinto Fin USA 4.125 Due 08-21-2042	Corporate Bonds	173,847	156,484
	RIO Tinto Fin USA 5.2 Due 11-02-2040	Corporate Bonds	367,418	350,955
	Rowan Cos Inc GTD SR NT 5.85 Due 01-15-2044	Corporate Bonds	110,093	63,362
	S&P Global 4L11AKA 04-28-2016	Corporate Bonds	568,781	663,290
	Santander 5.179% Due 11-19-2025	Corporate Bonds	50,000	49,242
	Sempra Energy 6% Due 10-15-2039	Corporate Bonds	513,600	535,089
	Shell International Fin 4.375% Due 05-11-2045	Corporate Bonds	28,400	28,322
	Southn Copper Corp 5.875% Due 04-23-2045	Corporate Bonds	98,833	76,612
	Southwestn Pub Svc 4.5% Due 08-15-2041	Corporate Bonds	139,703	139,652
	Sunoco Logistics 5.35% Due 05-15-2045	Corporate Bonds	24,833	18,565
	Sysco Corp 6.625% Due 0317-2039	Corporate Bonds	47,624	42,140
	Telefonica 7.045% Due 06-20-2036	Corporate Bonds	110,492	120,175
	Time Warner Cable 6.55% Due 05-01-2037	Corporate Bonds	58,894	50,599
	Time Warner Cable 6.75% Due 06-15-2039	Corporate Bonds	12,752	10,036
	Time Warner Inc Fixed 4.85% Due 07-15-2045	Corporate Bonds	325,472	315,051
	Tyco Int Fin S A 5.125% Due 09-14-2045	Corporate Bonds	166,113	173,380
	Tyson Foods Inc 5.15% Due 08-15-2044	Corporate Bonds	145,588	151,409
	UnitedHealth Group 4.75% Due 07-15-2045	Corporate Bonds	138,992	142,194
	University PA Trustees 4.674 Due 09-01-2112 Reg	Corporate Bonds	320,826	321,307

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2015**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	UTD Technologies 4.5% Due 06-01-2042	Corporate Bonds	53,222	50,352
	UTD Technologies 6.05% Due 06-01-2036	Corporate Bonds	162,168	149,892
	VA Elec & Pwr Co 6.35% Due 11-30-2037	Corporate Bonds	137,084	134,318
	Verizon 4.672% Due 03-15-2055	Corporate Bonds	165,092	163,222
	Verizon 4.862% Due 08-21-2046	Corporate Bonds	172,486	170,411
	Verizon 5.012% Due 08-21-2054	Corporate Bonds	122,394	116,280
	Verizon 5.05% Due 03-15-2034	Corporate Bonds	191,014	179,337
	Verizon Communications 4.4% Due 11-01-2034 Reg	Corporate Bonds	412,009	397,504
	Verizon Communications 4.522% 09-15-2048	Corporate Bonds	365,940	379,345
	Viacom Inc New 5.25% Due 04-01-2044	Corporate Bonds	105,246	82,510
	Visa Inc 4.15% Due 12-14-2035	Corporate Bonds	159,329	161,532
	Visa Inc 4.3% Due 12-14-2045	Corporate Bonds	335,439	340,892
	Wells Fargo & Co 5.606% Due 01-15-2044	Corporate Bonds	713,492	740,423
	Wells Fargo & Co New Medium Term SR NTS Tranche # TR			
	00155 4.3% Due 07-22-2027	Corporate Bonds	185,560	188,984
	Williams Partners 4% Due 09-15-2025	Corporate Bonds	69,773	52,413
	Williams Partners 4.9% Due 01-15-2045	Corporate Bonds	74,737	47,749
	Abbott Lab Com	Equities	358,092	368,711
	ADR Compagnie Financiere Richemont AF Switz ADR	Equities	251,254	207,534
	ADR Roche Hldg Ltd Sponsored ADR ISIN	Equities	302,611	354,214
	Affiliated Managers Group Inc Com Stk	Equities	395,119	295,716
	Alexandria Real Estate Equities Inc Com	Equities	183,143	171,684
	Align Technology Inc Com	Equities	25,388	269,985
	Alphabet Inc Cap Stl CL C Stk CL C	Equities	262,756	408,277
	Amazon Com Inc Com	Equities	104,861	335,917
	American Wtr Wks Co Inc New Com	Equities	393,245	441,553
	Apple Inc Com Stk	Equities	212,329	372,831
	AvalonBay CMNTYS Reit	Equities	263,734	364,762
	Bristol Myers Squibb Co Com	Equities	141,701	261,608
	British Land Co Ord GBP0.25	Equities	157,272	178,476
	Broadcom Limited Com NPV	Equities	84,167	291,897
	Bruker Corp	Equities	178,766	197,072
	BSTN PPTYS INC	Equities	223,716	260,182
	CF Baillie Gifford Intl Choice C12 Fund	Equities	24,520,428	27,969,748
	CF Blackrock Russell 1000 Index	Equities	2,452,649	5,223,398
	CF Blackrock Russell 1000 Value	Equities	21,996,974	21,351,093
	CF Mondrian All Countries world Ex-US	Equities	2,358,094	21,189,675
	Citicard CR Card 6.15% Due 06-15-2039	Equities	549,172	507,900
	City Developments Ltd	Equities	116,431	88,436
	CK Property Ltd HKD1	Equities	196,365	189,247
	Colgate-Palmolive Co Com	Equities	341,527	351,754
	Comcast Corp New-CL A	Equities	325,432	336,323
	Concho Res Inc Com Stk	Equities	164,422	147,740
	CVS Health Corp Com	Equities	255,613	368,984
	Daiwa House Inds NPV	Equities	50,096	95,106
	DCT Incl TR Inc	Equities	115,404	134,532
	DDR Corp Com	Equities	172,069	200,396
	Delphi Automotive PLC	Equities	259,429	337,776

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2015

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Derwent London Ord GBP 0.125	Equities	55,259	109,596
	Deutsche Wohnen AG EUR1 (BR)	Equities	69,351	82,586
	Digital Rlty TR Inc Com	Equities	169,963	199,712
	Douglas Emmett Inc Com REIT	Equities	87,316	118,484
	Ecolab Inc Com STK USD1	Equities	360,212	366,016
	Eqty Resdntl Eff 5/15/02	Equities	419,044	579,289
	Equinix Inc Com Par \$0.001	Equities	124,591	125,520
	Essex Ppty TR REIT	Equities	147,062	234,861
	Eurocommercial EUR0.50	Equities	68,830	73,144
	Facebook Inc CL A CL A	Equities	322,582	436,432
	Fortinet Inc Com	Equities	219,276	172,682
	Gecina EUR7.50	Equities	142,680	131,760
	GGP Inc 2E1YAU2 01-27-2017	Equities	276,150	367,770
	GLP J-Reit Reit	Equities	77,024	72,821
	Goldman Sachs Group Inc Com	Equities	237,651	329,920
	GPT Group NPV (Stapled Securities)	Equities	200,671	194,949
	Great Portland Estates Ord GBP0.125	Equities	54,619	113,154
	Hammerson Ord GBP0.25	Equities	109,167	121,358
	Healthcare Rlty TR	Equities	86,589	99,120
	Healthcare TR AMER Inc CL A New CL A New	Equities	90,535	99,789
	Hershey Company Com Stk	Equities	277,739	267,989
	Hexcel Corp New Com	Equities	235,513	255,475
	Highwoods PPTYS Inc Com	Equities	83,749	100,280
	Hispania Activos EUR1	Equities	33,994	35,961
	HongKong Land HLD ORD US D0.10	Equities	184,252	184,786
	Host Hotels & Resorts Inc Reit	Equities	263,419	253,816
	Hufvudstaden AB Ser'a'NPV	Equities	74,616	88,077
	Icade NPV (Post Merger)	Equities	138,125	104,561
	Illumina Inc Com	Equities	75,602	281,007
	Intercontinental Exchange Inc Com	Equities	209,065	383,365
	Invsta Office Dr Units NPV (Stapled	Equities	105,240	112,729
	Japan Retail Fund Reit	Equities	254,078	264,445
	Kenedix Office Investment	Equities	93,375	98,633
	KilRoy Rlty Corp Com	Equities	172,345	234,136
	Kimco Rlty Corp Com	Equities	263,262	308,259
	Klepierre EUR1.40	Equities	339,491	358,134
	Land Securities GP Ord GBP0.10	Equities	210,372	266,271
	Las Vegas Sands Corp Com Stk	Equities	258,646	199,428
	Leg Immobilien AG NPV	Equities	247,057	311,988
	Lendlease Group NPV (Stapled)	Equities	29,877	29,797
	Link Real Estate Investment	Equities	129,267	147,878
	Mead Johnson Nutrition Com	Equities	382,191	359,380
	MFO DFA US Small Cap Portfolio	Equities	6,522,105	5,628,166
	MFO Fidelity Comwlth TR Strategic Real Return FD	Equities	15,107,035	14,133,924
	Mid-Amer 2569317 12-01-2016	Equities	46,822	65,076
	Mirvac Group Staples Securities	Equities	183,972	174,999
	Mitsubishi Estate Co Ltd	Equities	579,812	570,024
	Mitsui Fudosan Co Ltd NPV	Equities	383,137	439,442
	Mobileye NV EUR0.01	Equities	256,409	268,732
	Monster Beverage Corp New Com	Equities	182,407	412,917
	Netflix Inc Com Stk	Equities	277,271	314,545
	Nike Inc CL B	Equities	225,645	428,845
	Nippon Prologis RE Reit	Equities	141,304	136,228
	NSI NV	Equities	72,514	57,901
	NTT Urban Developm NPV	Equities	65,332	55,439
	NVIDIA Corp Com	Equities	180,339	373,008
	NXP Semiconductors N V Com Stk	Equities	113,458	204,728
	Orix Jreit Inc Reit	Equities	101,798	97,510

