



Appalachian Regional Healthcare

APPALACHIAN REGIONAL HEALTHCARE, INC.

VOLUNTARY PLAN

Summary Plan Description

Current as of January 1, 2009
Restatement date

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APPALACHIAN REGIONAL HEALTHCARE, INC. VOLUNTARY PLAN

SUMMARY PLAN DESCRIPTION

INTRODUCTION TO YOUR PLAN

Appalachian Regional Healthcare, Inc. Voluntary Plan ("Plan") has been adopted to provide you with the opportunity to save for retirement on a tax-advantage basis. This Plan is a type of retirement plan commonly referred to as a 403(b) plan or TSA (Tax Sheltered Annuity). This Summary Plan Description ("SPD") contains valuable information regarding when you may become eligible to participate in the Plan, your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this Summary Plan Description ("SPD") to get a better understanding of your rights and obligations under the Plan.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Administrator. The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About The Plan."

This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language under this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This SPD describes the current provisions of the Plan, as designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as ERISA (the Employee Retirement Income Security Act), the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or Department of Labor (DOL). We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

ARTICLE I PARTICIPATION IN THE PLAN

Am I eligible to participate in the Plan?

You are eligible to participate in the Plan, if you are not an excluded employee. The excluded employees are employees who are eligible to participate in another 403(b) plan, or in a 401(k) plan or 457(b) plan that the Employer sponsors (specifically, the Appalachian Regional Healthcare, Inc. Thrift Plan).

When am I eligible to participate in the Plan?

Provided you are not an excluded employee, you will be eligible to participate in the Plan commencing on your date of hire. This means that you may elect to make elective deferrals commencing with your first paycheck from the Employer.

What happens if I'm a participant, terminate employment and then I'm rehired?

If the Employer rehires you following your prior termination of employment, you may commence elective deferrals immediately upon your re-hire unless you are an excluded employee. If you leave the Employer to enter qualified military service and the Employer re-hires you under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), you will have the right to make-up the elective deferrals which you could have made while engaged in qualified military service. If you think this may apply to you, ask the Administrator for more information.

ARTICLE II CONTRIBUTIONS

What kind of contributions may I make to the Plan and how do my contributions affect my taxes?

As a participant under the Plan, you may elect to reduce your compensation by a specific percentage or dollar amount and have that amount contributed to the Plan on a pre-tax basis. The plan refers to this as an "elective deferral." Your taxable income is reduced by the elective deferral contributions so you pay less federal income taxes. However, your elective deferrals are subject to Social Security taxes at the time of deferral. Later, when the Plan distributes the deferrals and earnings, you will pay the taxes on those deferrals and the earnings. Federal income taxes on the pre-tax deferral contributions and on the earnings are only postponed. See "What are my tax consequences when I receive a distribution from the Plan?".

How much may I contribute to the Plan?

Your total elective deferrals in any calendar year may not exceed a certain dollar limit which is set by law ("elective deferral limit"). The elective deferral limit for 2010 is \$16,500. After 2010, the elective deferral limit may increase for cost-of-living adjustments. You may also defer more than the elective deferral limit if you are eligible to make one or both kinds of "catch-up deferrals" described below.

If you are age 50 or will attain age 50 before the end of a calendar year, you may make additional deferrals (called "age 50 catch-up deferrals") for that year. If you meet the age 50 requirement and exceed the elective deferral limit described above, then any excess amount will be an age 50 catch-up deferral. The maximum age 50 catch-up deferral that you may make in 2010 is \$5,500. After 2010, the maximum age 50 catch-up deferral may increase for cost-of-living adjustments.

If you have completed at least 15 years of service with the Employer, and the Employer is a "qualified organization," you may make "qualified organization catch-up deferrals" which exceed the elective deferral limit. A qualified organization catch-up increases the elective deferral limit by the lesser of: (1) \$3,000; (2) \$15,000 reduced by all amounts excluded from your gross income for prior taxable years by reason of your prior qualified organization catch-up deferrals; or (3) the excess of \$5,000 multiplied by the number of years of service with the Employer, over your elective deferrals (including qualified organization catch-ups, but excluding age 50 catch-ups) made for prior calendar years. This means that the maximum qualified organization catch-up deferral you may contribute is \$3,000 in any calendar year. A "qualified organization" is an educational organization, hospital, home health service agency, health and welfare service agency, or a church-related organization. See the Administrator for more information if you think you may qualify for qualified organization catch-up deferrals.

