

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), 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 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☒ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>005</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2007</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>005</u>	1c Effective date of plan <u>01/01/2007</u>	
1b Three-digit plan number (PN) ▶	<u>005</u>				
1c Effective date of plan <u>01/01/2007</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>SUPERIOR TUBE COMPANY, INC.</u> <u>100 FRONT STREET</u> <u>WEST CONSHOHOCKEN, PA 19428-8760</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>86-1118863</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>610-397-2040</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>331110</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>86-1118863</u>	2c Sponsor's telephone number <u>610-397-2040</u>	2d Business code (see instructions) <u>331110</u>	
2b Employer Identification Number (EIN) <u>86-1118863</u>					
2c Sponsor's telephone number <u>610-397-2040</u>					
2d Business code (see instructions) <u>331110</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.	09/02/2010	MEGAN A. FERRY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/02/2010	MEGAN A. FERRY
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") SUPERIOR TUBE COMPANY, INC. 100 FRONT STREET WEST CONSHOHOCKEN, PA 19428-8760	3b Administrator's EIN 86-1118863 3c Administrator's telephone number 610-397-2040
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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
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5 Total number of participants at the beginning of the plan year	5	247
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	215
b Retired or separated participants receiving benefits.....	6b	7
c Other retired or separated participants entitled to future benefits.....	6c	23
d Subtotal. Add lines 6a , 6b , and 6c	6d	245
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	2
f Total. Add lines 6d and 6e	6f	247
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	1

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1C 1G 1B

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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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) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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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 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **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>SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN</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>SUPERIOR TUBE COMPANY, INC.</u>	D Employer Identification Number (EIN) <u>86-1118863</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2009</u>	
2 Assets:	
a Market value	2a <u>6053870</u>
b Actuarial value	2b <u>6659257</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>6</u> <u>109705</u>
b For terminated vested participants	3b <u>26</u> <u>98845</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>268389</u>
(2) Vested benefits	3c(2) <u>2328999</u>
(3) Total active	3c(3) <u>215</u> <u>2597388</u>
d Total	3d <u>247</u> <u>2805938</u>
4 If the plan is at-risk, check the box and complete items (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>8.14</u> %
6 Target normal cost	6 <u>984514</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>MARC DINERMAN, FSA</u>	Date <u>08-06448</u>
Type or print name of actuary <u>MERCER</u>	Most recent enrollment number <u>215-982-4600</u>
Firm name <u>1717 ARCH STREET, 27TH FLOOR PHILADELPHIA, PA 19103-2754</u>	Telephone number (including area code)
Address of the firm	

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

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

Schedule SB (Form 5500) 2009
v.092308.1

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 (Item 13 from prior year)	6903032	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	6903032	0
10	Interest on item 9 using prior year's actual return of <u>-5.91</u> %	-407969	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of <u>5.96</u> %		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	1940259	
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	4554804	0

Part III Funding percentages			
14	Funding target attainment percentage.....	14	75.00 %
15	Adjusted funding target attainment percentage.....	15	237.33 %
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	703.87 %
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 contribution 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 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If 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: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) 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 contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	984514
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 (item 31 + item 32a + item 32b – item 33)	34	984514
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	984514	0
36 Additional cash requirement (item 34 minus item 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	0
38 Interest-adjusted excess contributions for current year (see instructions)	38	
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

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
		2009
		This Form is Open to Public Inspection.
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN		B Three-digit plan number (PN) ▶ 005
C Plan sponsor's name as shown on line 2a of Form 5500 SUPERIOR TUBE COMPANY, INC.		D Employer Identification Number (EIN) 86-1118863

Part I	Service Provider Information (see instructions)
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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

(b) Enter name and EIN or address of person who provided you disclosure 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)

THE VANGUARD GROUP, INC.

23-1945930

(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?
15 52	NONE	188000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MERCER

13-2834414

(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?
11	NONE	112235	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

SUPERIOR GROUP INC.

23-2189013

(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?
13	PARENT COMPANY	16399	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

ELKO & ASSOCIATES

23-3063393

(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?
10	NONE	14714	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MORGAN LEWIS & BOCKIUS

23-0891050

(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?
29	NONE	11245	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(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 ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 SUPERIOR TUBE COMPANY, INC.	D Employer Identification Number (EIN) 86-1118863	

Part I	Asset and Liability Statement
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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)	6339	1590
(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)		
(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)	6206013	6707914
(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	6212352	6709504

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	158482	63464
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	158482	63464

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	6053870	6646040
---	-----------	---------	---------

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 Contributions:**

		(a) Amount	(b) Total
(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)	336962	
(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)		336962

(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

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	702764	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		702764
(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		1039726

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	93701	
(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)		93701
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)	138194	
(2) Contract administrator fees	2i(2)	165000	
(3) Investment advisory and management fees	2i(3)	27000	
(4) Other	2i(4)	27000	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		357194
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		450895

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		588831
l Transfers of assets:			
(1) To this plan.....	2l(1)		3339
(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: ELKO & ASSOCIATES

(2) EIN: 23-3063393

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 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		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	
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		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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.			

- 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)

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under 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). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SUPERIOR TUBE COMPANY, INC.</u>	D Employer Identification Number (EIN) <u>86-1118863</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<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>23-2926795</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>8</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)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☒ Yes	☐ No	☐ N/A

Part III	Amendments
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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(es). If no, check the "No" box.....	☒ Increase	☐ Decrease	☐ Both	☐ No
--	--	-----------------------------------	-------------------------------	-----------------------------

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2009
v.092308.1

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 items 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 items 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 items 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 items 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 items 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 items 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 item 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 items (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 item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____



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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of
the Superior Group, Inc. 2007 Retirement Plan
Conshohocken, Pennsylvania

We were engaged to audit the financial statements of the Superior Group, Inc. 2007 Retirement Plan (the "Plan") as of December 31, 2009 and 2008 and for the years then ended, and the supplemental schedules as of December 31, 2009, as listed in the table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Vanguard Fiduciary Trust Company, the Trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the Trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the plan administrator by the Trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the Trustee, 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Elko & Associates Ltd

Media, Pennsylvania
August 31, 2010

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

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Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the Trustee, 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Elko & Associates Ltd

Media, Pennsylvania
August 31, 2010

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	DECEMBER 31,	
	2009	2008
ASSETS		
INVESTMENTS		
Registered investment companies:		
Vanguard Intermediate-Term Inv Grade Admiral	\$ 3,328,270 *	\$ 3,132,524 *
Vanguard Short-Term Inv Grade Admiral	1,337,104 *	3,073,489 *
Vanguard Total Stock Market Index Fund	1,032,920 *	-
Vanguard Long-Term Inv Grade Fund	601,069 *	-
Vanguard Total International Stock Index Fund	408,551 *	-
Total Investments	6,707,914	6,206,013
CASH AND CASH EQUIVALENTS	<u>1,590</u>	<u>6,339</u>
Total Assets	6,709,504	6,212,352
LIABILITIES		
ACCOUNTS PAYABLE	<u>63,464</u>	<u>158,482</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 6,646,040</u>	<u>\$ 6,053,870</u>

* Represents 5% or more of net assets available for benefits.