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2015**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	Palo Alto Networks Inc Com USD0.0001	Equities	202,307	330,615
	Paramount Group Inc Com	Equities	111,259	112,220
	Pebblebrook Hotel TR Com Stk	Equities	138,964	139,091
	Perrigo Company Limited Com EUR 0.001	Equities	307,400	305,462
	Prologis Inc Com	Equities	291,124	345,377
	Pub Storage Com	Equities	272,236	433,475
	Quintiles IMS Holdings Inc Com USD0.01	Equities	182,132	278,210
	Regeneron Pharmaceuticals Inc Com	Equities	310,918	342,008
	Rockwell Automation	Equities	220,870	264,015
	Safestore Hldgs Ord GBP0.01	Equities	36,909	43,269
	Salesforce Com Inc Com Stk	Equities	142,919	309,288
	Scentre Group	Equities	156,856	165,500
	Schwab Charles Corp Com New	Equities	240,996	421,800
	Servicenow Inc	Equities	153,487	286,687
	Simon Property Group Inc Com	Equities	539,579	761,621
	Sino Land Co NPV	Equities	108,219	90,878
	Skyworks Solutions Inc	Equities	149,166	202,831
	SL Green Rlty Corp Com Stk	Equities	140,713	259,854
	Spirit Rlty Cap Inc New Com	Equities	139,129	127,254
	Splunk Inc Com Stk	Equities	186,305	196,425
	Starbucks Corp Com	Equities	214,426	390,915
	State Str Corp	Equities	198,126	256,017
	Stericycle Inc Com	Equities	289,914	248,436
	Sumitomo Realty & Development NPV	Equities	145,018	118,380
	Sun Communities Inc Com	Equities	82,393	102,795
	Sun Hung Kai Prop NPV	Equities	290,648	247,582
	Sunstone Hotel Invs Inc New Com	Equities	125,745	114,408
	Tokyo Tatemono Co NPV	Equities	7,912	12,098
	UDR Inc Com Stk	Equities	142,939	237,330
	Unbail-Rodamco SE EUR5	Equities	353,859	378,888
	Unibail-Rodamco SE EUR5	Equities	353,859	378,888
	United Group Ord GBP 0.25	Equities	14,891	20,604
	UnitedHealth Group Inc Com	Equities	322,649	368,213
	Vereit Inc Com USD0.001	Equities	178,554	121,968
	Vicinity Centres NPV (Stapled Security)	Equities	149,407	141,382
	Visa Inc Com CL A Stk	Equities	204,758	358,901
	Vonovia SE NPV	Equities	25,890	27,633
	Vornado Rlty TR Com	Equities	307,900	335,466
	Wells Fargo & Co New Com Stk	Equities	251,379	329,911
	WellTower Inc Com Reit	Equities	390,226	435,392
	Westfield Corp NPV Stapled Units	Equities	69,773	70,193
	Wisdomtree Invt Inc Com WETF	Equities	255,622	186,122
	Xylem Inc Com	Equities	314,748	319,010
	Anheuser-Busch 8% Due 11-15-2039	Foreign Corporate Bonds	146,038	162,957
	Barclays PLC 5.25% Due 08-17-2045	Foreign Corporate Bonds	199,520	201,457
	Barrick N Amer Fin 5.7% Due 05-30-2041	Foreign Corporate Bonds	126,366	85,817
	Barrick PD 5.95% Due 10-15-2039	Foreign Corporate Bonds	223,236	155,606
	BHP Billiton Fin 5% Due 09-30-2043	Foreign Corporate Bonds	446,625	381,992
	Burlington Res Fin Co 7.2 Due 08-15-2031/08-14-2031 BEO	Foreign Corporate Bonds	154,240	131,624
	Novartis Cap Corp 4% Due 11-20-2045	Foreign Corporate Bonds	68,667	68,563

Verity Health System Retirement Plan A
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2015

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	PVTPL Standard Chartered PLC Sub NT 144A5.7% Due 03-26-2044 BEO	Foreign Corporate Bonds	400,694	400,323
	PVTPL Standard Chartered PLC Sub NT 5.2% Due 01-26-2024 BEO	Foreign Corporate Bonds	429,525	415,367
	PVTPL Xstrata Fin CDA Ltd NT 6 Due 11-15-2041 BEO	Foreign Corporate Bonds	314,570	240,700
	Transcanada 6.2% Due 10-15-2037	Foreign Corporate Bonds	270,502	286,197
	Transcanada 7.625% Due 01-15-2039	Foreign Corporate Bonds	119,304	102,968
	Petroleos 5.5% Due 06-27-2044	Foreign Government Agencies	106,225	82,757
	UTD Mexican STS Tranche # TR 00026 4.75 Due 03-08-2044	Foreign Government Bonds	210,999	195,865
	CF Golden Tree High Yied Value Off-shore B-1 Series FD	Funds-Other Fixed Income	7,656,357	9,736,690
	MFO Prin FDS Inc Diversified Real Ast FDIInstl CL	Funds-Other Fixed Income	14,154,718	13,650,924
	Bay Area Toll Auth Calif Toll Brdg Rev 6.263 04-01-2049 BEO	Government Agencies	142,705	134,523
	California State 7.55 Mun BDS Due 04-01-2039 USD5000	Government Agencies	210,838	203,514
	CHGO III Tran Auth Sales & Transfer R 6.899 Due 12-01-2040 Reg	Government Agencies	54,073	51,932
	CHGO III Tran Auth Sales & Transfer R 6.899 Due 12-01-2040 Reg Taxable	Government Agencies	100,373	98,094
	IL ST Taxable-Pension 5.1 Due 06-01-2033 BEO Taxable	Government Agencies	105,656	104,066
	Sinking Df 06-01-2024 N/C	Government Agencies	105,656	104,066
	New Jersey ST Transn TR FD Auth 6.561% 12-15-2040 BEO Taxable	Government Agencies	159,233	127,039
	New York N Y 5.206% 10-01-2031 BEO Taxable	Government Agencies	73,305	73,144
	New York N Y Taxable-Ser D-1-Build Amer BDS 5.985% Due 12-01-2036 Reg Taxable	Government Agencies	100,608	97,933
	NY St Dorm Auth St Pers Inc Tx Pipr-Ser H 5.389 Due 0315-40	Government Agencies	68,300	65,366
	Oh St Univ Gen Rcpts Taxable-Ser A 4.8 Due 06-01-2111	Government Agencies	364,902	327,811
	Pennsylvania St 4.65% 02-15-2026 BEO Taxable	Government Agencies	159,471	156,177
	Port Auth N Y & N J 4.458% 10-01-2062 BEO Taxable	Government Agencies	470,315	447,515
	University Calif Revs 4.858% 05-15-2112 BEO Taxable	Government Agencies	561,214	536,647
	Colombia Rep 5% Due 06-15-2045	Government Bonds	43,875	37,575
	FFCB 5.48 04-12-2035	Government Bonds	497,491	629,060
	FNMA DEB 6.16 08-08-2028	Government Bonds	537,104	641,165
	Peru Rep DB 6.55 Due 03-14-2037	Government Bonds	61,938	57,750
	Republic of Colombia 5.625 02-26-2044	Government Bonds	22,550	18,250
	Republic of Turkey 4.25% Due 04-14-2026	Government Bonds	150,669	145,321
	United States of Amer Treas Bonds 2.75 BDS Due 08-15-2040	Government Bonds	1,806,205	1,801,721
	United States of Amer Treas Bonds DTD 02-15-2045 REG	Government Bonds	2,005,922	1,973,899