If you qualify for both the age 50 catch-up and the qualified service organization catch-up, you may contribute both types of catch-up deferrals.

You should also be aware that the annual elective deferral limit is an aggregate limit which applies to all deferrals you may make under this Plan and any other 403(b) plans, simplified employee pensions or 401(k) plans in which you may be participating, including those of another employer. Generally, if your total deferrals under all of these arrangements for a calendar year exceed the annual elective deferral limit, then you must include the excess deferrals in your income for the year. If you make excess deferrals you should request in writing that the excess deferrals be returned to you. If you fail to request such a return, you may be taxed a second time when the excess deferral is ultimately distributed from the Plan.

You must decide which plan you would like to have return the amount of any excess deferral. If you decide that this Plan should distribute the excess, you should communicate this in writing to the Administrator no later than the March 1st following the close of the calendar year in which you made the excess deferrals. However, if you contribute excess deferrals in this Plan or any other plan maintained by us, then you will be deemed to have notified the Administrator of the excess. The Administrator will then return the excess deferrals and any earnings thereon to you by April 15 of the year following the calendar year in which you made the excess deferrals.

You should be aware that there is also another limit (known as the "415 limit"), which may apply to you if you participate in other retirement plans maintained by the Employer or by certain other employers. Beginning in 2010, this total cannot exceed the lesser of \$49,000 or 100% of your "includible compensation." The dollar limit may be adjusted after 2010 for cost-of-living increases. If you participate in other plans, you should obtain additional information about possible application of the 415 limit from the Administrator.

May I contribute after I have terminated employment?

No, you may not make elective deferrals to the Plan after you terminate employment with the Employer, except that any salary reduction agreement you have in effect will apply to your last paycheck, even if you receive the paycheck after you terminate.

Am I vested in my elective deferrals and earnings?

You will always be 100% vested in your elective deferrals to the Plan and in the earnings on your deferrals. This means that when you become entitled to a distribution from the Plan, you will always be entitled to all amounts that are in your Plan account. The amount in your account will be affected by the Plan investments. See "How is the money in the Plan invested?" below.

How do I make an election to defer?

You must enter into a salary reduction agreement, which the Administrator will provide to you. The salary reduction agreement will explain various rules, including any minimum or maximum amount, which you may defer.

How often can I modify the amount I contribute?

You will be permitted to modify your deferral election (or stop your deferrals) at least once during the Plan year. See the salary reduction agreement for specifics on modifying your deferral election.

Will the Employer contribute to my account?

No. This Plan only permits you to make elective deferrals.

To what compensation does my salary reduction agreement apply?

For the purposes of applying your Salary Reduction Agreement under the Plan (e.g., you elect to defer 5% of compensation), compensation is all your compensation from the Employer that the Employer reports on your W-2 Form, but excluding the following:

- reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits, and
- post-severance compensation.

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize compensation in excess of a certain dollar limit. The limit for the Plan year beginning in 2010 is \$245,000. This amount will be adjusted after 2010 for cost-of-living increases.

May I make "rollover" contributions to the Plan?

At the discretion of the Administrator, you may be permitted to deposit into the Plan distributions you have received from other plans and IRAs, provided such distributions are legally qualified to be rolled over into this Plan. Such a deposit is called a "rollover" and may result in tax savings to you. You may ask your prior plan administrator to directly transfer (a "direct rollover") to this Plan all or a portion of any amount which you are entitled to receive as a distribution from a prior plan. Alternatively, if you received a distribution from a prior plan, you may elect to deposit any amount eligible for rollover within 60 days of your receipt of the distribution. You should consult a qualified tax advisor to determine if a rollover to this Plan is permitted and in your best interest.

Your rollover will be placed in a separate account called a "rollover account." You will always be 100% vested (your ownership rights) in your "rollover account." This means that you will always be entitled to all of your rollover contributions. Rollover contributions will be affected by any investment gains or losses.

