

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.	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:	☒ single-employer plan ☐ multiple-employer plan (not multiemployer) ☐ one-participant plan
B This return/report is for:	☐ first return/report ☐ final return/report ☐ an amended return/report ☐ short plan year return/report (less than 12 months)
C Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan SCARFFS NURSERY, INC. PENSION PLAN AND TRUST	1b Three-digit plan number (PN) ▶ <u>001</u>
	1c Effective date of plan <u>01/25/1972</u>
2a Plan sponsor's name and address (employer, if for single-employer plan) SCARFFS NURSERY, INC. 411 NORTH STATE ROUTE 235 NEW CARLISLE, OH 45344	2b Employer Identification Number (EIN) <u>31-0579841</u> 2c Plan sponsor's telephone number <u>937-845-3821</u> 2d Business code (see instructions) <u>444200</u>
3a Plan administrator's name and address (if same as Plan sponsor, enter "Same") SCARFFS NURSERY, INC. 411 NORTH STATE ROUTE 235 NEW CARLISLE, OH 45344	3b Administrator's EIN <u>31-0579841</u> 3c Administrator's telephone number <u>937-845-3821</u>
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. Sponsor's name	4b EIN 4c PN
5a Total number of participants at the beginning of the plan year	5a <u>58</u>
b Total number of participants at the end of the plan year	5b <u>48</u>
c Total number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	5c
6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)	☒ Yes ☐ No
b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)	☒ Yes ☐ No
If you answered "No" to either 6a or 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.	

Part III	Financial Information		
7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	<u>547902</u>	<u>698688</u>
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	<u>547902</u>	<u>698688</u>
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	<u>262437</u>	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	<u>112007</u>	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		<u>374444</u>
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	<u>196210</u>	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f	<u>15034</u>	
g Other expenses	8g	<u>12414</u>	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		<u>223658</u>
i Net income (loss) (subtract line 8h from line 8c)	8i		<u>150786</u>
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics**9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1A 1G 1I 3D

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

	Yes	No	Amount
10 During the plan year:			
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)		X	
c Was the plan covered by a fidelity bond?	X		100000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)		X	
f Has the plan failed to provide any benefit when due under the plan?		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500))..... ☒ Yes ☐ No

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? .. ☐ Yes ☒ No
(If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)

a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year.....	12b	
c Enter the amount contributed by the employer to the plan for this plan year.....	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d	

e Will the minimum funding amount reported on line 12d be met by the funding deadline?..... ☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted during the plan year or any prior year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a** _____

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No

c 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.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2010	PETER N. SCARFF
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2010	PETER N. SCARFF
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

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 SCARFFS NURSERY, INC. PENSION PLAN AND TRUST	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SCARFFS NURSERY, INC.	D Employer Identification Number (EIN) 31-0579841
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 01 Day 01 Year 2009
2	Assets:
a	Market value 2a 547902
b	Actuarial value 2b 545639
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a 2 875851
b	For terminated vested participants 3b 14 87477
c	For active participants:
(1)	Non-vested benefits 3c(1) 0
(2)	Vested benefits 3c(2) 1010061
(3)	Total active 3c(3) 42 1010061
d	Total 3d 58 1973389
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 6.34 %
6	Target normal cost 6 0

Statement by Enrolled Actuary

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

SIGN HERE		10/06/2010
Signature of actuary		Date
DAVID H. FERRARE, EA, MAAA, MSPA		08-04874
Type or print name of actuary		Most recent enrollment number
SHAW & COMPANY		305-595-2740
Firm name		Telephone number (including area code)
7700 N. KENDALL DRIVE, SUITE 710 MIAMI, FL 33156		
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)	7571	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).....	7571	0
10	Interest on item 9 using prior year's actual return of <u>-29.21</u> %	-2211	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		17289
b	Interest on (a) using prior year's effective rate of <u>6.09</u> %		1053
c	Total available at beginning of current plan year to add to prefunding balance		18342
d	Portion of (c) to be added to prefunding balance.....		18342
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	5360	18342

Part III Funding percentages			
14	Funding target attainment percentage.....	14	26.44 %
15	Adjusted funding target attainment percentage.....	15	26.44 %
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	35.44 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	27.64 %