The accompanying Notes are an integral part of these statements.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	FOR THE YEARS ENDED DECEMBER 31,	
	2009	2008
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Net appreciation in fair value of investments	\$ 702,764	\$ -
Interest and dividend income	336,962	819,236
Total Additions	1,039,726	819,236
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Net depreciation in fair value of investments	-	2,083,953
Benefits paid directly to participants	93,701	186,113
Administrative expenses	357,194	674,728
Total Deductions	450,895	2,944,794
NET CHANGE PRIOR TO TRANSFER OUT	588,831	(2,125,558)
ASSETS TRANSFERRED TO (FROM) OTHER PLAN	(3,339)	16,865,581
TRANSFER FROM PLAN SPONSOR	-	312
NET CHANGE	592,170	(18,990,827)
NET ASSETS AVAILABLE FOR BENEFITS - BEGINNING OF YEAR	6,053,870	25,044,697
NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	\$ 6,646,040	\$ 6,053,870

The accompanying Notes are an integral part of these statements.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE A - Description of Plan

The following description of the Plan provides only general information. Participants should refer to the Plan agreement, as amended, for a more complete description of the Plan's provisions.

The Plan became effective January 1, 2007 and covers all eligible employees of Superior Group, Inc. (the "Company") and certain of its domestic subsidiaries. Prior to the establishment of the Plan, the Company sponsored the Superior Group, Inc. Union Pension Plan for the benefit of its eligible union employees and the Superior Group, Inc. Retirement Plan for the benefit of its eligible nonunion employees. The Superior Group, Inc. Union Pension Plan was merged with and into the Superior Group, Inc. Retirement Plan, effective as of September 30, 2006. The Superior Group, Inc. Retirement Plan was terminated effective December 31, 2006. The Company contributed 25% of the surplus assets from the termination of the Superior Group Retirement Plan to the Plan in the amount of \$25,044,452.

In 2008, Sharp Corporation, a subsidiary of Superior Group, Inc. was sold to United Drug plc. Employees of Sharp Corporation participated in the Superior Group, Inc. 2007 Retirement Plan until the effective date of a separate Sharp Corporation Retirement Plan. Effective August 11, 2008 all Sharp participants became fully vested in their benefits under the Superior Group, Inc. 2007 Retirement Plan. Sharp Corporation assumed all related liabilities for Sharp active participants of the Plan. Under the terms of the sale, Superior Group, Inc. 2007 Retirement Plan transferred \$16,865,581 to the Plan.

Effective January 14, 2009, the Plan was amended to transfer sponsorship of the Plan from SGI Holdings, Inc. to Superior Tube Company, Inc.

During the year, the Plan was amended to update certain compensation limits and policies concerning severance from employment and participants who die while performing qualified military service.

General - The Plan is a non-contributory defined benefit plan which provides benefits upon retirement to all employees of the Company and its domestic subsidiaries who become eligible in accordance with the terms of the Plan. Companies participating in the Plan as of December 31, 2009 and 2008 include Superior Group, Inc. and Superior Tube Company, Inc. (Participating Employer). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Pension Benefits - Non-bargaining full-time employees with six months of service and part-time employees with 1,000 credited hours of service during a 12-consecutive month period are eligible to participate in the Plan. The Plan provides benefits beginning at normal retirement age (65) or earlier upon death, or upon termination after completion of three years of service. A participant's account balance is used to determine the pension benefits payable to each participant. Benefits are payable in the form of an annuity. The participant's account balance is credited with contribution credits at the end of each calendar month and interest credits compounded daily. The amount of contribution credited to the account balance at the end of each calendar month is determined as follows:

<u>Age and Service Points</u>	<u>Percentage of Compensation</u>
Less than 30	4%
At least 30, but less than 40	5%
At least 40, but less than 55	6%
55 or more	7%

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE A - Description of Plan - continued

For 2009, the compensation base for application of the percentage of compensation was limited to the first \$245,000 of earnings.

The Plan also provides benefits to full-time bargaining unit employees. Benefits commence at normal retirement age 65, or earlier upon death or disability, or upon election by the employee upon attaining age 55. Annual pension benefits are generally determined with reference to various formulas, including (a) stipulated amounts determined at the date of retirement or separation from service multiplied by years of credited service, and (b) a percentage of final average pay multiplied by years of service. Benefits are payable in the form of a monthly annuity. For a complete description of the Plan's benefit and vesting provisions, participants should refer to the summary Plan description or Plan document.

NOTE B - Summary of Accounting Policies

This summary of significant accounting policies of the Plan is presented to assist in understanding the Plan's financial statements. The financial statements and notes are representations of the Plan's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting and Use of Estimates - The financial statements are prepared on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - The Plan's investments are reported at fair value. Net realized and unrealized appreciation or depreciation in the fair value of investments is reported in the Statement of Changes in Net Assets Available for Benefits.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income.

Fair Value Measurements - Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect management's judgment about the assumptions that market participants would use in pricing the asset or liability.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE B - Summary of Accounting Policies - continued

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds – Valued at the net asset value of shares held by the Plan at year-end

Fair value of all investments held by the Plan have been measured by quoted prices in an active market and are therefore considered as Level 1 measurements.

Actuarial Present Value of Accumulated Plan Benefits - Accumulated Plan benefits are those future periodic payments 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, disability, death, and termination of employment are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated Plan benefits is determined by Mercer Human Resources Consulting and is that amount that results from applying actuarial assumptions to adjust the accumulated Plan benefits to give effect to the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for disability, death, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial methods and assumptions used in the actuarial valuation as of January 1, 2009 are as follows:

Cost Method	- Unit Credit Method
Value of Investments	- Market value
Mortality Basis	- 2009 PPA separate static annuitant and nonannuitant mortality tables
Investment Return	- 4.5%
Withdrawal	- Annual termination rates of 14.55% decreasing to 0% based on attained ages of 25 to 55
Salary Increases	- 3.75% compounded annually
Retirement Age	- Retirement rates from age 55 to 65

The foregoing actuarial methods and 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.

Payment of Benefits - Benefit payments to participants are recorded upon distribution.

Administrative expenses - All administrative expenses are paid by the Plan. Administrative expenses include payments to Superior Group, Inc. for accounting services and general administration of the Plan in the amount of \$16,399 and \$39,707 for the years ended December 31, 2009 and 2008, respectively.

**SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

NOTE B - Summary of Accounting Policies - continued

Recently Adopted Accounting Pronouncements - The following standards were effective for the Plan in 2009:

Fair Value Measurements – Two new standards were issued in 2009 related to fair value measurements. The first standard requires the Plan to adopt accounting guidance for determining the fair value when the volume and level of activity for an asset or liability has significantly decreased and identifying transactions that are not orderly. The second accounting standard requires the Plan to disclose information about fair value measurements of investments in certain entities that calculate net asset value per share or its equivalent.