The Administrator will inform you of the plans and IRAs from which you may make "rollover" contributions.

How is the money in the Plan invested?

The Plan assets may be invested only in annuity contracts issued by an insurance company. See the Administrator for further details regarding permissible investments.

You will be able to direct the investment of your Plan account, including your elective deferrals and any rollover balances. The Administrator will provide you with information on the investment choices available to you, the frequency with which you can change your investment choices and other information. Periodically, you will receive a benefit statement that provides information on your account balance and your investment returns. If you have any questions about the investment of your Plan accounts, please contact the Administrator. If you do not direct the investment of your Plan account, then your account will be invested in accordance with the default investment alternatives the Employer establishes under the Plan.

The Plan is intended to comply with Section 404(c) of ERISA (the Employee Retirement Income Security Act). If the Plan complies with this Section, then the fiduciaries of the Plan, including the Employer and the Administrator, will be relieved of any legal liability for any losses, which are the direct and necessary result of the investment directions that you give. You must follow procedures in giving investment directions. If you fail to do so, then your investment directions need not be followed. You are not required to direct investments. If you do not direct the investment of your applicable Plan accounts, then your accounts will be invested in accordance with the default investment alternatives as established under the Plan.

When you direct investments, your account is segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance for other participants who have directed their own investments.

You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur. The Employer and the Administrator will not provide investment advice or guarantee the performance of any investment you choose.

Will Plan expenses be deducted from my account balance?

Expenses allocated to all accounts. The Plan permits the payment of Plan expenses to be made from the Plan's assets. If expenses are paid using the Plan's assets, then the expenses will generally be allocated among the accounts of all participants in the Plan. These expenses will be allocated either proportionately based on the value of the account balances or as an equal dollar amount based on the number of participants in the Plan. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated proportionately to each participant. If the Plan pays \$1,000 in expenses and there are 100 participants, your account balance would be charged \$10 ($\$1,000/100$) of the expense.

ARTICLE III DISTRIBUTIONS

When may I receive a distribution of my Plan account?

You may elect to receive distribution of your account, after you terminate employment with the Employer for any reason and at any age. You may also be able to receive a plan distribution while you

are still employed by the Employer. See "May I receive a distribution from my account while I am still working for the Employer?" below.

May I elect to postpone my distribution after I terminate employment?

Yes, unless the provisions of the investment product you select provide otherwise. You must begin taking Plan distributions by April 1 of the year which follows the later of the calendar year in which you: (i) attain age 70 1/2; or (ii) terminate employment with the Employer. See the Administrator for more information regarding required minimum distributions at your required beginning date.

What is the Plan's normal retirement age?

The Plan's normal retirement age is 65. Normal retirement age does not control when you can receive distributions under the Plan.

What form of distribution will I receive after I terminate employment?

There are various methods by which benefits may be distributed to you from the Plan. The method depends on your marital status, as well as the elections you and your spouse make. All methods of distribution, however, have equivalent values. The rules under this Article apply to all distributions you will receive from the Plan, whether by reason of retirement, termination, or any other event which may result in a distribution of benefits.

If you are married on the date your benefits are to begin, you will automatically receive a joint and 50% survivor annuity, unless you otherwise elect an alternative form of payment. This means that you will receive payments for your life, and upon your death, your surviving spouse will receive a monthly benefit for life equal to 50% of the benefit you were receiving at the time of your death. Alternatively, you may select a joint and 75% survivor annuity. A joint and survivor annuity may provide a lower monthly benefit than other forms of payment. You should consult a qualified tax advisor before making such election.

If you are not married on the date your benefits are to begin, you will automatically receive a life annuity, which means you will receive payments for as long as you live.

However, regardless of the preceding, if your account does not exceed \$5,000, then the Administrator will direct distribution of your benefit to you in a single lump-sum payment.

If your account exceeds \$5,000, you must consent to the distribution before it may be made. In addition, if your vested benefit exceeds \$5,000 and you want the distribution to be in a form other than an annuity, you (and your spouse, if you are married) must first waive the annuity form of payment.

May I elect another form of benefit?