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2009	51820				
07/14/2009	51819				
10/20/2009	19819				
11/27/2009	16000				
			Totals ►	18(b)	139458
				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	135076
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: 5.17 %	2nd segment: 6.28 %	3rd segment: 6.62 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 65
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	0
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	1333061	202684
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	202684
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	202684
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	135076
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	67608
40 Unpaid minimum required contribution for all years	40	67608

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
Schedule SB, line 32 - Schedule of Amortization Bases

Type of Base	Present Value of Remaining Installments	Valuation Date When Base Established	Years Remaining in Amortization Period	Amortization Installment
Shortfall	935,076	1/1/2008	6	177,452
Shortfall	397,985	1/1/2009	7	25,232 *

* Installment is interest only for 2009 at 6.34%.

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
Schedule SB, line 22 - Description of Weighted Average Retirement Age

**Retirement age is the first of the month following attainment of age 65,
or 5 years of participation, if later.**

Schedule SB, line 26 - Schedule of Active Participant Data

[illegible]

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST

EIN: 31-0579841, PLAN NUMBER: 001

Schedule SB, line 19c - Discounted Employer Contributions

Effective Rate: 6.34%

Val. Date: 1/1/2009

Qtr. Installment: \$44,363

COB Available: \$0

[illegible]

SCARFF'S NURSERY INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
SCHEDULE SB, PART V - SUMMARY OF PLAN PROVISIONS

EFFECTIVE DATE	JANUARY 25, 1972
VALUATION DATE	JANUARY 1, 2009
MONTHLY PENSION	0% OF THE EXCESS ABOVE \$ 0 MULTIPLIED BY YEARS OF BENEFIT SERVICE FROM THE DATE OF HIRE TO THE NORMAL RETIREMENT DATE
ELIGIBILITY REQUIREMENTS	(A) MINIMUM MONTHS OF SERVICE: 12 (B) MINIMUM AGE: 21 (C) MAXIMUM AGE: NONE (D) PARTICIPANT ENTERS PLAN ON ELIGIBILITY DATE FOLLOWING COMPLETION OF ELIGIBILITY REQUIREMENTS (E) ENTRY DATE : JANUARY 1 ENTRY DATE 2: JULY 1
NORMAL RETIREMENT AGE	(A) 1ST OF MONTH FOLLOWING ATTAINMENT OF AGE 65 OR 5 YEARS OF PARTICIPATION, IF LATER. (B) MAXIMUM RETIREMENT AGE: 70 (C) ELIGIBILITY FOR EARLY RETIREMENT: ATTAINMENT OF AGE 55 AND 5 YEARS OF SERVICE
FUNDING PROVISIONS	(A) UNIT CREDIT (B) AUXILIARY FUND DEPOSITS
SALARY AVERAGING	AVERAGE HIGH 5 CONSECUTIVE SALARIES USE HISTORICAL SALARIES FOR ACCRUAL
MAXIMUM SALARY	MAXIMUM CURRENT SALARY: \$ 245000 MAXIMUM PROJECTED SALARY: \$ 245000

SCARFF'S NURSERY INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
SCHEDULE SB, PART V - SUMMARY OF PLAN PROVISIONS

TYPE OF ANNUITY

LIFE ANNUITY

ACCRUED BENEFIT

ACCRUE AS EARNED

VESTING SCHEDULE

YR.	%	YR.	%	YR.	%
---	---	---	---	---	---
1	0	3	40	5	80
2	20	4	60	6	100

VESTING BASED UPON TOTAL SERVICE

TOP HEAVY STATUS

THIS PLAN HAS BEEN DETERMINED NOT TO BE
TOP-HEAVY FOR THE CURRENT PLAN YEAR

SCARFF'S NURSERY INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
SCHEDULE SB, PART V - STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

FUNDING ASSUMPTIONS

INTEREST

- (A) YEARS 1-5: 5.17%
- (B) YEARS 6-20: 6.28%
- (C) YEARS > 20: 6.62%

MORTALITY

PRE-RETIREMENT

- (A) MALE: None
- (B) FEMALE: None

POST-RETIREMENT

- (A) MALE: 2009 Optional Table - Male
- (B) FEMALE: 2009 Optional Table - Female