Verity Health System Retirement Plan A**Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)****December 31, 2015**

Plan Sponsor: Verity Health System

Employer Identification Number: 91-2145484

Plan Number: 001

Schedule H, Line 4(i)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	United States of Amer Treas Bonds DTD 05-15-2015 2.125% Due 05-15-2025 REG	Government Bonds	180,070	177,652
	United States Treas BD Stripped Prin PMT00080 02-15-2040 (Unddate) Reg	Government Bonds	1,013,512	1,602,654
	United States Treas BDS .3.125% Due 11-15-2041 Reg	Government Bonds	1,357,456	1,451,541
	United States Treas BDS 00202 4.75% Due 02-15-2037 Reg	Government Bonds	887,773	894,692
	United States Treas BDS 00245 2.875% Due 08-15-2045	Government Bonds	1,338,145	1,327,645
	United States Treas BDS 2.875 Due Due 05-15-2043	Government Bonds	4,693,993	4,905,500
	United States Treas BDS 3% Due 05-15-2042	Government Bonds	61,474	60,370
	United States Treas BDS 3% Due 05-15-2045	Government Bonds	1,040,483	1,021,311
	United States Treas BDS 3% Due 11-15-2044	Government Bonds	100,899	101,430
	United States Treas BDS 3.125% Due 02-15-2043 Reg	Government Bonds	911,050	1,014,673
	United States Treas BDS 3.125% Due 08-15-2044	Government Bonds	3,736,635	3,397,205
	United States Treas BDS 3.375 05-15-2044	Government Bonds	113,272	114,833
	United States Treas BDS 3.625 Due 02-15-2044 Tbond	Government Bonds	1,643,725	1,650,711
	United States Treas BDS BD 3.75% Due 08-15-2041 Reg	Government Bonds	822,272	867,277
	United States Treas BDS DTD 00209 3.5% Due 02-15-2039 Reg	Government Bonds	1,654,959	2,013,092
	United States Treas BDS DTD 011-15-2012 2.75% Due 11-15-2042	Government Bonds	1,212,702	1,225,218
	United States Treas BDS DTD 02-15-2012 3.125% Due 02-15-2042	Government Bonds	1,347,070	1,497,182
	United States Treas NTS DTD 11-15-2015 2.25% Due 11-15-2025	Government Bonds	170,679	169,621
	UTD Mexican STS Tranche # TR 00026 4.75 Due 03-08-2044	Government Bonds	210,999	195,865
	D.E. Shaw US Broad Market Core Alpha Extension Fund, LLC Series B	Partnership	14,733,953	28,406,123
			<u>\$ 211,078,188</u>	<u>\$ 257,292,469</u>

Column (a), party-in-interest to the Plan, is not applicable

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data for Frozen Plans as of January 1, 2016¹

All monetary amounts shown in US Dollars

	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	Attained	Avg.	Attained	Avg.	Attained	Avg.	Attained	Avg.	Attained	Avg.	Attained	Avg.	Attained	Avg.	Attained	Avg.	Attained	Avg.	Attained	Avg.
Age	No.	Ben.	No.	Ben.	No.	Ben.	No.	Ben.	No.	Ben.	No.	Ben.	No.	Ben.	No.	Ben.	No.	Ben.	No.	Ben.
Under 25			5																	
25 - 29	1		61	0	22	10														
30 - 34	22	2,158	75	22	82	470	13													
35 - 39	45	3,679	77	295	110	1,460	43	4,787	5											
40 - 44	100	5,911	108	1,738	127	2,811	68	6,138	34	8,742	8									
45 - 49	83	4,935	85	3,734	100	4,222	70	8,523	29	14,869	30	9,574	1							
50 - 54	65	5,174	68	2,717	92	4,928	72	7,336	46	9,771	56	15,583	2							
55 - 59	69	6,377	56	3,842	92	6,199	85	15,231	45	15,944	81	21,395	12		1					
60 - 64	55	5,927	41	3,286	58	8,427	86	18,194	29	18,503	99	22,072	21	38,043	1					
65 - 69	24	5,478	13		17		29	19,335	8		31	25,096	1							
70 & Up	5		4		5		5		2		4									

¹ There are fewer than 1,000 active participants in the plan who are accruing additional benefits, so the table provides average accrued benefits in lieu of compensation.

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data for Cash Balance Plans as of January 1, 2016

All monetary amounts shown in US Dollars

	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
Attained		Cash		Cash		Cash		Cash		Cash		Cash		Cash		Cash		Cash		Cash
Age	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.	No.	Bal.
Under 25																				
25 - 29					1															
30 - 34	20	2,373	4		21	1,836	4													
35 - 39	40	4,138	9		48	3,345	30	6,862	2											
40 - 44	96	6,157	21	8,937	64	5,578	53	7,875	31	9,588	5									
45 - 49	78	5,251	33	9,619	61	6,922	59	10,112	26	16,585	24	11,968	1							
50 - 54	60	5,605	21	8,797	62	7,312	52	10,157	37	12,148	49	17,809	2							
55 - 59	61	7,214	20	10,758	60	9,505	71	18,234	39	18,397	78	22,218	11							
60 - 64	50	6,520	16		46	10,626	71	22,038	28	19,164	81	26,977	20	39,946	1					
65 - 69	21	6,260	6		11		25	22,429	6		25	31,119	1							
70 & Up	3		2		3		5		1		4									

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions and Methods

Economic Assumptions

Interest rate basis:

- | | |
|-----------------------|---------------|
| ■ Applicable month | January 2016 |
| ■ Interest rate basis | Segment Rates |

Interest rates:

- | | Reflecting
Corridors | Not Reflecting
Corridors |
|---|-------------------------|-----------------------------|
| ■ First segment rate | 4.43% | 1.41% |
| ■ Second segment rate | 5.91% | 3.96% |
| ■ Third segment rate | 6.65% | 4.97% |
| ■ Effective interest rate | 6.12% | 4.31% |
| ■ Match balance interest crediting rate | 5.00% | N/A |
| ■ Expected return on assets | 7.00% | N/A |

Annual rates of increase

- | | |
|-------------------------------------|-------|
| ■ Compensation: | 3.50% |
| ■ Future Social Security wage bases | 3.00% |
| ■ Statutory limits on compensation | N/A |

Administrative expenses	\$6,200,000
--------------------------------	-------------

Plan Name:	Verity Health System Retirement Plan A
EIN / PN:	91-2145484 / 001
Plan Sponsor:	Verity Health System
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

■ **Healthy** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2030 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2022 using Scale AA).

■ **Disabled** Same as healthy mortality.