When you are about to receive any distribution, the Administrator will explain the joint and survivor annuity or the life annuity to you in greater detail. You will be given the option of waiving the joint and survivor annuity or the life annuity form of payment during the 180-day period before the annuity is to begin. **IF YOU ARE MARRIED, YOUR SPOUSE MUST IRREVOCABLY CONSENT IN WRITING TO THE WAIVER IN THE PRESENCE OF A NOTARY OR A PLAN REPRESENTATIVE.** You may revoke any waiver. The Administrator will provide you with forms to

make these elections. Since your spouse participates in these elections, you must immediately inform the Administrator of any change in your marital status.

If you and your spouse elect not to take a joint and survivor annuity, or if you are not married when your benefits are scheduled to begin and have elected not to take a life annuity, you may elect an alternative form of payment available under the investment product you have selected. This payment may be made in one of the following methods:

May I elect to roll over my account to another plan or IRA?

If you are entitled to a distribution of more than \$200, then you may elect whether to receive the distribution or to roll over the distribution to another retirement plan such as an individual retirement account ("IRA"). If you terminate employment and your vested interest in the Plan exceeds \$1,000 and does not exceed \$5,000 and you do not elect either to receive or to roll over the distribution, then your distribution must be rolled over to an IRA ("automatic rollover"). The IRA provider will invest the automatic rollover funds in a type of investment designed to preserve principal and provide a reasonable rate of return and liquidity (e.g., an interest-bearing account, a certificate of deposit or a money market fund). The IRA provider will charge your account for any expenses associated with the establishment and maintenance of the automatic rollover IRA and with the IRA investments. You may transfer the IRA funds to any other IRA you choose. You will be provided with details regarding your distribution rights and the automatic rollover IRA at the time you are entitled to a distribution. However, you may contact the Plan Administrator at the address and telephone number indicated below for further information regarding the Plan's automatic rollover provisions, the IRA provider, and the fees and expenses associated with the IRA.

May I receive a distribution from my account while I am still working for the Employer?

You may not receive any distributions from your account while you are still working for the Employer before you attain age 59 1/2 EXCEPT in the event of death or disability.

You may be able to receive a distribution before you attain age 59 1/2 if you have a financial hardship. Please see your Administrator for further details.

May I receive a loan from the Plan?

You may be able to borrow from your Plan account depending on the plan's policies and the provisions of the investment product(s) you have selected. There are many complex rules affecting Plan loans and the Administrator can provide more information about Plan loans, if any are available.

**ARTICLE IV
DEATH BENEFITS**

What happens if I die while working for the Employer?

If you die while still employed, then your entire account balance will be used to provide your beneficiary with a death benefit.

Who is the beneficiary of my death benefit?

If you are married, your beneficiary as to 50% of your account is your surviving spouse. The beneficiary of the other 50% of your account is the person or persons whom you designate on a form the Administrator provides for this purpose. **IF YOU WISH TO DESIGNATE A BENEFICIARY OTHER THAN YOUR SPOUSE AS TO 50% OF YOUR ACCOUNT, YOUR SPOUSE MUST IRREVOCABLY CONSENT TO WAIVE ANY RIGHT TO THE DEATH BENEFIT. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY OR A PLAN REPRESENTATIVE AND ACKNOWLEDGE THE SPECIFIC NON-SPOUSE BENEFICIARY.** If you are not married, your beneficiary is the person or persons whom you designate on a form the Administrator provides for this purpose.

If you are married and you change your designation, then your spouse must again consent to the change, unless he/she waives that right. In addition, you may elect a beneficiary other than your spouse without your spouse's consent if your spouse cannot be located.

If no valid designation of beneficiary exists, or if the beneficiary is not alive when you die, then the death benefit will be paid in the following order, unless the investment provider's documentation says otherwise:

- (a) Your surviving spouse;
- (b) Your children, including adopted children, and if a child dies before you, to their children, if any;
- (c) Your surviving parents, in equal shares; or
- (d) Your estate.

How will the death benefit be paid to my beneficiary?

The death benefit payable to your spouse will be in the form of an annuity, that is, periodic payments over the life of your spouse. Your spouse may direct that payments begin within a reasonable period of time after your death. The size of the monthly payments will depend on the value of your account at the time of your death.