LUMP SUM PAYOUTS

ASSUMED 100%

ACTUARIAL EQUIVALENCE

PRE-RETIREMENT

- (A) INTEREST: 8.00%
- (B) MORTALITY: 2009 Applicable Mortality Table

POST-RETIREMENT

- (A) INTEREST: 8.00%
- (B) MORTALITY: 2009 Applicable Mortality Table

417(e) PVAB ASSUMPTIONS

INTEREST

- (A) YEARS 1-5: 5.24%
- (B) YEARS 6-20: 5.69%
- (C) YEARS > 20: 5.37%

MORTALITY

PRE-RETIREMENT

- (A) MALE: 2009 Applicable Mortality Table
- (B) FEMALE: 2009 Applicable Mortality Table

POST-RETIREMENT

- (A) MALE: 2009 Applicable Mortality Table
- (B) FEMALE: 2009 Applicable Mortality Table

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST

EIN: 31-0578841

PLAN NUMBER: 001

PLAN YEAR ENDING: 12/31/2009

PENSION PLAN ELECTIONS

This Pension Protection Act of 2008 requires the Plan Sponsor to make certain elections under which the actuarial valuation was performed. As the Plan Sponsor, we have made the following elections:

Carryover/Prefunding Balance Elections

Quarterly Contribution Requirement

☐ The Plan is not subject to the quarterly contribution requirement.

☒ The Plan is subject to the quarterly contribution requirement of Internal Revenue Code §412(n) and the following elections were made:

\$0 of the previous credit balance was used to satisfy the April 15, 2009 quarterly contribution.

\$0 of the previous credit balance was used to satisfy the July 15, 2009 quarterly contribution.

\$0 of the previous credit balance was used to satisfy the October 15, 2009 quarterly contribution.

\$0 of the previous credit balance was used to satisfy the January 15, 2010 quarterly contribution.

Mandatory Election to Eliminate a restriction under Internal Revenue Code §436

☒ The Plan is not subject to a mandatory reduction in the Carryover/Prefunding Balance to eliminate a restriction under Internal Revenue Code §436.

☐ The Plan is subject to a mandatory reduction in the Carryover/Prefunding Balance to eliminate a restriction under Internal Revenue Code §436. \$ of the previous Carryover/Prefunding Balance was used to eliminate a restriction under Internal Revenue Code §436.

Voluntary Election to reduce a Carryover/Prefunding Balance

☐ We elect to reduce the Carryover/Prefunding Balance by \$.

Election to Offset Funding Requirement

☐ We elect to credit \$ of the Carryover/Prefunding Balance to offset the Funding Requirement.

Discount Rate Election

The 3-tier segment rates shall be used, based on the 2nd month preceding the valuation date.

The transition from pre-PPA rates available for the 2008 and 2009 plan years shall not be used.

Asset Method Election

☒ The Plan shall use Fair Market Value as the valuation asset value.

☐ The Plan shall use Asset Averaging as the valuation asset value. Such value may not be less than 90% nor greater than 110% of current Fair Market Value. The averaging period shall be 24 months.

Employee Exclusion Election

☒ The Plan elects to exclude employees from the valuation who are not participants as of the valuation date.

☐ The Plan elects to include employees from the valuation who are not participants as of the valuation date.

Prefunding Balance Election

☐ The Plan elects to add the Excess Contribution made (over the Minimum Required Contribution) of \$ to the Prefunding Balance.

Amendment Election

☐ The valuation shall reflect the amendment adopted on in accordance with IRC §412(d)(2).

Valuation Date

The valuation date is the 1st day of the plan year.

These elections are highly technical in nature. We are available to discuss them in greater detail.