Termination During the first five years of employment the following rates of termination are assumed:

Years of Service	Percentage Terminating
1	22%
2	20%
3	14%
4	12%
5	10%

For employees with five or more years of employment the following rates of termination are assumed:

Age	Percentage Terminating
21-27	9.0%
28-33	8.0%
34-38	7.0%
39-42	6.0%
43-46	5.0%
47-50	4.0%
51-54	3.0%

Plan Name: Verity Health System Retirement Plan A
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Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Disability

Rates of disablement among active participants are based on 75% of the 1964 OASDI experience table. Sample rates of disablement are as follows:

Attained Age	Percentage Disabled During the Year
25	0.06%
30	0.08%
35	0.11%
40	0.17%
45	0.27%
50	0.45%
55	0.76%
60	1.22%

Retirement

Rates varying by age, average age 64.

Age	Percentage Retiring During the Year
55-59	5%
60-61	8%
62-63	15%
64	20%
65-67	30%
68-69	35%
70 & up	100%

Benefit commencement date:

- Preretirement death benefit
If the participant was married, upon death of the participant

If the participant was single, upon the later of the death of the participant or the date the participant would have attained age 55
- Deferred vested benefit
The later of age 65 or termination of employment
- Disability benefit
The later of age 65 or disablement
- Retirement benefit
Upon termination of employment

Form of payment

Participants are assumed to elect a single life annuity for the traditional benefit and a lump sum for the match benefit.

Percent married

85% of the male participants and 50% of the female participants are assumed to be married

Plan Name: Verity Health System Retirement Plan A
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Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Spouse age	Wife three years younger than husband
Covered pay	Compensation assumed paid in the current year beginning on the valuation date is the prior year's pay increased by the salary rate.
At-risk assumptions	For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan.
Timing of benefit payments	Benefit payments are assumed to be made uniformly throughout the year and, on average, at mid-year.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430.
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.
Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and 12 and 24 months preceding the valuation date, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited to the third segment rate as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year.)</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the</p>

Plan Name:	Verity Health System Retirement Plan A
EIN / PN:	91-2145484 / 001
Plan Sponsor:	Verity Health System
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued based on discussions with Verity Health System regarding the likelihood that these benefits will be paid. Willis Towers Watson has reviewed the plan provisions with Verity Health System and, based on that review, is not aware of any significant benefits required to be valued that were not.

The plan pays small benefits (with a present value up to \$5,000 in a single lump sum payment). Such lump sums are not explicitly valued; rather such participants' benefits are valued using the benefit choice assumptions described above.

Assumptions Rationale - Significant Economic Assumptions

Discount rate

The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.

Match Balance Interest crediting rate

The plan credits interest to match balance accounts using the 30-year Treasury rate, but with a minimum interest credit rate of 5.00%. Our long term estimate of the 30-year Treasury rate is below 5.00%, based on a combination of current conditions, past history, including relationships to other assumptions such as CPI, and future economic expectations.

Rates of increase in:

- **Compensation**

Assumed compensation increases are based on plan sponsor expectations.

- **Assumed return for asset smoothing**

The assumed return used for asset smoothing is the expected return on assets assumption chosen by the client for the 2016 fiscal year under U.S. GAAP, limited by the third segment rate. We concurred with that assumption

Administrative expenses

Based on prior year administrative expenses plus 2016 PBGC premium, rounded to the nearest 100,000.

Plan Name: Verity Health System Retirement Plan A
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SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination	Termination rates were based on Verity Health System's experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Retirement	Retirement rates were based on Verity Health System's experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Source of Prescribed Methods

Funding methods	The methods used for funding purposes, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.
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Changes in Assumptions and Methods

Change in assumptions since prior valuation	<p>The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC §430.</p> <p>The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvement, as required by IRC §430.</p>
Change in methods since prior valuation	There have been no changes in method since the prior valuation.

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

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

► Round off amounts to nearest dollar.

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

A Name of plan Verity Health System Retirement Plan A	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Verity Health System	D Employer Identification Number (EIN) 91-2145484	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>			
2 Assets:			
a Market value.....	2a	259,543,992	
b Actuarial value	2b	272,994,605	
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	2,477	182,115,619	182,115,619
b For terminated vested participants	2,743	89,690,388	89,690,388
c For active participants	2,784	149,032,365	151,106,142
d Total	8,004	420,838,372	422,912,149
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) <input checked="" type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions	4a	417,316,141	
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	445,296,179	
5 Effective interest rate	5	6.12%	
6 Target normal cost	6	8,372,671	

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	<div style="font-size: 1.5em; font-family: cursive;">CDP</div> Signature of actuary Carlos De la Parra Type or print name of actuary Willis Towers Watson Firm name 345 California Street, Suite 2000 San Francisco CA 94104 Address of the firm	<div style="font-size: 1.5em;">10/10/17</div> Date 1707455 Most recent enrollment number 415-733-4100 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2016
v. 160205

Part II

	(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)	0	0
9 Amount remaining (line 7 minus line 8).....	0	0
10 Interest on line 9 using prior year's actual return of <u>- 1.48%</u>	0	0
1 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		35
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.30%</u>		2
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.....		37
d Portion of (c) to be added to prefunding balance.....		0
2 Other reductions in balances due to elections or deemed elections	0	0
3 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	0

Part III

4	Funding target attainment percentage	14	65.41%
5	Adjusted funding target attainment percentage	15	65.36%
6	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	66.36%
7	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	61.37%

Part IV

8 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
04/14/2016	6,629,537	0			
07/14/2016	6,629,537	0			
10/14/2016	6,629,537	0			
10/28/2016	2,787,580	0			
01/13/2017	6,629,537	0			
05/16/2017	915,899	0			
06/22/2017	1,229,579	0			
07/17/2017	4,002,416	0			
08/16/2017	2,459,158	0			
		0			
			Totals ►	18(b)	37,912,780
					18(c)
					0

9 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	36,010,725

0 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

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

Schedule SB (Form 5500) 2016

Page 3

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

21 Discount rate:			
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %
			<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 64
23 Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	8,372,671
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	149,917,544	24,901,376	
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	33,274,047
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0
36 Additional cash requirement (line 34 minus line 35)		36	33,274,047
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	36,010,725
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	2,736,678
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

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

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

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 15

Reconciliation of differences between valuation results and amounts used to calculate AFTAP

	2016 AFTAP Certification	2016 Schedule SB
Actuarial Value of Assets	272,785,099	272,994,605 ¹
Funding Target	417,316,141	417,316,141
AFTAP Percentage	65.36%	65.41%

¹ Difference in the actuarial value of assets is due to a contribution made on 9/14/2016 in the amount of \$218,697.

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2016

See Statement of Actuarial Assumptions and Methods in Part V for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Verity Health System
EIN/PN	91-2145484/001
Plan Name	Verity Health System Retirement Plan A
Valuation Date	January 1, 2016
Enrolled Actuary	Carlos De la Parra
Enrollment Number	17-07455

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan Name:	Verity Health System Retirement Plan A
EIN / PN:	91-2145484 / 001
Plan Sponsor:	Verity Health System
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 4 Additional Information for Plans in At-Risk Status

Participants are assumed to elect a 100% Joint and Survivor annuity as the optional form resulting in the highest present value.

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Sponsor

Verity Health System

Effective Date and Most Recent Amendment

The plan was originally effective May 25, 1995, as a result of the spin-off of assets and liabilities from the Daughters of Charity National Health System Retirement Plan. The plan was intended to be a "church plan" as described in Code section 414(e) and therefore exempt from Title I and Title IV of ERISA. The plan sponsor amended and restated the plan effective December 14, 2015, as of which the plan sponsor is no longer controlled by or associated with the Catholic Church. Accordingly, effective December 14, 2015 the plan is no longer intended to be a "church plan" as described in Code section 414(e) and therefore is subject to and intended to comply with Title I and Title IV of ERISA.

Credited Service

The sum of (1) and (2), subject to (3):

- (1) Vesting service credited from the Effective Date of Participation, or from date used for crediting Past Service.
- (2) Credited Future Service
- (3) For participants at the O'Connor and St. Louise Divisions, there will be no more credited service granted after December 31, 2000. For non-contractual participants in all health ministries, there will be no more credited service granted after February 28, 2011. For members of UNAC and SEIU, there will be no more credited service granted after December 31, 2011 and December 31, 2012 respectively.

