YOUR ARDENT HEALTH SERVICES RETIREMENT SAVINGS PLAN




Diversify for a healthier retirement outlook

Your Ardent Health Services Retirement Savings Plan offers a variety of investment options so you can create a personalized plan that aligns with your investing goals, risk tolerance, and retirement timeframe. As of January 17, 2014, the plan added three new funds that will allow you to further customize your investment portfolio. This letter describes how these funds may help bring added diversification to your investing strategy.

THE POWER OF DIVERSIFICATION

As you consider how to invest the money in your retirement plan, keep in mind that a diversified portfolio can help reduce risk and increase the potential for reward.

What is diversification?

Diversification is simply the act of mixing together different investment types in your retirement portfolio — such as stock funds, bond funds, and capital preservation funds. It's based on the idea that when one type of investment is performing poorly, another might be performing well. By owning a variety of investments, you can help reduce the impact of a decline in any one area. While you can still lose money in a diversified portfolio, spreading your money across different investments lets you increase your exposure to a greater number of market opportunities.

FINDING THE RIGHT MIX

Building a diversified portfolio starts by selecting funds from different asset classes, such as stocks and bonds. But a truly diversified portfolio should go one step further and diversify within each asset class.

Stock funds

For example, when selecting stock funds, it's a good idea to diversify across geographic region and company size. That's why the plan offers you a variety of large-, midsize-, and small-company stock funds, as well as international and domestic funds.

Mixed-asset funds

You may also want to diversify between traditional and nontraditional investment types. The new John Hancock II Alternative Asset Allocation Fund will help you do that. This fund invests in "alternative asset classes," such as international small-cap stocks, emerging market equity, commodities, global real estate, natural resources, bank loans, foreign currency trading strategies, managed futures, arbitrage strategies, and emerging market debt. These nontraditional asset categories generally have a low correlation with the broad US stock and bond market, which means they tend to perform differently. So, when economic and market conditions cause your traditional investments to perform poorly, these alternative investments may help offset those losses.

Bond funds

It's also important to diversify among bond funds. Here's an overview of the bond funds available in the plan and an explanation of how they differ.

> **Bond basics**
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> Bonds are essentially a promise to repay a loan. Companies or government entities issue bonds to raise money they need, and in return they promise to repay that money with interest. The interest is paid in the form of dividends. As a result, fixed-income funds are designed primarily to offer income potential for investors. They also bring a certain degree of stability to an investment portfolio, since bond funds tend to fluctuate in value less than stocks.

Vanguard Total Bond Market Index Fund — This fund invests in a broad selection of higher-quality US corporate bonds and US government bonds of all maturities (short-, intermediate-, and long-term). Because the fund invests in all segments and maturities of the fixed-income market, it is often considered a core bond holding. The fund uses an indexing investment approach designed to track the performance of the Barclays US Aggregate Float Adjusted Index.

PIMCO Total Return Fund — This is an actively managed fund that invests in a globally diverse selection of higher-quality, intermediate-term corporate and US government bonds. This fund is also considered a core bond holding, but emphasizes intermediate-term maturities and some global exposure.

Vanguard Inflation Protected Securities Fund (*NEW*) — This fund invests in US Treasury bonds whose principal is adjusted quarterly based on inflation. These bonds are known as TIPS (Treasury Inflation-Protected Securities). The fund is designed to protect investors from the eroding effect of inflation. This fund can complement a core bond holding by bringing added diversity and inflation protection.

Templeton Global Bond Fund (*NEW*) — This fund invests primarily in bonds of governments and government agencies located anywhere in the world. This fund can bring added geographic diversification to the bond portion of an investor's portfolio.

Bond diversity matters

Just as stock and bond funds perform differently in different market conditions, the various types of bond funds also respond in different ways.

> **Interest rate sensitivity**
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> When interest rates fall, bond prices increase. And when interest rates rise, bond prices fall. This happens because the interest rate that an individual bond pays stays the same for the life of the bond. When interest rates fall, new bonds that are issued will pay interest at that lower rate, making them less attractive to investors. Bonds issued before the drop in interest rates will still pay interest at the higher rate, and so investors are willing to pay a higher price for them. The opposite happens when interest rates rise.