The adoption of these standards did not have a significant impact on the Plan's financial statements.

Recently Issued Accounting Pronouncements - The following standard will be effective for the Plan in 2010 and 2011:

Disclosure of Fair Value Measurements - The standard includes new disclosure requirements for Levels 1 and 2; separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements; and clarification of existing disclosure requirements regarding the level of disaggregation for classes of assets and liabilities, and about inputs and valuation techniques used to measure fair value. This guidance is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The adoption of this guidance will not have a significant impact on the Plan's financial statements.

NOTE C - Information Certified by the Trustee

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, Vanguard Fiduciary Trust Company (VFTC), the Plan's Trustee, certified the following information, which has not been subject to audit by independent accountants, to be accurate and complete:

Investment balances included in the statements of net assets available for benefits at December 31, 2009 and 2008.

Investment income and net appreciation/depreciation in fair value of investments included in the statements of changes in net assets available for benefits for the years ended December 31, 2009 and 2008.

Information included in the accompanying schedule of assets held at end of year and schedule of reportable transactions.

NOTE D - Related Party Transactions

The Plan invests in shares of mutual funds managed by an affiliate of Vanguard Fiduciary Trust Company. Vanguard acts as Trustee for Plan investments. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules of ERISA.

NOTE E - Funding Policy

Employer contributions are accrued based upon amounts required to be funded under provisions of ERISA. The Company met the minimum funding requirements of ERISA in 2009 and 2008.

Employer contributions are designed to provide for normal cost on a current basis and amortization of unfunded prior service costs over no greater than a 30-year period.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE F - Plan Termination

Although the Participating Employers have not expressed any intention to do so, they have the right under the Plan to discontinue their contributions at any time, and to terminate the Plan subject to the provisions set forth in ERISA.

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) There shall be set aside an amount which will provide retirement income for employees, spouses, or designated beneficiaries who are receiving benefits or who were eligible to receive benefits at least three years prior to termination of the Plan based on provisions in effect five years prior to the date of termination.
- b) There shall next be set aside an amount sufficient to discharge all other benefits insured by the Pension Benefit Guaranty Corporation (PBGC).
- c) There shall next be set aside an amount which will provide all other vested benefits as determined under the Plan, which are not insured.
- d) The balance of the net assets, if any, shall be set aside to provide for all other benefits provided under the Plan.

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 on the amount of an individual's monthly benefit that the PBGC guarantees. The ceiling applies to those pensioners 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. 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 those benefits and may also depend on the level of benefits guaranteed by the PBGC.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE G - Accumulated Plan Benefits

The actuarial present value of accumulated Plan benefits as of January 1, 2009 and 2008 were as follows:

	<u>2009</u>	<u>2008</u>
Actuarial present values of accumulated Plan benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 147,561	\$ 42,609
Other participants	<u>3,890,786</u>	<u>3,801,080</u>
Total vested benefits	<u>4,038,347</u>	<u>3,843,689</u>
Nonvested benefits	<u>328,993</u>	<u>394,515</u>
Total actuarial present values of accumulated Plan benefits	<u>\$ 4,367,340</u>	<u>\$ 4,238,204</u>

The changes in the actuarial present value of accumulated Plan benefits was:

Actuarial present value of accumulated Plan benefits, January 1, 2008	\$ 4,238,204
Increase (decrease) due to:	
Benefits accumulated and experience loss	1,970,241
Interest due to the decrease in the discount period	168,490
Benefits paid	(186,113)
Change in actuarial assumptions	(28,494)
Effect of plan spinoff	<u>(1,794,988)</u>
Actuarial present value of accumulated Plan benefits, January 1, 2009	<u>\$ 4,367,340</u>

NOTE H - Tax Status

The Internal Revenue Service determined and informed the Company, by a letter dated May 19, 2009, that the Plan and related trust were qualified under the Internal Revenue Code (IRC) Section 401(a).

NOTE I - Financial Instruments - Concentrations of Credit Risk and Risks and Uncertainties

The Plan invests in various types of funds. These investment funds are exposed to various risks such as market volatility, interest rate, and credit risks. Therefore, it is at least reasonably possible that changes in value could occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

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

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE J - Nonexempt Transactions

In 2009, the Plan paid two invoices for expenses that were the responsibility of the Plan Sponsor. The Plan Sponsor reimbursed the Plan for these expense during 2009.

NOTE K - Subsequent Events

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through August 31, 2010, the date the financial statements were available to be issued. The Plan had no significant or material subsequent events through August 31, 2010.

SUPPLEMENTAL INFORMATION

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
 EIN 86-1118863, PLAN NO. 005
 PLAN YEAR ENDED DECEMBER 31, 2009

SCHEDULE H, LINE 4i-SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment including maturity date, rate of interest, collateral, par or maturity	Cost	Current Value
*	Vanguard Intermediate-Term Inv Grade Admiral	Registered Investment Company	\$ 3,238,742	\$ 3,328,270
*	Vanguard Short-Term Grade Admiral	Registered Investment Company	1,321,584	1,337,104
*	Vanguard Total Stock Market Index Fund	Registered Investment Company	934,917	1,032,920
*	Vanguard Long-Term Inv Grade Fund	Registered Investment Company	594,262	601,069
*	Vanguard Total International Stock Index Fund	Registered Investment Company	377,694	408,551
*	Vanguard Money Market	Interest-Bearing Cash	<u>1,590</u>	<u>1,590</u>
		Total Investments Held at End of Year	<u>\$ 6,468,789</u>	<u>\$ 6,709,504</u>

*Party-in-interest

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
EIN 86-1118863, PLAN NO. 005
PLAN YEAR ENDED DECEMBER 31, 2009

SCHEDULE H, LINE 4i-SCHEDULE OF ASSETS (ACQUIRED AND DISPOSED OF WITHIN YEAR)

(a) Identity of issue, borrower, lessor, or similar party	(b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Costs of acquisitions	(d) Proceeds of dispositions
Vanguard	Vanguard Long-Term Bond Index Fund	\$ 632,300	\$ 643,715

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
 EIN 86-1118863, PLAN NO. 005
 PLAN YEAR ENDED DECEMBER 31, 2009

