

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Annual Return/Report of Employee Benefit Plan</div> <div>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).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A	This return/report is for: <div><div>☐ a multiemployer plan;</div><div>☒ a single-employer plan;</div><div>☐ a multiple-employer plan; or</div><div>☐ a DFE (specify) ____</div></div>
B	This return/report is: <div><div>☐ the first return/report;</div><div>☐ the final return/report;</div><div>☐ an amended return/report;</div><div>☐ a short plan year return/report (less than 12 months).</div></div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div><div>☒ Form 5558;</div><div>☐ automatic extension;</div><div>☐ the DFVC program;</div><div>☐ special extension (enter description)</div></div>

Part II	Basic Plan Information—enter all requested information
1a	Name of plan THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN
1b	Three-digit plan number (PN) ▶ 003
1c	Effective date of plan 01/01/1955
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) THIRD FEDERAL SAVINGS BANK 3 PENNS TRAIL NEWTOWN, PA 18940-1812
2b	Employer Identification Number (EIN) 23-1151162
2c	Sponsor's telephone number 215-579-4600
2d	Business code (see instructions) 522120

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.	10/15/2010	BETH A. MALLAK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2010	DENNIS R. STEWART
	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

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") THIRD FEDERAL SAVINGS BANK 3 PENNS TRAIL NEWTOWN, PA 18940-1812	3b Administrator's EIN 23-1151162 3c Administrator's telephone number 215-579-4600
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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	156
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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	139
b Retired or separated participants receiving benefits.....	6b	9
c Other retired or separated participants entitled to future benefits.....	6c	20
d Subtotal. Add lines 6a , 6b , and 6c	6d	168
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	168
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	9
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1G

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) ☐ 0 **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☐ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

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>THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>THIRD FEDERAL SAVINGS BANK</u>	D Employer Identification Number (EIN) <u>23-1151162</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>4637056</u>
b Actuarial value	2b <u>4637056</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>8</u> <u>413677</u>
b For terminated vested participants	3b <u>25</u> <u>607016</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>311370</u>
(2) Vested benefits	3c(2) <u>1970557</u>
(3) Total active	3c(3) <u>123</u> <u>2281927</u>
d Total	3d <u>156</u> <u>3302620</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>6.47</u> %
6 Target normal cost	6 <u>376228</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	<u>10/14/2010</u>
Signature of actuary	Date
<u>LAWRENCE C. BRISMAN</u>	<u>08-04972</u>
Type or print name of actuary	Most recent enrollment number
<u>BEYER-BARBER COMPANY</u>	<u>610-435-9577</u>
Firm name	Telephone number (including area code)
<u>1136 HAMILTON STREET</u> <u>ALLENTOWN, PA 18101-1081</u>	
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)	3253805	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).....	3253805	0
10	Interest on item 9 using prior year's actual return of <u>-20.66</u> %	-672236	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		764306
b	Interest on (a) using prior year's effective rate of <u>6.02</u> %		46011
c	Total available at beginning of current plan year to add to prefunding balance		810317
d	Portion of (c) to be added to prefunding balance.....		810317
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).....	2581569	810317

Part III Funding percentages			
14	Funding target attainment percentage.....	14	37.70 %
15	Adjusted funding target attainment percentage.....	15	140.41 %
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	151.56 %
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
12/28/2009	1506469	0			
Totals ►			18(b)	1506469	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	1415896
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	(4) 4th
0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 5.64 %	2nd segment: 6.40 %	3rd segment: 6.56 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
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	376228
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	376228
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	376228	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	1415896
38 Interest-adjusted excess contributions for current year (see instructions).....	38	1415896
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

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	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

<div>A Name of plan</div> <div>THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN</div>	<div>B Three-digit plan number (PN)</div> <div>▶ 003</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500</div> <div>THIRD FEDERAL SAVINGS BANK</div>	<div>D Employer Identification Number (EIN)</div> <div>23-1151162</div>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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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)

MERRILL LYNCH PIERCE FENNER & SMITH

4 WORLD FINANCIAL CENTER
250 VESEY STREET
NEW YORK, NY 10281

13-5674085

(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?
51 52 56 60 62 71	BROKERAGE	37280	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

BANK OF AMERICA

101 S TRYON STREET
CHARLOTTE, NC 28280

94-1687665

(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?
21	TRUSTEE	16234	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 ☐

(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 ☐

(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 ☐

(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:	GRANT THORNTON, LLP	b EIN:	36-6055558
c Position:	ACCOUNTANT		
d Address:	2001 MARKET ST., SUITE 3100 PHILADELPHIA, PA 19103-7080	e Telephone:	215-561-4200