You may waive this survivor annuity form of distribution. Generally, the period during which you and your spouse may waive this survivor annuity begins as of the first day of the Plan year in which you reach age 35 and ends when you die. The Administrator must provide you with a detailed explanation of the survivor annuity. This explanation must be given to you during the period of time beginning on the first day of the Plan year in which you will reach age 32 and ending on the first day of the Plan year in which you reach age 35.

Under a special rule, you and your spouse may waive the survivor annuity form of payment any time before you turn age 35. However, any waiver will become invalid at the beginning of the Plan year in which you turn age 35, and you and your spouse will be required to make another waiver.

It is, therefore, important that you inform the Administrator when you turn age 32 so that you may receive this information.

If you waive the annuity form of distribution, or if you are not married, the death benefit will be distributed under a method available for the investment product you have selected.

When must the last payment be made to my beneficiary?

If your designated beneficiary is a person (other than your estate or most trusts) then minimum distributions of your death benefit must generally begin within one year of your death and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, the start of payments may be delayed until the year in which you would have attained age 70 1/2. Generally, if your beneficiary is not a person, then your entire death benefit must be paid within five years after your death. Some investment products may allow a person to use this five year rule. See the Plan Administrator for further details.

Since your spouse has certain rights in the death benefit, you should immediately report any change in your marital status to the Administrator.

What happens if I'm a participant, terminate employment and die before receiving all my benefits?

If you terminate employment with the Employer and subsequently die, your beneficiary will be entitled to your remaining account balance at the time of your death. However, if you are receiving an annuity distribution at the time of your death, your designated beneficiary, if any, may receive nothing or may be entitled to any remaining payments according to the annuity contract.

**ARTICLE V
DISABILITY BENEFITS**

How is disability defined?

Under the Plan, disability is defined as the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration. A particular investment product may use a different definition. You may be required to submit to a physical examination to determine whether you are disabled.

What happens if I become disabled?

If you become disabled while a participant, you will be entitled to distribution of your account balance. Payment of your disability benefits will be made to you as if you had terminated employment without disability.

ARTICLE VI TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution.

Can I reduce or defer tax on my distribution?

You may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

(a) The rollover of all or a portion of the distribution you actually receive to a traditional Individual Retirement Account (IRA) or another qualified employer plan. This will result in no tax being due until you begin withdrawing funds from the traditional IRA or other eligible employer plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances all or a portion of a distribution may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, the direct rollover option described in paragraph (b) below would be the better choice.

(b) For most distributions, you may request that a "direct rollover" of all or a portion of the distribution to either a traditional Individual Retirement Account (IRA) or another qualified employer plan willing to accept the rollover. A direct rollover will result in no tax being due until you withdraw funds from the traditional IRA or other qualified employer plan. Like the 60-day rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct rollover, e.g., a distribution of less than \$200 will not be eligible for a direct rollover. If you elect to actually receive the distribution rather than request a direct rollover, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

(c) If you decide to directly roll over all or a portion of your distribution amount, you (and your spouse, if you are married) must first waive the annuity form of payment. (See the question "May I elect another form of benefit?" found in the Article entitled "Distributions" for a further explanation of the waiver requirement.)

WHENEVER YOU RECEIVE A DISTRIBUTION, THE ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH A QUALIFIED TAX ADVISOR BEFORE MAKING A CHOICE.

ARTICLE VII PROTECTED BENEFITS AND CLAIMS PROCEDURES

Is my benefit protected?

As a general rule, your interest in your account may not be alienated. This means your interest may not be sold, used as collateral for a loan, given away or otherwise transferred. In addition, in general, your creditors may not attach, garnish or otherwise interfere with your account. However, creditor protection of Plan assets is a complex subject and may be affected by bankruptcy and other laws. If you want specific information about possible protection of your Plan account from creditors, you should consult a qualified advisor.

Are there any exceptions to the general rule?

Apart from possible access by creditors described above, there are two exceptions to the general rule. The Administrator must honor a "qualified domestic relations order." A "qualified domestic relations order" is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent. If a qualified domestic relations order is received by the Administrator, all or a portion of your benefits may be used to satisfy the obligation. The Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain, without charge, a copy of the Qualified Domestic Relations Order Procedure from the Administrator.