SCHEDULE H, LINE 4j-SCHEDULE OF REPORTABLE TRANSACTIONS*

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset (include interest rate and maturity in the case of the loan)	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Vanguard	Vanguard Intermediate-Term Inv Grade Admiral	\$ -	\$ 643,715	\$ -	\$ -	\$ -
Vanguard	Vanguard Intermediate-Term Inv Grade Admiral	-	585,862	617,367	585,862	(31,505)
Vanguard	Vanguard Short-Term Grade Admiral	-	594,400	608,342	594,400	(13,942)
Vanguard	Vanguard Short-Term Grade Admiral	-	1,488,650	1,505,676	1,488,650	(17,026)
Vanguard	Vanguard Total International Stock Index Fund	376,803	-	-	376,803	-
Vanguard	Vanguard Long-Term Inv Grade Fund	586,662	-	-	586,662	-
Vanguard	Vanguard Total Stock Market Index Fund	315,600	-	-	315,600	-
Vanguard	Vanguard Total Stock Market Index Fund	307,700	-	-	307,700	-
Vanguard	Vanguard Total Stock Market Index Fund	307,014	-	-	307,014	-
Vanguard	Vanguard Long-Term Bond Index Fund	310,300	-	-	310,300	-
Vanguard	Vanguard Long-Term Bond Index Fund	322,000	-	-	322,000	-
Vanguard	Vanguard Long-Term Bond Index Fund	-	333,970	327,273	333,970	6,697
Vanguard	Vanguard Long-Term Bond Index Fund	-	309,745	322,075	309,745	(12,330)

* Transactions or a series of transactions in excess of 5% of the current value of the Plan's assets at the beginning of the plan year as defined in Section 2520.103-6 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
 EIN 86-1118863, PLAN NO. 005
 PLAN YEAR ENDED DECEMBER 31, 2009

SCHEDULE G, PART III-SCHEDULE OF NONEXEMPT TRANSACTIONS

(a)	(b)	(c)	(g)
Identity of Party Involved	Relationship to plan, employer, or other party- in-interest	Description of transactions including maturity date, rate of interest, collateral, par or maturity	Expenses incurred in connection with transaction
Superior Tube Company, Inc.	Plan Sponsor	Payment of administrative expenses not related to the Plan	\$ 27,013
Superior Tube Company, Inc.	Plan Sponsor	Payment of interest and penalties from Plan due to late payment of PBGC insurance	11,147

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Line 7 – Balance at Beginning of Prior Year after Applicable Adjustments

Effective August 11, 2008, \$13,685,712 of the carryover balance belonging to the Superior Group, Inc. 2007 Retirement Plan was spun off to the Sharp Corporation Retirement Plan. The value of the spunoff carryover balance as of January 1, 2008 determined by discounting the actual spunoff amount using the 2008 EIR of 5.96% is \$13,211,395.

	Carryover balance	Prefunding balance
Balance as of January 1, 2008	\$ 20,114,427	\$ 0
Credit balance transferred during 2008	(13,211,395)	0
Amount remaining as of January 1, 2008	6,903,032	0

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Line 22 – Description of Weighted Average Retirement Age

Weighted Average Retirement Age

Collectively Bargained Benefits

(A) Age	(B) Probability of retirement	(C) Number of lives	(D) Number of retirements	(E) (A) x (D)
55	2.00%	10,000	200	11,000
56	2.00%	9,800	196	10,976
57	2.00%	9,604	192	10,949
58	2.00%	9,412	188	10,918
59	2.00%	9,224	184	10,884
60	5.00%	9,039	452	27,118
61	5.00%	8,587	429	26,191
62	25.00%	8,158	2,039	126,447
63	25.00%	6,118	1,530	96,365
64	25.00%	4,589	1,147	73,421
65	100.00%	3,442	3,442	223,705
Total			10,000	627,973
Average				62.7973

Cash Balance Benefits

(A) Age	(B) Probability of retirement	(C) Number of lives	(D) Number of retirements	(E) (A) x (D)
55	2.00%	10,000	200	11,000
56	2.00%	9,800	196	10,976
57	2.00%	9,604	192	10,949
58	2.00%	9,412	188	10,918
59	2.00%	9,224	184	10,884
60	5.00%	9,039	452	27,118
61	5.00%	8,587	429	26,191
62	15.00%	8,158	1,224	75,868
63	10.00%	6,934	693	43,685
64	10.00%	6,241	624	39,941
65	100.00%	5,617	5,617	365,086
Total			10,000	632,616
Average				63.2616

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Line 22 – Description of Weighted Average Retirement Age

1.	Number of active employees with collectively bargained benefits	171
2.	Weighted average retirement age for active employees with collectively bargained benefits	62.7973
3.	(1) × (2)	10,738.34
4.	Number of active employees with cash balance benefits	44
5.	Weighted average retirement age for active employees with cash balance benefits	63.2616
6.	(4) × (5)	2,783.51
7.	Weighted average retirement age [(3)+(6)] ÷ [(1)+(4)]	63

The weighted average retirement ages for the union and nonunion groups are calculated by first determining the number of retirements at the earliest possible retirement age from a population of 10,000 lives. The number of retirements at each successive age is then determined by applying the appropriate retirement rate to the number of remaining lives. The percentage of the number of retirements at each age over 10,000 is the weight applied to that age to determine the weighted average. It should be noted that while only integral values are shown in the tables on the previous page, the full content of each cell, including decimal portions, is used in the calculations.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Part V – Statement of Actuarial Assumptions/Methods

Actuarial assumptions – cash balance benefits

Discount rate elections¹	Full yield curve with 2 look-back months
Mortality elections	
▪ Healthy and disabled participants	2009 PPA separate static annuitant and nonannuitant mortality tables
417(e) annuitization of account balances	
▪ Reverse annuity substitution	Yes
▪ Generational mortality option	No
▪ Phase-in option	Yes
Cash balance portion	
▪ Interest accumulation rate	4.25%
▪ Whipsaw calculation	No
▪ Annuity conversion	
o Mortality table	2009 PPA unisex mortality
o Interest rate basis	Funding segment rates and a 30-year Treasury Rate assumption of 4.55%
Other economic assumptions	
▪ Salary increases	3.75%
▪ Social Security wage base	3.75%
▪ Inflation	3.00%
▪ Expenses	\$480,000
▪ Expected investment return	4.50%

¹ Based on interest rate methodology elections described later in Actuarial Methods.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Part V – Statement of Actuarial Assumptions/Methods

Demographic assumptions		
Withdrawal	Percentage	
	Attained age	Male Female
	25	14.55% 14.55%
	30	11.25% 11.25%
	35	8.49% 8.49%
	40	6.21% 6.21%
	45	4.14% 4.14%
	50	2.03% 2.03%
	55	0.00% 0.00%
Disability incidence	82% of the Class 1 table from the 1985 study performed by the Conference of Consulting Actuaries (sex-distinct)	
Retirement age	Percentage	
	Attained age	Male Female
	55	2.00% 2.00%
	56	2.00% 2.00%
	57	2.00% 2.00%
	58	2.00% 2.00%
	59	2.00% 2.00%
	60	5.00% 5.00%
	61	5.00% 5.00%
	62	15.00% 15.00%
	63	10.00% 10.00%
	64	10.00% 10.00%
	65 and above	100.00% 100.00%
Benefit commencement age for		
▪ Future vested deferred	80% immediate; 20% at age 60	
▪ Current vested deferred		
– Terminated within 12 months of the valuation date	80% immediate; 20% at age 60	
– Terminated more than 12 month's prior to the valuation date	Age 60	
▪ Future disableds	Age 65	
Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
▪ Percentage married	80%	80%
▪ Spouse age difference	3 years younger	3 years older