Bond maturity

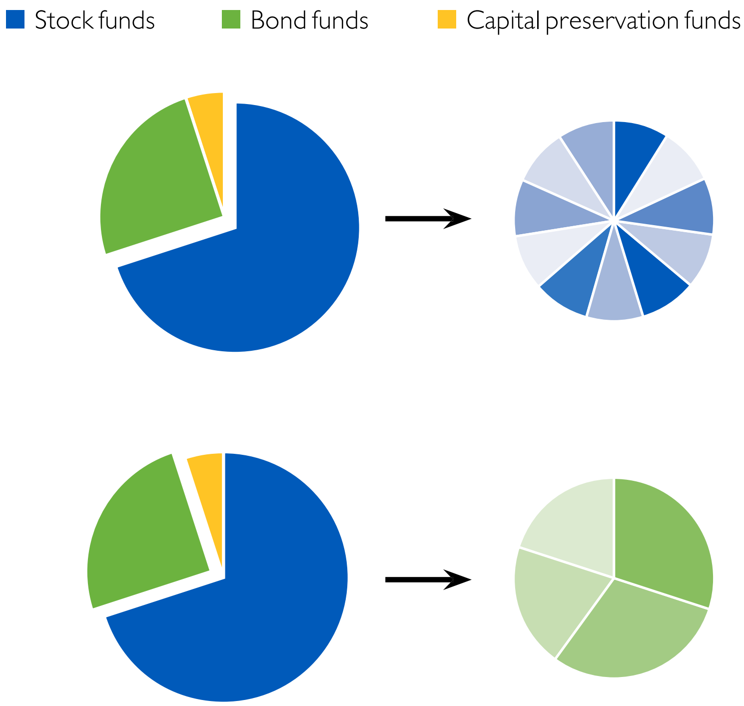
Bonds of different maturities (the amount of time until the bond repayment is due) react differently to changing interest rates. Because bond interest rates are locked in for the entire life of the bond, long-term bonds experience the biggest impact when interest rates rise or fall, and short-term bonds experience the least impact.

Bond geography

Since interest rates and other economic factors differ by country, bonds from different geographic areas may perform differently. Including some geographic diversity in your fixed-income portfolio can help reduce overall risk and increase potential reward.

A SAMPLE PORTFOLIO

Depending on the number of years before you expect to retire and your level of risk tolerance, you may want to invest in a variety of funds that include domestic and international stock funds of various sizes, a variety of bond funds, and a capital preservation fund. Here is a sample portfolio showing a long-term investing strategy with a moderate-to-aggressive risk tolerance.



Sample stock portfolio
Within the stock portion of your portfolio, consider including multiple investment styles and sizes to make sure you have exposure to different parts of the market.

Sample bond portfolio
Within the bond portion of your portfolio, consider including one or two core bond funds and then diversifying with other bond funds.

PICK YOUR MIX

The following funds are available to you when creating or adjusting your personalized investment strategy. You can find more information about these investment options on the plan's website, www.ibenefitcenter.com, or by calling the plan's toll-free number at 1-866-288-3250. Service representatives are available between 8 am and 10 pm ET, any business day.

Global/International
Vanguard International Stock Index Fund
American Funds EuroPacific Growth Fund

Small-Cap Domestic Equity
Allianz NFJ Small Cap Value Fund
Eagle Small Cap Growth Fund
Vanguard Small Cap Index Fund

Mid-Cap Domestic Equity
Vanguard Mid Cap Index Fund
Artisan Mid Cap Fund
Perkins Mid Cap Value Fund

Large/Multi-Cap Domestic Equity
Vanguard Institutional Index Fund
Putnam Equity Income Fund
T. Rowe Price New American Growth Fund

Mixed Asset/Alternative
John Hancock II Alternative Asset Allocation Fund (***NEW***)

Income/Bond
Vanguard Total Bond Market Index Fund
PIMCO Total Return Fund
Vanguard Inflation Protected Securities Fund (***NEW***)
Templeton Global Bond Fund (***NEW***)

Capital Preservation
Putnam Money Market Fund
Putnam Stable Value Fund

OR YOU CAN CHOOSE A PRE-DIVERSIFIED TARGET DATE FUND

Instead of mixing your own diversified portfolio of funds, you could select a single target-date fund. Your plan offers the following T. Rowe Price Retirement funds, which are professionally diversified and automatically adjust to become more conservative as you near retirement. Simply select the fund with the year that most closely matches your expected retirement year.

T. Rowe Price Retirement Income Fund

T. Rowe Price Retirement 2005 Fund

T. Rowe Price Retirement 2010 Fund

T. Rowe Price Retirement 2015 Fund

T. Rowe Price Retirement 2020 Fund

T. Rowe Price Retirement 2025 Fund

T. Rowe Price Retirement 2030 Fund

T. Rowe Price Retirement 2035 Fund

T. Rowe Price Retirement 2040 Fund

T. Rowe Price Retirement 2045 Fund

T. Rowe Price Retirement 2050 Fund

T. Rowe Price Retirement 2055 Fund

MANAGING YOUR ACCOUNT

You can change your contribution rate, make exchanges among funds, or change the funds in which your future contributions will be invested by logging on to the plan's website or by calling the plan's toll-free number.

FOR ASSISTANCE

Call 1-866-288-3250 between 8 am and 10 pm ET, any business day, to speak with a service representative.

Diversification does not ensure a profit or protect against a loss. It is possible to lose money in a diversified portfolio.

A short-term trading fee may apply to certain exchanges. For complete details, read the fund's prospectus, available on the plan's website, www.ibenefitcenter.com.

Investing involves risk, including the risk of loss.

Before investing, carefully consider the investment options' or funds' investment objectives, risks, charges, and expenses. Call 1-866-288-3250 or visit www.ibenefitcenter.com for an offering statement or prospectus and, if available, a summary prospectus containing this and other information. Read them carefully.