Vesting Service

The sum of (1) and (2):

- (1) Service credited for vesting purposes under the prior plan as of the Effective Date of Participation.
- (2) Plan years from the Effective Date of Participation during which at least 1,000 hours of service are credited. Pro rata credit is given for initial year and termination year.

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Highest Average Earnings

Highest five consecutive complete or partial plan years of earnings in the last ten years of employment. Earnings include W-2 compensation subject to FICA tax plus any compensation deferred under an IRC Section 125 or Section 401(k) or Section 403(b) plan. Compensation is limited as required under Internal Revenue Code Section 401(a)(17).

Covered Compensation

A 35-year average of the Maximum Taxable Wages (MTW) under social security. The MTW is the annual limit on wages subject to the FICA tax for social security. The 35-year period ends with the year the employee reaches eligibility for an unreduced social security benefit (age 65, 66, or 67 depending on the year the employee was born).

Normal Retirement Benefit

Eligibility: Age 65.

Annual Benefit: The greater of (i) or (ii) (or (iv), for St. Vincent participants) plus (iii)

(i) Equal to (a) plus (b) multiplied by (c), plus (d) plus (e):

(a) 1.00% (1.25% for Regional Office Executives) of Highest Average Earnings up to Covered Compensation,

(b) 1.50% (1.75% for Regional Office Executives) of Highest Average Earnings in excess of Covered Compensation,

(c) Credited Future Service to a maximum of 35 years,

(d) 1.00% (1.25% for Regional Office Executives) of Highest Average Earnings multiplied by Credited Future Service in excess of 35 years,

(e) Any Accrued Benefit from a Prior Plan formula.

(ii) \$180 multiplied by Credited Total Service.

(iii) An annuity provided by an employer contribution of \$.35 (\$.50 for Regional Office Executives) for each \$1.00 contributed by the participant to the Verity Health System Retirement Plan TSA Savings Plan up to 5% (6% for Regional Office Executives) of earnings (maximum employee contribution of \$14,000 for 2005). The contributions accumulate at the 30-year US

Plan Name: Verity Health System Retirement Plan A
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SCHEDULE SB ATTACHMENTS

Treasury securities rate to termination and at 5% thereafter. The annuity is equal to the actuarial equivalent of the projected age 65 balance using 417(e) assumptions, adjusted for early retirement and/or form of payment.

No future employer match contributions will accrue after 1/1/2009.

- (iv) Same as (i) using Credited Total Service in place of Credited Future Service, and excluding (e).

Normal Form of Retirement Income: Life annuity for single participants; actuarially reduced joint and 50% to surviving spouse annuity for married participants.

For participants at the O'Connor and St. Louise Divisions, there will be no more credited service granted after December 31, 2000. Compensation for calculating accrued benefits is allowed to continue.

Benefits were frozen, including compensation, for non-contractual participants effective February 28, 2011.

Benefits were frozen, including compensation, for members of UNAC effective December 31, 2011.

Benefits were frozen, including compensation, for members of SEIU effective December 31, 2012.

Late Retirement Benefit

If retirement occurs after the normal retirement date, the late retirement income will be based on the plan formula using credited service and final average monthly compensation as of the late retirement date.

Accrued Benefit

The participant's accrued benefit at any given date is determined under the normal retirement formula shown above, but is based on current years of benefit service, final average compensation, and covered compensation.

Early Retirement Benefit

Eligibility: Age 55 and 5 years of Vesting Service.

Monthly Benefit: The normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of early retirement. The benefit is reduced 5/12 of 1% for each month that payment precedes the normal retirement date.

Plan Name: Verity Health System Retirement Plan A
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Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Disability Benefit

Eligibility: Physically or mentally impaired, preventing a participant from working for at least six months; disabled under the terms of the Verity Health System Retirement Plan Long-Term Disability Plan; or eligible for and receiving Social Security disability benefits. At least five years of Vesting Service at the date of disablement are required in order to receive the benefit provided by the employer contributions corresponding to the participants' contributions to the TSA Savings Plan. At the O'Connor and St. Louise divisions, no participant shall become disabled participant on or after January 1, 2001.

Monthly Benefit: The normal retirement benefit, assuming Credited Service and Earnings continue until normal retirement date. Immediate lump sum equal to the accumulated contributions matching the TSA Savings Plan.

Vested Benefits Upon Termination of Service

Vesting: A participant is 100% vested upon completion of 3 years of Vesting Service, or upon reaching age 65.

Monthly Benefit: The normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of termination. The benefit is not reduced when deferred to age 65. When retirement eligibility requirements are met, and the benefit is taken early, the reduction is 5/12 of 1% for each month that payment precedes the normal retirement date.

Pre-Retirement Death Benefits

1. Eligibility: Spouse of a participant who dies with five years of Vesting Service for basic benefit; immediate for Verity Health System Retirement Plan TSA Savings Plan match.

2. Benefit:

(i) Death of an active vested participant:

50% of the normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of death. Immediate Lump Sum payment of accumulated employer contributions matching the TSA contributions. The benefit is reduced for payment under the Qualified 50% Joint and Survivor option, but it is not reduced for early payment. The benefit is payable immediately to the surviving spouse and continues for life with a minimum of 60 monthly payments. If a spouse does not survive the participant, the benefit is paid to eligible children for a minimum of 60 months and continues until the youngest child reaches age 21. In the case of no surviving spouse or child, the benefit is paid to the designated beneficiary for 60 months.

(ii) Death of terminated vested participant:

Plan Name: Verity Health System Retirement Plan A
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Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

50% of the deferred vested benefit, reduced for payment under the Qualified 50% Joint and Survivor option and for early payment. The benefit is payable to the surviving spouse for life. If the participant had attained age 55, payment begins immediately; otherwise, payment is deferred to the date the participant would have attained age 55.

Changes in Plan Provisions Since Last Actuarial Valuation

None

Substantive Commitments

No substantive commitments other than the above plan provisions have been included in this valuation.

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2016

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1 Shortfall	01/01/2016	12,888,273	7	12,888,273	2,129,445
2 Shortfall	12/14/2015	136,930,582	7	137,029,271	22,771,931 ²
Total				149,917,544	24,901,376 ¹

² Reflects the amortization installment for a full plan year. The shortfall amortization installment is prorated for short plan years. A final prorated installment will be required in the 8th year in an amount equal to the difference between the full installment of \$22,771,931 and the prorated initial installment of \$1,123,112.

Plan Name: Verity Health System Retirement Plan A
EIN / PN: 91-2145484 / 001
Plan Sponsor: Verity Health System
Valuation Date: January 1, 2016

EXHIBIT C

**To SEIU UHW's
Motion For (1) Authorization To File a
Class Proof of Claim on Behalf of
Claimants Similarly Situated, and (2)
Authorization to File a Class Request for
Payment of Administrative Expense on
Behalf of Claimants Similarly Situated;
Memorandum of Points and Authorities**

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information For calendar plan year 2016 or fiscal plan year beginning <u>12/31/2016</u> and ending <u>12/31/2016</u>
<p>A This return/report is for: <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)</p> <p><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) _____</p> <p>B This return/report is: <input checked="" type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report</p> <p><input type="checkbox"/> an amended return/report <input checked="" type="checkbox"/> a short plan year return/report (less than 12 months)</p> <p>C If the plan is a collectively-bargained plan, check here. ▶ <input type="checkbox"/></p> <p>D Check box if filing under: <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program</p> <p><input type="checkbox"/> special extension (enter description) _____</p>	

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN B</u>		1b Three-digit plan number (PN) ▶	<u>005</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>VERITY HEALTH SYSTEM</u> <u>203 REDWOOD SHORES PARKWAY</u> <u>SUITE 800</u> <u>REDWOOD CITY, CA 94065-1199</u>		1c Effective date of plan <u>12/31/2016</u> 2b Employer Identification Number (EIN) <u>91-2145484</u> 2c Plan Sponsor's telephone number <u>650-551-6650</u> 2d Business code (see instructions) <u>622000</u>	