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Part V – Statement of Actuarial Assumptions/Methods

Form of payment	<u>Immediate lump sum</u>	<u>Deferred lump sum</u>	<u>Single life</u>	<u>100% J&S</u>
▪ Active retirements	85%	0%	5%	10%
▪ Future vested deferred	80%	5%	5%	10%
▪ Future disabilities	0%	85%	5%	10%
▪ Future deaths	100%	0%	0%	0%
▪ Current vested deferred (terminated within 12 months of valuation date)	80%	5%	5%	10%
▪ Current vested deferred (terminated more than 12 months prior to valuation date)	0%	25%	25%	50%
▪ Current deferred widows (participant died within 12 months of valuation date)	80%	5%	15%	0%
▪ Current deferred widows (participant died more than 12 months prior to valuation date)	0%	25%	75%	0%

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Part V – Statement of Actuarial Assumptions/Methods

Actuarial assumptions – collectively bargained benefits

Discount rate elections¹	Full yield curve with 2 look-back months		
Mortality elections			
▪ Healthy and disabled participants	2009 PPA separate static annuitant and nonannuitant mortality table		
Other economic assumptions			
▪ Flat-dollar benefit increases	None		
▪ Expenses	\$480,000		
▪ Expected investment return	4.50%		
Demographic assumptions			
Withdrawal		Percentage	
	Attained age	Male	Female
	25	6.3%	6.3%
	30	5.5%	5.5%
	35	4.3%	4.3%
	40	2.7%	2.7%
	45	1.0%	1.0%
	50	0.2%	0.2%
	55	0.1%	0.1%
Disability incidence	82% of the Class 3 table from the 1985 study performed by the Conference of Consulting Actuaries (sex-distinct)		

¹ Based on interest rate methodology elections described later in Actuarial Methods.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Part V – Statement of Actuarial Assumptions/Methods

Retirement age	Percentage		
	Attained age	Male	Female
	50	1.50%	1.50%
	51	1.50%	1.50%
	52	1.50%	1.50%
	53	1.50%	1.50%
	54	1.50%	1.50%
	55	2.00%	2.00%
	56	2.00%	2.00%
	57	2.00%	2.00%
	58	2.00%	2.00%
	59	2.00%	2.00%
	60	5.00%	5.00%
	61	5.00%	5.00%
	62	25.00%	25.00%
	63	25.00%	25.00%
	64	25.00%	25.00%
	65 and above	100.00%	100.00%

Benefit commencement age for

- Future vested deferred Age 65
- Current vested deferred Age 65

Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
▪ Percentage married	80%	80%
▪ Spouse age difference	3 years younger	3 years older

Form of payment	<u>Single life</u>	<u>50% J&S</u>
▪ Active retirements	45%	55%
▪ Future vested deferred	45%	55%
▪ Future disabilities	45%	55%
▪ Future deaths	100%	0%
▪ Current vested deferred	45%	55%

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Part V – Statement of Actuarial Assumptions/Methods

Actuarial methods

Asset methods

We used financial data submitted by the auditors as of January 1, 2009 without further audit. Customarily, this information would not be verified by a plan's actuary. We have reviewed the information for internal consistency and we have no reason to doubt its substantial accuracy.

The asset valuation method is an annual average of the adjusted market value over the last 12 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than market value.

Participant methods

We used the participant data supplied by the plan administrator. We have reviewed the data and have no reason to doubt its substantial accuracy. Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The Vanguard Group provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.
- **Disabled participants:** The liabilities for participants on long-term disability have been included with the liabilities for terminated vested participants for those with collectively bargained benefits and with the liabilities for actives for those with cash balance benefits.
- **Transferred participants:** The liabilities for employees who have transferred into another plan of the plan sponsor have been included with the liabilities for terminated vested participants.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Part V – Statement of Actuarial Assumptions/Methods

Benefits included or excluded

Unless noted below, all benefits provided by the plan are included in this valuation.

- **Plan amendments:** Amendments adopted after the valuation date or effective after the current plan year are excluded from the valuation.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Late retirement increases:**
 - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½. This valuation includes increases for current participants over age 70½.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Shutdown benefits:** We are not aware of any corporate actions that would create shutdown benefits; therefore, they are excluded.
- **IRC Section 415(b):** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.
- **Benefit restrictions:** Benefit restrictions are not applicable, and thus, are ignored in this valuation.

Plan sponsor elections

- **Mortality:**
 - Static annuitant and nonannuitant tables
- **Funding interest rate:**
 - Full yield curve
 - 2 month look-back
- **Valuation of annuities based on Section 417(e) assumptions:**
 - Annuities based on reverse annuity substitution liability
 - Adjustment to reflect five-year phase-in of PPA rates was used
 - Did not use generational mortality table option

Plan Sponsor: Superior Tube Company, Inc.
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Schedule SB (2009 Form 5500)

Part V – Statement of Actuarial Assumptions/Methods

Minimum funding method

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

A detailed description of the calculation follows:

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

Maximum deductible contribution method

Calculations of maximum deductible contributions include the excess of the accrued liability computed using the projected unit credit method over the minimum funding target liability. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration future compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's **projected accrued liability** is the present value of benefits based on credited service as of the beginning of the plan year and projected compensation that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the accrued liability for an individual is the sum of the component accrued liabilities associated with the various anticipated separation dates.
- The plan's **projected funding target liability** is the sum of the projected accrued liabilities for all participants under the plan.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
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Schedule SB (2009 Form 5500)
Part V – Summary of Plan Provisions

Plan provisions – cash balance benefits

Following is a summary of the major plan provisions used to determine the plan's financial position. It should not be used in determining plan benefits.

Effective date and plan year	Original plan: January 1, 2007 Plan year: January 1 to December 31
Most recent amendment	January 14, 2009
Definitions	
Eligibility	A full-time employee shall be eligible to become a participant upon his completion of 6 months of service. A part-time employee shall be eligible to become a participant upon his completion of 1,000 hours of service during the 12-consecutive month period beginning on his employment date or during any plan year.
Years of service	With respect to full-time employees, an elapsed time definition is used to credit service with a year of service based on 12 months of service. With respect to part-time employees, a year of service is credited for plan years in which an employee completes 1,000 hours of service.
Account balance	An account used to determine the amount of pension benefits payable to a participant. The Account Balance will be credited with Contribution Credits at the end of each calendar month and Interest Credits compounded daily. A participant's Accrued Benefit is the Account Balance.
Vesting	Completion of three years of service. All active participants as of December 31, 2006 in the Superior Group, Inc. Retirement Plan who remained employed on January 1, 2007 are automatically 100% vested in this plan.
Interest credits	The amount credited to the Account Balance compounded daily prior to the crediting of Contribution Credits. The rate applicable to each calendar year quarter is based on the greater of 2.25% or the average monthly yield on 10-Year Treasury Securities at constant maturity for the second month preceding each calendar year quarter.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
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Schedule SB (2009 Form 5500)
Part V – Summary of Plan Provisions