The second exception applies if you are involved with the Plan's administration. If you are found liable for any action that adversely affects the Plan, the Administrator can offset your benefits by the amount you are ordered or required by a court to pay the Plan. All or a portion of your benefits will be used to satisfy any such obligation to the Plan.

Can the Plan be amended?

Yes. The Employer may amend the Plan at any time. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

The Employer may terminate the Plan at any time. Upon termination, you may not make any additional elective deferrals to the Plan. The Administrator will distribute your account following Plan termination in a manner permitted by the Plan as soon as practicable. The Administrator will notify you of any modification or termination of the Plan.

How do I submit a claim for Plan benefits?

You or your beneficiaries may make a request for any Plan benefits to which you believe you are entitled. Any such request should be in writing and should be made to the Administrator or investment provider. An investment provider may have specific forms for this purpose.

If the Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Administrator will provide you with a written or electronic notification of the Plan's adverse determination. This written or electronic notification must be provided to you within a reasonable period of time, but not later than 90 days after the receipt of your claim by the Administrator, unless the Administrator determines that special circumstances require an extension of time for processing your claim. If the Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 90-day period. In no event will such extension exceed a period of 90 days from the end of such initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the benefit determination.

In the case of a claim for disability benefits, the Administrator will provide you with written or electronic notification of the Plan's adverse benefit determination within a reasonable period of time, but not later than 45 days after receipt of the claim by the Plan. This period may be extended by the Plan for up to 30 days, provided that the Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies you, prior to the expiration of the initial 45 day period, of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision. If, prior to the end of the first 30-day extension period, the Administrator determines that, due to matters beyond the control of the Plan, a decision cannot be rendered within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Administrator notifies you, prior to the expiration of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the Plan expects to render a decision. In the case of any such extension, the notice of extension will specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues, and you will be afforded at least 45 days within which to provide the specified information.

The Administrator's written or electronic notification of any adverse benefit determination must contain the following information:

- (a) The specific reason or reasons for the adverse determination.
- (b) Reference to the specific Plan provisions on which the determination is based.
- (c) A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.
- (d) Appropriate information as to the steps to be taken if you or your beneficiary want to submit your claim for review.

(e) In the case of disability benefits:

(1) If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion; or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of the rule, guideline, protocol, or other similar criterion will be provided to you free of charge upon request.

(2) If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided to you free of charge upon request.

If your claim has been denied, and you want to submit your claim for review, you must follow the Claims Review Procedure in the next question.

What is the Claims Review Procedure?

Upon the denial of your claim for benefits, you may file your claim for review, in writing, with the Administrator.

(a) YOU MUST FILE THE CLAIM FOR REVIEW NO LATER THAN 60 DAYS AFTER YOU HAVE RECEIVED WRITTEN OR ELECTRONIC NOTIFICATION OF AN ADVERSE BENEFIT DETERMINATION.

HOWEVER, IF YOUR CLAIM IS FOR DISABILITY BENEFITS, YOU MUST FILE THE CLAIM FOR REVIEW NO LATER THAN 180 DAYS FOLLOWING RECEIPT OF NOTIFICATION OF AN ADVERSE BENEFIT DETERMINATION.

(b) You may submit written comments, documents, records, and other information relating to your claim for benefits.

(c) You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

(d) Your claim for review must be given a full and fair review. This review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

In addition to the Claims Review Procedure above, if your claim is for disability benefits, then the Claims Review Procedure provides that:

(a) Your claim will be reviewed without deference to the initial adverse benefit determination and the review will be conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual.

(b) In deciding an appeal of any adverse benefit determination that is based in whole or part on medical judgment, the appropriate named fiduciary will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment.

(c) Any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your adverse benefit determination will be identified, without regard to whether the advice was relied upon in making the benefit determination.

(d) The health care professional engaged for purposes of a consultation under (b) above will be an individual who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual.