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

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

SIGN HERE	Filed with authorized/valid electronic signature. Signature of plan administrator	<u>10/16/2017</u> Date	<u>STEVE SHARRER</u> Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN
	3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 1008
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) 132
a(2) Total number of active participants at the end of the plan year	6a(2) 132
b Retired or separated participants receiving benefits.....	6b 315
c Other retired or separated participants entitled to future benefits	6c 523
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 970
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 38
f Total. Add lines 6d and 6e	6f 1008
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 0
h Number of participants that 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 Characteristics Codes in the instructions: 1A	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> 0 A (Insurance Information) (4) <input type="checkbox"/> C (Service Provider Information) (5) <input checked="" type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

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

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

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

A Name of plan <u>VERITY HEALTH SYSTEM RETIREMENT PLAN B</u>	B Three-digit plan number (PN) ►	<u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>VERITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>91-2145484</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500		

Part I Basic Information

1	Enter the valuation date:	Month <u>12</u>	Day <u>31</u>	Year <u>2016</u>		
2	Assets:					
	a Market value	2a	<u>7966440</u>			
	b Actuarial value	2b	<u>7966440</u>			
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target		
	a For retired participants and beneficiaries receiving payment	<u>353</u>	<u>3163722</u>	<u>3163722</u>		
	b For terminated vested participants	<u>523</u>	<u>2450979</u>	<u>2450979</u>		
	c For active participants	<u>132</u>	<u>556279</u>	<u>570571</u>		
	d Total	<u>1008</u>	<u>6170980</u>	<u>6185272</u>		
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)	<input type="checkbox"/>				
	a Funding target disregarding prescribed at-risk assumptions	4a				
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b				
5	Effective interest rate	5	<u>6.29 %</u>			
6	Target normal cost	6	<u>0</u>			

Statement by Enrolled Actuary

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

SIGN HERE	Signature of actuary <u>CARLOS DE LA PARRA</u> Type or print name of actuary <u>WILLIS TOWERS WATSON</u> Firm name <u>345 CALIFORNIA STREET, SUITE 2000</u> <u>SAN FRANCISCO, CA 94104</u> Address of the firm	<u>10/10/2017</u> Date <u>17-07455</u> Most recent enrollment number <u>415-733-4100</u> Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2016
v. 160205

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of _____%		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		
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 _____%		
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		0
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)	0	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	128.79%
15	Adjusted funding target attainment percentage	15	128.79%
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	100.00%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

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

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost			
21 Discount rate:			
a Segment rates:		1st segment: 4.43%	2nd segment: 5.91%
		3rd segment: 6.65%	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.			27
Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years			
28 Unpaid minimum required contributions for all prior years			28 0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)			29 0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)			30 0
Part VIII Minimum Required Contribution For Current Year			
31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)			31a 0
b Excess assets, if applicable, but not greater than line 31a			31b 0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount			33
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)			34 0
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0
36 Additional cash requirement (line 34 minus line 35)			36 0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)			37 0
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)			38a 0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances			38b 0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)			39 0
40 Unpaid minimum required contributions for all years			40 0
Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)			
41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years			
b Eligible plan year(s) for which the election in line 41a was made <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011			
42 Amount of acceleration adjustment			42
43 Excess installment acceleration amount to be carried over to future plan years			43

Schedule D (Form 5500) 2016
v.160205

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

a Plan name

b Name of plan sponsor**C** EIN-PN

a Plan name

b Name of
plan sponsor**C** EIN-PN

a Plan name

b Name of
plan sponsor

c EIN-PN

a Plan name

b Name of 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
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a Plan name

b Name of plan sponsor

C EIN-PN

a Plan name

b Name of plan sponsor

C	EIN-PN
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a Plan name

b Name of plan sponsor

C EIN-PN

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <hr/> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
For calendar plan year 2016 or fiscal plan year beginning 12/31/2016 and ending 12/31/2016		
A Name of plan VERITY HEALTH SYSTEM RETIREMENT PLAN B	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 VERITY HEALTH SYSTEM	D Employer Identification Number (EIN) 91-2145484	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
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)	0	7966440
(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)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	0	7966440

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	0	7966440
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Part II Income and Expense Statement

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

Income

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

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		0

Expenses

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

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		0
l Transfers of assets:			
(1) To this plan	2l(1)		7966440
(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) ☐ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☐ Yes ☐ No

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

(1) Name:

(2) EIN:

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☒ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		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.)		X	
e Was this plan covered by a fidelity bond?	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?		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?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		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.			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?			

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

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

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

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4091941. (See instructions.)

Part V Trust Information

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

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection.
For calendar plan year 2016 or fiscal plan year beginning 12/31/2016 and ending 12/31/2016		
A Name of plan VERITY HEALTH SYSTEM RETIREMENT PLAN B	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 VERITY HEALTH SYSTEM	D Employer Identification Number (EIN) 91-2145484	

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): _____		
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.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A

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

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

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:	
a	The current year	14a
b	The plan year immediately preceding the current plan year	14b
c	The second preceding plan year	14c
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:	
a	The corresponding number for the plan year immediately preceding the current plan year	15a
b	The corresponding number for the second preceding plan year	15b
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:	
a	Enter the number of employers who withdrew during the preceding plan year	16a
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. <input type="checkbox"/>	

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	<input type="checkbox"/>
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)	
a	Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
b	Provide the average duration of the combined investment-grade and high-yield debt: <input type="checkbox"/> 0-3 years <input type="checkbox"/> 3-6 years <input type="checkbox"/> 6-9 years <input type="checkbox"/> 9-12 years <input type="checkbox"/> 12-15 years <input type="checkbox"/> 15-18 years <input type="checkbox"/> 18-21 years <input type="checkbox"/> 21 years or more	
c	What duration measure was used to calculate line 19(b)? <input type="checkbox"/> Effective duration <input type="checkbox"/> Macaulay duration <input type="checkbox"/> Modified duration <input type="checkbox"/> Other (specify):	

Part VII IRS Compliance Questions

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

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data as of December 31, 2016

All monetary amounts shown in US Dollars

	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
Attained		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.
Age	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.
Under 25																				
25 - 29			4																	
30 - 34			8		2															
35 - 39	12		12		7															
40 - 44	14		9		3															
45 - 49	9		11		2															
50 - 54	8		6		2															
55 - 59	4		3																	
60 - 64	10		2																	
65 - 69	3																			
70 & Up	1																			

Plan Name: Verity Health System Retirement Plan B
EIN / PN: 91-2145484 / 005
Plan Sponsor: Verity Health System
Valuation Date: December 31, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions and Methods

Economic Assumptions

Interest rate basis:

- | | |
|-----------------------|---------------|
| ■ Applicable month | December 2016 |
| ■ Interest rate basis | Segment Rates |

Interest rates:

- | | Reflecting
Corridors | Not Reflecting
Corridors |
|---|-------------------------|-----------------------------|
| ■ First segment rate | 4.43% | 1.55% |
| ■ Second segment rate | 5.91% | 3.76% |
| ■ Third segment rate | 6.65% | 4.73% |
| ■ Effective interest rate | 6.29% | 4.36% |
| ■ Match balance interest crediting rate | 5.00% | N/A |
| ■ Expected return on assets | 6.75% | N/A |

Annual rates of increase

- | | |
|-------------------------------------|-----|
| ■ Compensation: | N/A |
| ■ Future Social Security wage bases | N/A |
| ■ Statutory limits on compensation | N/A |

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Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

■ **Healthy** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2031 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2023 using Scale AA).

■ **Disabled** Same as healthy mortality.

Termination During the first five years of employment the following rates of termination are assumed:

Years of Service	Percentage Terminating
1	22%
2	20%
3	14%
4	12%
5	10%

For employees with five or more years of employment the following rates of termination are assumed:

Age	Percentage Terminating
21-27	9.0%
28-33	8.0%
34-38	7.0%
39-42	6.0%
43-46	5.0%
47-50	4.0%
51-54	3.0%

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Disability

Rates of disablement among active participants are based on 75% of the 1964 OASDI experience table. Sample rates of disablement are as follows:

Attained Age	Percentage Disabled During the Year
25	0.06%
30	0.08%
35	0.11%
40	0.17%
45	0.27%
50	0.45%
55	0.76%
60	1.22%

Retirement

Rates varying by age, average age 64.