Contribution credits	The amount credited to the Account Balance at the end of each calendar month, based on participant attained age and Years of Service at the beginning of such month.										
	<table><tr><th><u>Age and Service Points</u></th><th><u>Percentage of Compensation</u></th></tr><tr><td>Less than 30</td><td>4%</td></tr><tr><td>At least 30, but less than 40</td><td>5%</td></tr><tr><td>At least 40, but less than 55</td><td>6%</td></tr><tr><td>55 or more</td><td>7%</td></tr></table> <p>A participant's age and service points shall equal the sum of a participant's whole and fractional years of age, and his whole and fractional years of service, disregarding any fractional age and service when combined on a points basis.</p>	<u>Age and Service Points</u>	<u>Percentage of Compensation</u>	Less than 30	4%	At least 30, but less than 40	5%	At least 40, but less than 55	6%	55 or more	7%
<u>Age and Service Points</u>	<u>Percentage of Compensation</u>										
Less than 30	4%										
At least 30, but less than 40	5%										
At least 40, but less than 55	6%										
55 or more	7%										
Actuarial equivalent	For purposes of determining the actuarial equivalent of a Participant's Account Balance, the single life annuity is determined on the basis of the annual interest rate on 30-year Treasury Securities for the second month preceding the Plan Year and mortality assumptions described under Section 417(e)(3)(A)(ii)(I) of the Internal Revenue Code and regulations.										
Break in service	With respect to full-time employees, a 12 month period during which an individual is not credited with service. With respect to part-time employees, a plan year within which an employee is not credited with more than 500 hours of service (unless on a Qualified Leave of Absence). If the participant is not vested and the number of consecutive one-year Breaks in Service equals or exceeds the greater of total number of Years of Service earned prior to break, or five years, such prior service is lost.										
Compensation	Total W-2 pay for a calendar year, including any pre-tax elected deferrals. Compensation excludes taxable fringe benefits, severance pay and similar payments. For 2009, compensation is capped at \$245,000.										
Employee contributions	None										

Plan Sponsor: Superior Tube Company, Inc.
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Schedule SB (2009 Form 5500)
Part V – Summary of Plan Provisions

Normal retirement	
Eligibility	First day of the month coincident with or next following the date on which the participant attains age 65.
Benefit	The actuarial equivalent of the Participant's Account Balance determined as of benefit commencement date.
Early retirement	
Eligibility	100% vested in their benefit.
Benefit	The actuarial equivalent of the Participant's Account Balance determined as of benefit commencement date.
Late retirement	
Eligibility	First day of the month coincident with or following the date on which the participant attains age 65 and one month.
Benefit	The actuarial equivalent of the Participant's Account Balance determined as of benefit commencement date.
Disability	
Eligibility	Total Disability while an Eligible Employee
Benefit	Contribution Credits are granted until the earlier of the cessation of Total Disability or the Benefit Commencement Date based on the participant's compensation as of the last business day on which an Hour of Service was performed immediately preceding the date of Total Disability.
Pre-retirement death	
Eligibility	Any participant who dies while an Eligible Employee is automatically vested and eligible for a death benefit.
Benefit	100% of the Participant's Account Balance, payable as a lump sum to the designated beneficiary. A surviving spouse may choose to receive a single life annuity.
Form of benefits	
Automatic form for unmarried participants	Single Life Annuity (actuarial equivalent of Account Balance).
Automatic form for married participants	Qualified Joint and Survivor Annuity (actuarial equivalent of Account Balance)

Plan Sponsor: Superior Tube Company, Inc.
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Schedule SB (2009 Form 5500)
Part V – Summary of Plan Provisions

Optional forms	<ul style="list-style-type: none">▪ Lump Sum▪ Single Life Annuity▪ Joint and 100% Survivor annuity▪ Joint and 75% Survivor annuity▪ Joint and 66.67% Survivor annuity▪ Joint and 50% Survivor annuity▪ 5-Year Certain and Life annuity▪ 10-Year Certain and Life annuity▪ 15-Year Certain and Life annuity
Optional forms conversion factors	<ul style="list-style-type: none">▪ The mortality table shall be the “applicable mortality table” as prescribe under section 417(e)(3)(B) of the Code.▪ The interest rate shall be the “applicable interest rate” as prescribed under section 417(e)(3)(A)(ii)(II) of the Code in effect for the second month preceding the applicable Plan Year.
Miscellaneous	
Administration	The plan is administered by the Administrative Committee appointed by the Board of Directors of Superior Tube Company
Funding medium	Trust with The Vanguard Group
Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2009, the limit is \$245,000.
Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2009, the limit is \$195,000.
Benefits not included in valuation	None
Significant Events	We are not aware of any significant events that took place since the prior valuation.
Changes since prior valuation	<ul style="list-style-type: none">▪ The IRC Section 401(a)(17) compensation limit increased from \$230,000 to \$245,000.▪ The IRC Section 415 benefit limit increased from \$185,000 to \$195,000.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
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Schedule SB (2009 Form 5500)
Part V – Summary of Plan Provisions

Plan provisions – collectively bargained benefits

Definitions																	
Eligibility	All employees who are members of Local Union No. 9455-0 of the United Steelworkers Union.																
Years of service	Any 12-consecutive month period of Credited Service as an employee.																
Years of credited service	Any 12-consecutive month period of service as a Covered Employee (calculated to completed months).																
Vesting	Completion of five years of service. All active participants as of December 31, 2006 in the Superior Group, Inc. Retirement Plan who remained employed on January 1, 2007 are automatically 100% vested in this plan.																
Monthly accrued benefit	<p>The product of the participant's Credited Service and the benefit rate in effect at the time of retirement.</p> <p><i>Service Prior to January 1, 2007</i></p> <table><tr><th>Date of Retirement</th><th>Benefit Rate</th></tr><tr><td>January 1, 2007 – December 31, 2007</td><td>\$ 5.00</td></tr><tr><td>January 1, 2008 – December 31, 2008</td><td>\$ 6.00</td></tr><tr><td>January 1, 2009 and after</td><td>\$ 7.00</td></tr></table> <p><i>Service After December 31, 2006</i></p> <table><tr><th>Date of Retirement</th><th>Benefit Rate</th></tr><tr><td>January 1, 2007 – December 31, 2007</td><td>\$ 35.00</td></tr><tr><td>January 1, 2008 – December 31, 2008</td><td>\$ 36.00</td></tr><tr><td>January 1, 2009 and after</td><td>\$ 37.00</td></tr></table>	Date of Retirement	Benefit Rate	January 1, 2007 – December 31, 2007	\$ 5.00	January 1, 2008 – December 31, 2008	\$ 6.00	January 1, 2009 and after	\$ 7.00	Date of Retirement	Benefit Rate	January 1, 2007 – December 31, 2007	\$ 35.00	January 1, 2008 – December 31, 2008	\$ 36.00	January 1, 2009 and after	\$ 37.00
Date of Retirement	Benefit Rate																
January 1, 2007 – December 31, 2007	\$ 5.00																
January 1, 2008 – December 31, 2008	\$ 6.00																
January 1, 2009 and after	\$ 7.00																
Date of Retirement	Benefit Rate																
January 1, 2007 – December 31, 2007	\$ 35.00																
January 1, 2008 – December 31, 2008	\$ 36.00																
January 1, 2009 and after	\$ 37.00																
Employee contributions	None																
Normal retirement																	
Eligibility	The first day of the month coincident with or next following the date on which a participant attains age 65.																