Signature of Plan Sponsor Representative

9/14/10
Date

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
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or 5 years of participation, if later.**

Schedule SB, line 26 - Schedule of Active Participant Data

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SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST

EIN: 31-0579841, PLAN NUMBER: 001

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Effective Rate: 6.34%

Val. Date: 1/1/2009

Qtr. Installment: \$44,363

COB Available: \$0

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NORMAL RETIREMENT AGE	(A) 1ST OF MONTH FOLLOWING ATTAINMENT OF AGE 65 OR 5 YEARS OF PARTICIPATION, IF LATER. (B) MAXIMUM RETIREMENT AGE: 70 (C) ELIGIBILITY FOR EARLY RETIREMENT: ATTAINMENT OF AGE 55 AND 5 YEARS OF SERVICE
FUNDING PROVISIONS	(A) UNIT CREDIT (B) AUXILIARY FUND DEPOSITS
SALARY AVERAGING	AVERAGE HIGH 5 CONSECUTIVE SALARIES USE HISTORICAL SALARIES FOR ACCRUAL
MAXIMUM SALARY	MAXIMUM CURRENT SALARY: \$ 245000 MAXIMUM PROJECTED SALARY: \$ 245000

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EIN: 31-0579841, PLAN NUMBER: 001
SCHEDULE SB, PART V - SUMMARY OF PLAN PROVISIONS

TYPE OF ANNUITY

LIFE ANNUITY

ACCRUED BENEFIT

ACCRUE AS EARNED

VESTING SCHEDULE

YR.	%	YR.	%	YR.	%
---	---	---	---	---	---
1	0	3	40	5	80
2	20	4	60	6	100

VESTING BASED UPON TOTAL SERVICE

TOP HEAVY STATUS

THIS PLAN HAS BEEN DETERMINED NOT TO BE
TOP-HEAVY FOR THE CURRENT PLAN YEAR

SCARFF'S NURSERY INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
SCHEDULE SB, PART V - STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

FUNDING ASSUMPTIONS

INTEREST

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- (B) YEARS 6-20: 6.28%
- (C) YEARS > 20: 6.62%

MORTALITY

PRE-RETIREMENT

- (A) MALE: None
- (B) FEMALE: None

POST-RETIREMENT

- (A) MALE: 2009 Optional Table - Male
- (B) FEMALE: 2009 Optional Table - Female

LUMP SUM PAYOUTS

ASSUMED 100%

ACTUARIAL EQUIVALENCE

PRE-RETIREMENT

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- (B) MORTALITY: 2009 Applicable Mortality Table

POST-RETIREMENT

- (A) INTEREST: 8.00%
- (B) MORTALITY: 2009 Applicable Mortality Table

417(e) PVAB ASSUMPTIONS

INTEREST

- (A) YEARS 1-5: 5.24%
- (B) YEARS 6-20: 5.69%
- (C) YEARS > 20: 5.37%

MORTALITY

PRE-RETIREMENT

- (A) MALE: 2009 Applicable Mortality Table
- (B) FEMALE: 2009 Applicable Mortality Table

POST-RETIREMENT

- (A) MALE: 2009 Applicable Mortality Table
- (B) FEMALE: 2009 Applicable Mortality Table

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST

EIN: 31-0578841

PLAN NUMBER: 001

PLAN YEAR ENDING: 12/31/2009

PENSION PLAN ELECTIONS

This Pension Protection Act of 2008 requires the Plan Sponsor to make certain elections under which the actuarial valuation was performed. As the Plan Sponsor, we have made the following elections:

Carryover/Prefunding Balance Elections

Quarterly Contribution Requirement

☐ The Plan is not subject to the quarterly contribution requirement.

☒ The Plan is subject to the quarterly contribution requirement of Internal Revenue Code §412(n) and the following elections were made:

\$0 of the previous credit balance was used to satisfy the April 15, 2009 quarterly contribution.

\$0 of the previous credit balance was used to satisfy the July 15, 2009 quarterly contribution.

\$0 of the previous credit balance was used to satisfy the October 15, 2009 quarterly contribution.

\$0 of the previous credit balance was used to satisfy the January 15, 2010 quarterly contribution.

Mandatory Election to Eliminate a restriction under Internal Revenue Code §436

☒ The Plan is not subject to a mandatory reduction in the Carryover/Prefunding Balance to eliminate a restriction under Internal Revenue Code §436.

☐ The Plan is subject to a mandatory reduction in the Carryover/Prefunding Balance to eliminate a restriction under Internal Revenue Code §436. \$ of the previous Carryover/Prefunding Balance was used to eliminate a restriction under Internal Revenue Code §436.