Age	Percentage Retiring During the Year
55-59	5%
60-61	8%
62-63	15%
64	20%
65-67	30%
68-69	35%
70 & up	100%

Benefit commencement date:

- Preretirement death benefit Upon death of participant
- Deferred vested benefit The later of age 65 or termination of employment
- Disability benefit The later of age 65 or disablement
- Retirement benefit Upon termination of employment

Form of payment

Participants are assumed to elect a single life annuity for the traditional benefit and a lump sum for the match benefit.

Percent married

85% of the male participants and 50% of the female participants are assumed to be married

Spouse age

Wife three years younger than husband

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Covered pay Compensation assumed paid in the current year beginning on the valuation date is the prior year's pay increased by the salary rate.

At-risk assumptions For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan.

Timing of benefit payments Benefit payments are assumed to be made uniformly throughout the year and, on average, at mid-year.

Methods

Valuation date First day of plan year

Funding target Present value of accrued benefits as required by regulations under IRC §430.

Target normal cost Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.

Actuarial value of assets Average of the fair market value of assets on the valuation date and 12 and 24 months preceding the valuation date, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited to the third segment rate as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year.)

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

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Absent post-PPA guidance, we have relied on Rev. Proc. 2000-41 Section 3.03 which provides that a de minimis spin-off is treated as a new plan for funding purposes and therefore inherits no asset smoothing history.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued based on discussions with Verity Health System regarding the likelihood that these benefits will be paid. Willis Towers Watson has reviewed the plan provisions with Verity Health System and, based on that review, is not aware of any significant benefits required to be valued that were not.

The plan pays small benefits (with a present value up to \$5,000 in a single lump sum payment). Such lump sums are not explicitly valued; rather such participants' benefits are valued using the benefit choice assumptions described above.

Sources of Data and Other Information

The plan sponsor (through its third party administrator, John Hancock Retirement Plan Services) furnished participant data as of December 31, 2016. Information on assets, contributions, and plan provisions was supplied by the plan sponsor or other designated persons or organizations. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data were adjusted to reflect any significant events that occurred between the date the data were collected and the measurement date.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination	Termination rates were based on Verity Health System's experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Retirement	Retirement rates were based on Verity Health System's experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Source of Prescribed Methods

Plan Name:	Verity Health System Retirement Plan B
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Funding methods

The methods used for funding purposes, including the method of determining plan assets, are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Changes in Assumptions and Methods

Change in assumptions since prior valuation Not applicable.

Change in methods since prior valuation Not applicable.

Plan Name: Verity Health System Retirement Plan B
EIN / PN: 91-2145484 / 005
Plan Sponsor: Verity Health System
Valuation Date: December 31, 2016

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information <p>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).</p> <p>► File as an attachment to Form 5500 or 5500-SF.</p>	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection																				
For calendar plan year 2016 or fiscal plan year beginning <u>12/31/2016</u> and ending <u>12/31/2016</u>																						
► Round off amounts to nearest dollar. ► Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.																						
A Name of plan <u>Verity Health System Retirement Plan B</u>		B Three-digit plan number (PN) <u>005</u>																				
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>Verity Health System</u>		D Employer Identification Number (EIN) <u>91-2145484</u>																				
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500																				
Part I Basic Information																						
1 Enter the valuation date: Month <u>12</u> Day <u>31</u> Year <u>2016</u>																						
2 Assets: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">a Market value.....</td> <td style="width: 10%; text-align: center;">2a</td> <td style="width: 20%; text-align: right;">7,966,440</td> </tr> <tr> <td>b Actuarial value</td> <td style="text-align: center;">2b</td> <td style="text-align: right;">7,966,440</td> </tr> </table>			a Market value.....	2a	7,966,440	b Actuarial value	2b	7,966,440														
a Market value.....	2a	7,966,440																				
b Actuarial value	2b	7,966,440																				
3 Funding target/participant count breakdown <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 55%;"></th> <th style="width: 15%;">(1) Number of participants</th> <th style="width: 15%;">(2) Vested Funding Target</th> <th style="width: 15%;">(3) Total Funding Target</th> </tr> </thead> <tbody> <tr> <td>a For retired participants and beneficiaries receiving payment</td> <td style="text-align: center;">353</td> <td style="text-align: right;">3,163,722</td> <td style="text-align: right;">3,163,722</td> </tr> <tr> <td>b For terminated vested participants</td> <td style="text-align: center;">523</td> <td style="text-align: right;">2,450,979</td> <td style="text-align: right;">2,450,979</td> </tr> <tr> <td>c For active participants</td> <td style="text-align: center;">132</td> <td style="text-align: right;">556,279</td> <td style="text-align: right;">570,571</td> </tr> <tr> <td>d Total</td> <td style="text-align: center;">1,008</td> <td style="text-align: right;">6,170,980</td> <td style="text-align: right;">6,185,272</td> </tr> </tbody> </table>				(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target	a For retired participants and beneficiaries receiving payment	353	3,163,722	3,163,722	b For terminated vested participants	523	2,450,979	2,450,979	c For active participants	132	556,279	570,571	d Total	1,008	6,170,980	6,185,272
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4 If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">a Funding target disregarding prescribed at-risk assumptions</td> <td style="width: 10%; text-align: center;">4a</td> <td style="width: 20%;"></td> </tr> <tr> <td>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</td> <td style="text-align: center;">4b</td> <td></td> </tr> </table>			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															
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5 Effective interest rate..... 5 6.29%																						
6 Target normal cost																						
6 0																						
Statement by Enrolled Actuary To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.																						
SIGN HERE	<u>CDP</u> Signature of actuary <u>Carlos De la Parra</u> Type or print name of actuary <u>Willis Towers Watson</u> Firm name <u>345 California Street, Suite 2000</u> <u>San Francisco CA 94104</u> Address of the firm	<u>10/10/2017</u> Date <u>1707455</u> Most recent enrollment number <u>415-733-4100</u> Telephone number (including area code)																				

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

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

Schedule SB (Form 5500) 2016
v. 160205

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Part V Assumptions Used to Determine Funding Target and Target Normal Cost			
21 Discount rate:			
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 % <input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.			27
Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years			
28 Unpaid minimum required contributions for all prior years			28 0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)			29 0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)			30 0
Part VIII Minimum Required Contribution For Current Year			
31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)			31a 0
b Excess assets, if applicable, but not greater than line 31a			31b 0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount			33
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)			34 0
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0
36 Additional cash requirement (line 34 minus line 35)			36 0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)			37 0
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)			38a 0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances			38b 0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)			39 0
40 Unpaid minimum required contributions for all years			40 0
Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)			
41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years			
b Eligible plan year(s) for which the election in line 41a was made <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011			
42 Amount of acceleration adjustment			42
43 Excess installment acceleration amount to be carried over to future plan years			43

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of December 31, 2016

See Statement of Actuarial Assumptions and Methods in Part V for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

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Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Verity Health System
EIN/PN	91-2145484/005
Plan Name	Verity Health System Retirement Plan B
Valuation Date	December 31, 2016
Enrolled Actuary	Carlos De la Parra
Enrollment Number	17-07455

The Verity Health System Retirement Plan B (“the Plan” or “Plan B”) was established on December 31, 2016, in connection with a spinoff from the Verity Health System Retirement Plan A (“Prior Plan”, formerly known as the Verity Health System Retirement Plan). If a benefit was designated to be spun off into Plan B, the participant in the Prior Plan became a participant in this plan on December 31, 2016 and would no longer participate in the Prior Plan as of such date. In essence, Plan B is a continuation of participation in the Prior Plan. The transfer of assets and liabilities from the Prior Plan to Plan B as of the last day of the Plan Year, December 31, 2016 is “de minimis” as defined under IRC Section 414(I).