Plan Sponsor: Superior Tube Company, Inc.
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Schedule SB (2009 Form 5500)
Part V – Summary of Plan Provisions

Benefit	Monthly Accrued Benefit at normal retirement date.
Early retirement	
Eligibility	Earliest of: (a) 30 years of service (b) Age 55 and vested
Benefit	Monthly Accrued Benefit at termination which is unreduced at age 62 or reduced by 6% per year from age 65 if commencement precedes age 62.
Ancillary retirement	
Eligibility	Participant terminates service under either conditions (a) or (b): (a) Age 55 and age + years of service at least 70, provided either: (i) Termination is a result of a permanent shutdown, layoff, or physical disability (ii) Service is not terminated but participant has been placed on layoff status or has a physical disability which makes his/her return unlikely (b) Age + service at least 80, provided either (i) or (ii) above occurs.
Benefit	\$75 per month payable in any month in which the Participant is not eligible for Social Security Benefits. Additionally, the retirement benefit is unreduced for early commencement. If the participant was also a participant in the Superior Group, Inc. Retirement Plan, the supplemental annuity is paid by John Hancock.
Late retirement	
Eligibility	The first day of the month coincident with or next following the date of which a participant attains age 65 and one month.
Benefit	The greater of the Monthly Accrued Benefit at late retirement date and the Monthly Accrued Benefit at normal retirement date actuarially increased to the participant's late retirement date.

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Schedule SB (2009 Form 5500)
Part V – Summary of Plan Provisions

Deferred vested

Eligibility	Completion of five Years of Service, but less than 30 Years of Service and before age 55. Note that all participants who were Active Participants in the Superior Group, Inc. Retirement Plan as of December 31, 2006 are automatically vested.
Benefit	Monthly Accrued Benefit at date of termination payable at normal retirement date, or reduced benefit as early as age 55 (reduced 6% per year from age 65).

Disability

Eligibility	Completion of 10 Years of Service and termination due to Total Disability, which has continued for a period of six months.
Benefit	<p>For months prior to Social Security eligibility, the monthly benefit is the sum of (a) and (b) below:</p> <p>(a) The greater of</p> <p>(i) \$150.00</p> <p>(ii) Unreduced Monthly Accrued Benefit</p> <p>(b) \$100.00</p> <p>For months after Social Security eligibility, the monthly benefit is the unreduced Monthly Accrued Benefit.</p> <p>Payment of the Disability Benefit ceases at the earliest of the Participant's recovery from Total Disability, death or attainment of Normal Retirement Date.</p> <p>The \$150 monthly limit is applied in aggregate to this Plan and the Disability Benefit from the Superior Group, Inc. Retirement Plan. If the participant was also a participant in the Superior Group, Inc. Retirement Plan, the \$100 supplemental annuity is paid by John Hancock.</p>

Pre-retirement death

Eligibility	Married participant with vested accrued benefit.
Benefit	Qualified Joint and Survivor Annuity
Special additional death benefit eligibility	Age 50 with 10 Years of Service, but less than Normal Retirement Age and death occurs while an active employee.

Plan Sponsor: Superior Tube Company, Inc.
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Schedule SB (2009 Form 5500)
Part V – Summary of Plan Provisions

Special additional death benefit	Greater of (a) and (b): (a) \$100 per month (b) Applicable percentage of the participant's Monthly Accrued Benefit based on the participant's age as of date of death
----------------------------------	---

<u>Age</u>	<u>Percentage</u>
55+	50%
54	48%
53	46%
52	44%
51	42%
50	40%

The \$100 monthly limit is applied in aggregate to this Plan and the Disability Benefit from the Superior Group, Inc. Retirement Plan.

Form of benefits

Automatic form for unmarried participants	Single Life Annuity
Automatic form for married participants	Joint and 50% Survivor Annuity
Optional forms	<ul style="list-style-type: none"> ▪ Single Life Annuity ▪ Joint and 100% Survivor annuity ▪ Joint and 75% Survivor annuity ▪ Joint and 66.67% Survivor annuity ▪ Joint and 50% Survivor annuity
Optional forms conversion factors	The mortality table is the 1994 Group Annuity Reserving Table blended 50% male / 50% female and projected to 2002 using Scale AA and the interest rate is 6.5% per annum.

Miscellaneous

Administration	The plan is administered by the Administrative Committee appointed by the Board of Directors of Superior Tube Company
Funding medium	Trust with The Vanguard Group
Benefits not included in valuation	The ancillary benefits due to a permanent shutdown and layoffs are not valued because we are not aware of these corporate actions taking place.

Plan Sponsor: Superior Tube Company, Inc.
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Schedule SB (2009 Form 5500)

Part V – Summary of Plan Provisions

Significant events	We are not aware of any significant events that took place since the prior valuation.
Changes since prior valuation	The benefit multiplier increased to \$7 per month per year of service prior to January 1, 2007 and \$37 per month per year of service after December 31, 2006. The previous multipliers were \$6 and \$36, respectively.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
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Schedule SB (2009 Form 5500)
Line 24 – Change in Actuarial Assumptions

Changes since prior valuation

- Compared to the 2008 discount rate assumptions, the interest discount rate was changed from segmented rates of 5.29%, 5.86% and 6.40% to the full yield curve with a 2-month look-back.
- The mortality table was updated from the 2008 PPA separate static annuitant/nonannuitant tables to the 2009 PPA separate static annuitant/nonannuitant tables.
- The salary increase assumption was decreased from 4.50% to 3.75%.
- The interest accumulation rate was decreased from 4.75% to 4.25%.
- The 30-year Treasury yield assumption was decreased from 4.75% to 4.55%.
- An expense load assumption was introduced. For the January 1, 2009 valuation, the expense load is \$480,000.
- The expected investment return was set at 4.50% on January 1, 2009 for purposes of developing the actuarial value of assets.