Voluntary Election to reduce a Carryover/Prefunding Balance

☐ We elect to reduce the Carryover/Prefunding Balance by \$.

Election to Offset Funding Requirement

☐ We elect to credit \$ of the Carryover/Prefunding Balance to offset the Funding Requirement.

Discount Rate Election

The 3-tier segment rates shall be used, based on the 2nd month preceding the valuation date.

The transition from pre-PPA rates available for the 2008 and 2009 plan years shall not be used.

Asset Method Election

☒ The Plan shall use Fair Market Value as the valuation asset value.

☐ The Plan shall use Asset Averaging as the valuation asset value. Such value may not be less than 90% nor greater than 110% of current Fair Market Value. The averaging period shall be 24 months.

Employee Exclusion Election

☒ The Plan elects to exclude employees from the valuation who are not participants as of the valuation date.

☐ The Plan elects to include employees from the valuation who are not participants as of the valuation date.

Prefunding Balance Election

☐ The Plan elects to add the Excess Contribution made (over the Minimum Required Contribution) of \$ to the Prefunding Balance.

Amendment Election

☐ The valuation shall reflect the amendment adopted on in accordance with IRC §412(d)(2).

Valuation Date

The valuation date is the 1st day of the plan year.

These elections are highly technical in nature. We are available to discuss them in greater detail.


Signature of Plan Sponsor Representative

9/14/10
Date

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
Schedule SB, line 32 - Schedule of Amortization Bases

Type of Base	Present Value of Remaining Installments	Valuation Date When Base Established	Years Remaining in Amortization Period	Amortization Installment
Shortfall	935,076	1/1/2008	6	177,452
Shortfall	397,985	1/1/2009	7	25,232 *

* Installment is interest only for 2009 at 6.34%.

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
Schedule SB, line 22 - Description of Weighted Average Retirement Age

**Retirement age is the first of the month following attainment of age 65,
or 5 years of participation, if later.**

Schedule SB, line 26 - Schedule of Active Participant Data

[illegible]

SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST

EIN: 31-0579841, PLAN NUMBER: 001

Schedule SB, line 19c - Discounted Employer Contributions

Effective Rate: 6.34%

Val. Date: 1/1/2009

Qtr. Installment: \$44,363

COB Available: \$0

[illegible]

SCARFF'S NURSERY INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
SCHEDULE SB, PART V - SUMMARY OF PLAN PROVISIONS

EFFECTIVE DATE	JANUARY 25, 1972
VALUATION DATE	JANUARY 1, 2009
MONTHLY PENSION	0% OF THE EXCESS ABOVE \$ 0 MULTIPLIED BY YEARS OF BENEFIT SERVICE FROM THE DATE OF HIRE TO THE NORMAL RETIREMENT DATE
ELIGIBILITY REQUIREMENTS	(A) MINIMUM MONTHS OF SERVICE: 12 (B) MINIMUM AGE: 21 (C) MAXIMUM AGE: NONE (D) PARTICIPANT ENTERS PLAN ON ELIGIBILITY DATE FOLLOWING COMPLETION OF ELIGIBILITY REQUIREMENTS (E) ENTRY DATE : JANUARY 1 ENTRY DATE 2: JULY 1
NORMAL RETIREMENT AGE	(A) 1ST OF MONTH FOLLOWING ATTAINMENT OF AGE 65 OR 5 YEARS OF PARTICIPATION, IF LATER. (B) MAXIMUM RETIREMENT AGE: 70 (C) ELIGIBILITY FOR EARLY RETIREMENT: ATTAINMENT OF AGE 55 AND 5 YEARS OF SERVICE
FUNDING PROVISIONS	(A) UNIT CREDIT (B) AUXILIARY FUND DEPOSITS
SALARY AVERAGING	AVERAGE HIGH 5 CONSECUTIVE SALARIES USE HISTORICAL SALARIES FOR ACCRUAL
MAXIMUM SALARY	MAXIMUM CURRENT SALARY: \$ 245000 MAXIMUM PROJECTED SALARY: \$ 245000

SCARFF'S NURSERY INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
SCHEDULE SB, PART V - SUMMARY OF PLAN PROVISIONS