The IRS has not issued formal guidance on determining funding requirements for a plan that was involved in a spinoff. Therefore we have relied on the “reasonable interpretation” provisions of PPA, pre-PPA guidance and available informal guidance from the IRS, such as Enrolled Actuary Gray Book guidance prepared by the IRS in conjunction with the actuarial profession.

Guidance in Rev. Proc. 2000-41 Section 3.03 provided that a de minimis spin-off is treated as a new plan for minimum funding purposes. As a result, it inherits no funding balances, shortfall amortization bases, asset smoothing history or funding method election history from the original plan, and can choose its own funding methods.

The contribution requirement for the short plan year beginning December 31, 2016 and ending December 31, 2016 has been determined based on the following:

- 1) A valuation of the Plan liabilities as of December 31, 2016 has been performed.
- 2) The Actuarial Value of Assets has been determined as the fair market value of assets on December 31, 2016 (no asset smoothing history).
- 3) The Plan’s surplus is the excess of the Actuarial Value of Assets over the Funding Target at December 31, 2016 as determined in (1) and (2) above.
- 4) The target normal cost is zero since all plan benefits are frozen and no plan expenses are expected during the short (one-day) plan year.

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The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan Name: Verity Health System Retirement Plan B
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Plan Sponsor: Verity Health System
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SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Sponsor

Verity Health System

Effective Date and Most Recent Amendment

The plan was originally effective December 31, 2016 as a result of the spin-off of assets and liabilities from the Verity Health System Retirement Plan A ("prior plan", formerly the Verity Health System Retirement Plan).

Credited Service

The sum of (1) and (2), subject to (3):

- (1) Vesting service credited from the Effective Date of Participation, or from date used for crediting Past Service.
- (2) Credited Future Service
- (3) For participants at the O'Connor and St. Louise Divisions, there will be no more credited service granted after December 31, 2000. For non-contractual participants in all health ministries, there will be no more credited service granted after February 28, 2011. For members of UNAC and SEIU, there will be no more credited service granted after December 31, 2011 and December 31, 2012 respectively.

Vesting Service

The sum of (1) and (2):

- (1) Service credited for vesting purposes under the prior plan as of the Effective Date of Participation.
- (2) Plan years from the Effective Date of Participation during which at least 1,000 hours of service are credited. Pro rata credit is given for initial year and termination year.

Highest Average Earnings

Highest five consecutive complete or partial plan years of earnings in the last ten years of employment. Earnings include W-2 compensation subject to FICA tax plus any compensation deferred under an IRC

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Section 125 or Section 401(k) or Section 403(b) plan. Compensation is limited as required under Internal Revenue Code Section 401(a)(17).

Covered Compensation

A 35-year average of the Maximum Taxable Wages (MTW) under social security. The MTW is the annual limit on wages subject to the FICA tax for social security. The 35-year period ends with the year the employee reaches eligibility for an unreduced social security benefit (age 65, 66, or 67 depending on the year the employee was born).

Normal Retirement Benefit

Eligibility: Age 65.

Annual Benefit: The greater of (i) or (ii) (or (iv), for St. Vincent participants) plus (iii)

- (i) Equal to (a) plus (b) multiplied by (c), plus (d) plus (e):
 - (a) 1.00% (1.25% for Regional Office Executives) of Highest Average Earnings up to Covered Compensation,
 - (b) 1.50% (1.75% for Regional Office Executives) of Highest Average Earnings in excess of Covered Compensation,
 - (c) Credited Future Service to a maximum of 35 years,
 - (d) 1.00% (1.25% for Regional Office Executives) of Highest Average Earnings multiplied by Credited Future Service in excess of 35 years,
 - (e) Any Accrued Benefit from a Prior Plan formula.
- (ii) \$180 multiplied by Credited Total Service.
- (iii) An annuity provided by an employer contribution of \$.35 (\$.50 for Regional Office Executives) for each \$1.00 contributed by the participant to the Verity Health System Retirement Plan TSA Savings Plan up to 5% (6% for Regional Office Executives) of earnings (maximum employee contribution of \$14,000 for 2005). The contributions accumulate at the 30-year US Treasury securities rate to termination and at 5% thereafter. The annuity is equal to the actuarial equivalent of the projected age 65 balance using 417(e) assumptions, adjusted for early retirement and/or form of payment.

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No future employer match contributions will accrue after 1/1/2009.

(iv) Same as (i) using Credited Total Service in place of Credited Future Service, and excluding (e).

Normal Form of Retirement Income: Life annuity for single participants; actuarially reduced joint and 50% to surviving spouse annuity for married participants.

For participants at the O'Connor and St. Louise Divisions, there will be no more credited service granted after December 31, 2000. Compensation for calculating accrued benefits is allowed to continue.

Benefits were frozen, including compensation, for non-contractual participants effective February 28, 2011.

Benefits were frozen, including compensation, for members of UNAC effective December 31, 2011.

Benefits were frozen, including compensation, for members of SEIU effective December 31, 2012.

Late Retirement Benefit

If retirement occurs after the normal retirement date, the late retirement income will be based on the plan formula using credited service and final average monthly compensation as of the late retirement date.

Accrued Benefit

The participant's accrued benefit at any given date is determined under the normal retirement formula shown above, but is based on current years of benefit service, final average compensation, and covered compensation.

Early Retirement Benefit

Eligibility: Age 55 and 5 years of Vesting Service.

Monthly Benefit: The normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of early retirement. The benefit is reduced 5/12 of 1% for each month that payment precedes the normal retirement date.

Disability Benefit

Eligibility: Physically or mentally impaired, preventing a participant from working for at least six months; disabled under the terms of the Verity Health System Retirement Plan Long-Term Disability Plan; or eligible for and receiving Social Security disability benefits. At least five years of Vesting Service at the date of disablement are required in order to receive the benefit provided by the employer contributions

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corresponding to the participants' contributions to the TSA Savings Plan. At the O'Connor and St. Louise divisions, no participant shall become disabled participant on or after January 1, 2001.

Monthly Benefit: The normal retirement benefit, assuming Credited Service and Earnings continue until normal retirement date. Immediate lump sum equal to the accumulated contributions matching the TSA Savings Plan.

Vested Benefits Upon Termination of Service

Vesting: A participant is 100% vested upon completion of 3 years of Vesting Service, or upon reaching age 65.

Monthly Benefit: The normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of termination. The benefit is not reduced when deferred to age 65. When retirement eligibility requirements are met, and the benefit is taken early, the reduction is 5/12 of 1% for each month that payment precedes the normal retirement date.

Pre-Retirement Death Benefits

1. Eligibility: Spouse of a participant who dies with five years of Vesting Service for basic benefit; immediate for Verity Health System Retirement Plan TSA Savings Plan match.

2. Benefit:

(i) Death of an active vested participant:

50% of the normal retirement benefit, based on Highest Average Earnings and Credited Service at the time of death. Immediate Lump Sum payment of accumulated employer contributions matching the TSA contributions. The benefit is reduced for payment under the Qualified 50% Joint and Survivor option, but it is not reduced for early payment. The benefit is payable immediately to the surviving spouse and continues for life with a minimum of 60 monthly payments. If a spouse does not survive the participant, the benefit is paid to eligible children for a minimum of 60 months and continues until the youngest child reaches age 21. In the case of no surviving spouse or child, the benefit is paid to the designated beneficiary for 60 months.

(ii) Death of terminated vested participant:

50% of the deferred vested benefit, reduced for payment under the Qualified 50% Joint and Survivor option and for early payment. The benefit is payable to the surviving spouse for life. If the participant had attained age 55, payment begins immediately; otherwise, payment is deferred to the date the participant would have attained age 55.

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Changes in Plan Provisions Since Last Actuarial Valuation

Effective December 31, 2016, the plan only covers designated individuals spun off from the Verity Health System Retirement Plan A.

Substantive Commitments

No substantive commitments other than the above plan provisions have been included in this valuation

Plan Name: Verity Health System Retirement Plan B
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Plan Sponsor: Verity Health System
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