These changes were made in order to better reflect historical experiences and estimate future plan experience.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
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Schedule SB (2009 Form 5500)
Line 25 – Change in Method

Method changes since prior valuation

- The asset valuation method was changed from the fair market value to the averaged market value as described above.
- The interest discount rate was changed from segmented rates with no phase-in and no look-back to the full yield curve with 2-month look-back.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
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Schedule SB (2009 Form 5500)

Line 26 – Schedule of Active Participant Data

Distribution of active participants, average compensation, and average cash balance account – cash balance benefits

Age	Years of service as of January 1, 2009										Total
	< 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
< 25											
25 – 29		3									3
30 – 34		1	1								2
35 – 39			2		1						3
40 – 44		3		1		2					6
45 – 49		3		1	3	2		1			10
50 – 54		2	1			3		1	2		9
55 – 59		1	1		1		1	1	1		6
60 – 64		1			1		1			2	5
65 – 69											
70+											
TOTAL		14	5	2	6	7	2	3	3	2	44 96,214 12,422

In each cell, the top number is the count of active participants for each age/service combination, the middle number is average pay for 2008 limited to \$230,000, and the bottom number is the average cash balance account as of January 1, 2009. Average pay and account balances are not shown for cells with fewer than 20 participants.

Plan Sponsor: Superior Tube Company, Inc.
Plan Name: Superior Group, Inc. 2007 Retirement Plan
EIN/PN: 86-1118863 / 005

Schedule SB (2009 Form 5500)

Line 26 – Schedule of Active Participant Data

Distribution of active participants – collectively bargained benefits

Age	Years of service as of January 1, 2009										Total
	< 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
< 25		1									1
25 – 29		3	1								4
30 – 34		2	1								3
35 – 39		2			2	1					5
40 – 44		2	2		2	6	1				13
45 – 49		1			2	12	5	4			24
50 – 54		6	3	2	5	7	7	20	8		58
55 – 59		2	3	3	4	4	3	9	8	1	37
60 – 64		2	2		3	2	2	5	5	1	22
65 – 69						1					1
70+						1			1	1	3
TOTAL		21	12	5	18	34	18	38	22	3	171

Average pay has not been shown since benefits are not pay related.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
EIN 86-1118863, PLAN NO. 005
PLAN YEAR ENDED DECEMBER 31, 2009

SCHEDULE H, LINE 4i-SCHEDULE OF ASSETS (ACQUIRED AND DISPOSED OF WITHIN YEAR)

(a) Identity of issue, borrower, lessor, or similar party	(b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Costs of acquisitions	(d) Proceeds of dispositions
Vanguard	Vanguard Long-Term Bond Index Fund	\$ 632,300	\$ 643,715

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
 EIN 86-1118863, PLAN NO. 005
 PLAN YEAR ENDED DECEMBER 31, 2009

SCHEDULE H, LINE 4j-SCHEDULE OF REPORTABLE TRANSACTIONS*

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset (include interest rate and maturity in the case of the loan)	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Vanguard	Vanguard Intermediate-Term Inv Grade Admiral	\$ -	\$ 643,715	\$ -	\$ -	\$ -
Vanguard	Vanguard Intermediate-Term Inv Grade Admiral	-	585,862	617,367	585,862	(31,505)
Vanguard	Vanguard Short-Term Grade Admiral	-	594,400	608,342	594,400	(13,942)
Vanguard	Vanguard Short-Term Grade Admiral	-	1,488,650	1,505,676	1,488,650	(17,026)
Vanguard	Vanguard Total International Stock Index Fund	376,803	-	-	376,803	-
Vanguard	Vanguard Long-Term Inv Grade Fund	586,662	-	-	586,662	-
Vanguard	Vanguard Total Stock Market Index Fund	315,600	-	-	315,600	-
Vanguard	Vanguard Total Stock Market Index Fund	307,700	-	-	307,700	-
Vanguard	Vanguard Total Stock Market Index Fund	307,014	-	-	307,014	-
Vanguard	Vanguard Long-Term Bond Index Fund	310,300	-	-	310,300	-
Vanguard	Vanguard Long-Term Bond Index Fund	322,000	-	-	322,000	-
Vanguard	Vanguard Long-Term Bond Index Fund	-	333,970	327,273	333,970	6,697
Vanguard	Vanguard Long-Term Bond Index Fund	-	309,745	322,075	309,745	(12,330)

* Transactions or a series of transactions in excess of 5% of the current value of the Plan's assets at the beginning of the plan year as defined in Section 2520.103-6 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment 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

2009**This Form is Open to Public
Inspection**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **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 SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN		B Three-digit plan number (PN) ▶ 005
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SUPERIOR TUBE COMPANY, INC.		D Employer Identification Number (EIN) 86-1118863
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2009</u>			
2 Assets:			
a Market value		2a	6,053,870
b Actuarial value		2b	6,659,257
3 Funding target/participant count breakdown			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment		3a	6
b For terminated vested participants		3b	26
c For active participants:			
(1) Non-vested benefits		3c(1)	268,389
(2) Vested benefits		3c(2)	2,328,999
(3) Total active		3c(3)	215
d Total		3d	247
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor		4b	
5 Effective interest rate		5	8.14 %
6 Target normal cost		6	984,514

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

Date

Marc Dinerman, FSA

08-06448

Type or print name of actuary

Most recent enrollment number

Mercer

(215) 982-4600

Firm name
1717 Arch Street, 27th Floor

Telephone number (including area code)

Philadelphia

PA 19103-2754

Address of the firm

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

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

Schedule SB (Form 5500) 2009
v.092308.1

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 (Item 13 from prior year)	6,903,032	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8)	6,903,032	0
10 Interest on item 9 using prior year's actual return of <u>5.91</u> %	(407,970)	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		0
b Interest on (a) using prior year's effective rate of <u>5.96</u> %		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Reduction in balances due to elections or deemed elections	1,940,259	
13 Balance at beginning of current year (Item 9 + item 10 + item 11d - item 12)	4,554,803	0

Part III Funding percentages

14 Funding target attainment percentage	14	75.00 %
15 Adjusted funding target attainment percentage	15	237.33 %
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	703.87 %
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 contribution 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 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If 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: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) 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 contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	984,514
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 (item 31 + item 32a + item 32b - item 33)	34	984,514
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	984,514	0
36 Additional cash requirement (item 34 minus item 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	0
38 Interest-adjusted excess contributions for current year (see instructions)	38	
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

Attachment to 2009 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

EIN: 86-1118863

Plan Sponsor's Name SUPERIOR TUBE COMPANY, INC.

PN: 005

(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
		Registered Investment Company		
*	Vanguard Int Term Inv Grade Adm		3,238,742	3,328,270
		Registered Investment Company		
*	Vanguard Short-Term Inv Grade Adm		1,321,584	1,337,104
		Registered Investment Company		
*	Vanguard Total Stk Mrkt Index Fund		934,917	1,032,920
		Registered Investment Company		
*	Vanguard Long-Term Inv Grade Fund		594,262	601,069
		Registered Investment Company		
*	Vanguard Total Intl Stock Index Fun		377,694	408,551
		Interest-Bearing Cash		
*	Vanguard Money Market		1,590	1,590