TYPE OF ANNUITY

LIFE ANNUITY

ACCRUED BENEFIT

ACCRUE AS EARNED

VESTING SCHEDULE

YR.	%	YR.	%	YR.	%
---	---	---	---	---	---
1	0	3	40	5	80
2	20	4	60	6	100

VESTING BASED UPON TOTAL SERVICE

TOP HEAVY STATUS

THIS PLAN HAS BEEN DETERMINED NOT TO BE
TOP-HEAVY FOR THE CURRENT PLAN YEAR

SCARFF'S NURSERY INC. PENSION PLAN AND TRUST
EIN: 31-0579841, PLAN NUMBER: 001
SCHEDULE SB, PART V - STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

FUNDING ASSUMPTIONS

INTEREST

- (A) YEARS 1-5: 5.17%
- (B) YEARS 6-20: 6.28%
- (C) YEARS > 20: 6.62%

MORTALITY

PRE-RETIREMENT

- (A) MALE: None
- (B) FEMALE: None

POST-RETIREMENT

- (A) MALE: 2009 Optional Table - Male
- (B) FEMALE: 2009 Optional Table - Female

LUMP SUM PAYOUTS

ASSUMED 100%

ACTUARIAL EQUIVALENCE

PRE-RETIREMENT

- (A) INTEREST: 8.00%
- (B) MORTALITY: 2009 Applicable Mortality Table

POST-RETIREMENT

- (A) INTEREST: 8.00%
- (B) MORTALITY: 2009 Applicable Mortality Table

417(e) PVAB ASSUMPTIONS

INTEREST

- (A) YEARS 1-5: 5.24%
- (B) YEARS 6-20: 5.69%
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SCARFF'S NURSERY, INC. PENSION PLAN AND TRUST

EIN: 31-0578841

PLAN NUMBER: 001

PLAN YEAR ENDING: 12/31/2009

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Signature of Plan Sponsor Representative

9/14/10
Date

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 SCARFFS NURSERY, INC. PENSION PLAN AND TRUST	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SCARFFS NURSERY, INC.	D Employer Identification Number (EIN) 31-0579841
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 547,902
b Actuarial value.....	2b 545,639
3 Funding target/participant count breakdown	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 2 875,851
b For terminated vested participants.....	3b 14 87,477
c For active participants:	
(1) Non-vested benefits.....	3c(1) 0
(2) Vested benefits.....	3c(2) 1,010,061
(3) Total active.....	3c(3) 42 1,010,061
d Total.....	3d 58 1,973,389
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 6.34 %
6 Target normal cost.....	6 0

Statement by Enrolled Actuary To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.	
SIGN HERE  Signature of actuary DAVID H. FERRARE, EA, MAAA, MSPA Type or print name of actuary SHAW & COMPANY Firm name 7700 N. KENDALL DRIVE, SUITE 710 MIAMI FL 33156 Address of the firm	10/06/2010 Date 08-04874 Most recent enrollment number (305) 595-2740 Telephone number (including area code)

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)	7,571	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).....	7,571	0
10 Interest on item 9 using prior year's actual return of <u>(29.21)%</u>	(2,211)	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		17,289
b Interest on (a) using prior year's effective rate of <u>6.09 %</u>		1,053
c Total available at beginning of current plan year to add to prefunding balance		18,342
d Portion of (c) to be added to prefunding balance.....		18,342
12 Reduction in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	5,360	18,342

Part III Funding percentages

14 Funding target attainment percentage.....	14	26.45 %
15 Adjusted funding target attainment percentage	15	26.44 %
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	35.44 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	27.65 %

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2009	51,820				
07/14/2009	51,819				
10/20/2009	19,819				
11/27/2009	16,000				
Totals ►			18(b)	139,458	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 135,076

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:
5.17 %2nd segment:
6.28 %3rd segment:
6.62 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

2

22 Weighted average retirement age**22**

65

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** 0**32** Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

1,333,061

202,684

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**

202,684

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	0	0	0

36 Additional cash requirement (item 34 minus item 35) **36** 202,684**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c) **37** 135,076**38** Interest-adjusted excess contributions for current year (see instructions) **38** 0**39** Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) **39** 67,608**40** Unpaid minimum required contribution for all years **40** 67,608