The Administrator will provide you with written or electronic notification of the Plan's benefit determination on review. The Administrator must provide you with notification of this denial within 60 days after the Administrator's receipt of your written claim for review, unless the Administrator determines that special circumstances require an extension of time for processing your claim. If the Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 60-day period. In no event will such extension exceed a period of 60 days from the end of the initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the determination on review. However, if your claim relates to disability benefits, then 45 days will apply instead of 60 days in the preceding sentences. In the case of an adverse benefit determination, the notification will set forth:

(a) The specific reason or reasons for the adverse determination.

(b) Reference to the specific Plan provisions on which the benefit determination is based.

(c) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

(d) In the case of disability benefits:

(1) If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion; or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of the rule, guideline, protocol, or other similar criterion will be provided to you free of charge upon request.

(2) If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the specific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided to you free of charge upon request.

If benefits are provided or administered by an insurance company, insurance service, or other similar organization which is subject to regulation under the insurance laws, the claims procedure relating to those benefits may provide for review. If so, that company, service, or organization will be the entity to which claims are addressed. Ask the Administrator if you have any questions regarding the proper person or entity to address claims.

If you have a claim for benefits which is denied upon review, in whole or in part, you may file suit in a state or Federal court. However, to preserve your claim you must file suit within 180 days following the final administrative denial of your claim.

What are my rights as a Plan participant?

As a participant in the Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all Plan participants shall be entitled to:

- (a) Examine, without charge, at the Administrator's office and at other specified locations, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- (b) Obtain, upon written request to the Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Administrator may make a reasonable charge for the copies.
- (c) Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- (d) Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age and, if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension benefit, the statement will tell you how many years you have to work to get a right to a pension. THIS STATEMENT MUST BE REQUESTED IN WRITING AND IS NOT REQUIRED TO BE GIVEN MORE THAN ONCE EVERY TWELVE (12) MONTHS. The Plan will provide this statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your Employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Administrator to provide the materials and pay you up to \$110.00 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. You and your beneficiaries can obtain, without charge, a copy of the qualified domestic relations order ("QDRO") procedures from the Administrator.

If it should happen that the Plan's fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim is frivolous.

What can I do if I have questions or my rights are violated?

If you have any questions about the Plan, you should contact the Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

ARTICLE VIII PLAN EXPENSES

The Plan permits the payment of Plan expenses to be made from the Plan assets. If the Employer does not pay these expenses, then the expenses paid using the Plan's assets will generally be allocated among the accounts of all participants in the Plan. These expenses will be allocated either proportionately based on the value of the account balances or as an equal dollar amount based on the number of participants in the Plan. The method of allocating the expenses depends on the nature of the expense itself. For example, certain administrative (or recordkeeping) expenses would typically be allocated equally to each participant. If the Plan pays \$1,000 in expenses and there are 100 participants, your account balance would be charged \$10 (\$1,000/100) of the expense.

ARTICLE IX GENERAL INFORMATION ABOUT THE PLAN

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

General Plan Information

The full name of the Plan is Appalachian Regional Healthcare, Inc. Voluntary Plan.

This Plan was originally effective ca. 1986. The amended and restated provisions of the Plan became effective on January 1, 2009.

The Plan's records are maintained on a twelve-month period of time. This is known as the "Plan year." The Plan year is the fiscal year ending each June 30.

Certain valuations are made on or as of the Accounting Date of the Plan. This date is the last day of the Plan year.

The Plan will be governed by the laws of Kentucky.

Benefits provided by the Plan are NOT insured by the Pension Benefit Guaranty Corporation (PBGC).

Employer Information

The Plan sponsor's name, address, phone number, and employer tax identification number are:

Appalachian Regional Healthcare, Inc.
100 Airport Gardens Road
Hazard, Kentucky 41701
Phone: 606-487-7573
EIN: 52-0795508

Administrator Information

The Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation and directs the payment of your account at the appropriate time. The Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan and your participation, you should contact the Administrator. The Administrator may designate another person or persons to perform some duties of the Administrator, and some duties are the responsibility of the investment provider(s) to the plan.

The Employer, or the person or persons the Employer designates, is the Plan Administrator.

Service of Legal Process

The name and address of the Plan's agent for service of legal process are:

Appalachian Regional Healthcare, Inc.
100 Airport Gardens Road
Hazard, Kentucky 41701

Service of legal process may also be made upon the Administrator.

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