Explanation: THE REASON FOR THE CHANGE IN ACCOUNTANT IS TO REDUCE THE COST FOR AUDITING SERVICES.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2009 This Form is Open to Public Inspection
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>		
A Name of plan <u>THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THIRD FEDERAL SAVINGS BANK</u>	D Employer Identification Number (EIN) <u>23-1151162</u>	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	10275	972
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1094920	1526905
(2) U.S. Government securities	1c(2)	877950	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	323748	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	21476	0
(B) Common	1c(4)(B)	1588639	6338
(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)	0	4952475
(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)	432801	0
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	296964	269055

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	4646773	6755745

Liabilities

g Benefit claims payable	1g	0	50
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	9717	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	9717	50

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	4637056	6755695
---	-----------	---------	---------

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)	1506469	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1506469

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	778	
(B) U.S. Government securities	2b(1)(B)	50138	
(C) Corporate debt instruments	2b(1)(C)	14449	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		65365
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	50027	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	42728	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		92755
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	13165461	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	13111559	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		53902

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	593019	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		593019
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		0
c Other income.....	2c		867
d Total income. Add all income amounts in column (b) and enter total.....	2d		2312377

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	138280	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		138280
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	55458	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		55458
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		193738

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2118639
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

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: S. R. SNODGRASS, A.C.

(2) EIN: 25-1616561

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.).....			
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>THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THIRD FEDERAL SAVINGS BANK</u>	D Employer Identification Number (EIN) <u>23-1151162</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>23-2697472</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>6</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
-----------------	-------------------

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): _____

Financial Statements and Report of Independent
Auditors

**Third Federal Savings Bank Retirement Plan and
Trust**

December 31, 2009 and 2008

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REPORT OF INDEPENDENT AUDITORS

Plan Administrator
Third Federal Savings Bank Retirement Plan and Trust

We were engaged to audit the accompanying statement of net assets available for benefits of the Third Federal Savings Bank Retirement Plan and Trust (the "Plan") as of December 31, 2009, and the related statement of changes in net assets available for benefits for the year then ended; the statement of accumulated plan benefits as of December 31, 2008, and the related statement of changes in accumulated plan benefits for the year then ended; and supplemental schedules as of December 31, 2009. These financial statements and supplemental schedules are the responsibility of the Plan's management. Other auditors were engaged to audit the statement of net assets available for benefits and the statement of changes in net assets available for benefits of the Plan for the year ended December 31, 2008, whose report dated October 14, 2009, disclaimed an opinion on the 2008 statement of net assets available for benefits and the statement of changes in net assets available for benefits for the same reasons described in the following paragraph.

As permitted in 29 CFR 2520.103-8 of the United States Department of Labor ("DOL")'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 G, which was certified by Wilmington Trust, the current custodian of the Plan and Merrill Lynch Co., the former custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. The Plan administrator has informed us that the Trustee holds the Plan's investment assets and executes investment transactions. As disclosed in Note G, the Plan administrator has obtained certifications from the custodians regarding the completeness and accuracy of the investment information provided to the Plan administrator by the current custodian as of and for the period from December 22, 2009 to December 31, 2009, and the former Trustee from January 1, 2009 to December 31, 2009, and as of December 31, 2008.

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 supplemental 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 U.S. generally accepted auditing standards and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A.R. Snodgrass, A.C.

Wexford, Pennsylvania
October 13, 2010

Third Federal Savings Bank Retirement Plan and Trust

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,

	2009	2008
ASSETS		
Investments at fair value		
Collective investment trust	\$ 4,952,475	\$ -
Equities	6,338	1,610,115
Mutual funds	-	432,801
Money funds	-	1,085,042
Corporate/government bonds	-	1,201,698
Other assets	269,055	296,964
Total investments at fair value	5,227,868	4,626,620
Accrued interest receivable	-	6,129
Accrued dividends receivable	972	4,146
Cash-interest bearing	1,526,905	9,878
TOTAL PLAN ASSETS	6,755,745	4,646,773
LIABILITIES		
Amount due participant	50	-
Amount due broker	-	9,717
TOTAL PLAN LIABILITIES	50	9,717
NET ASSETS AVAILABLE FOR BENEFITS	\$ 6,755,695	\$ 4,637,056

The accompanying notes are an integral part of these statements.

Third Federal Savings Bank Retirement Plan and Trust

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31,

Additions (reductions) to net assets attributed to:		
	2009	2008
Investment income (loss)		
Interest income	\$ 65,365	\$ 49,574
Dividends	92,755	119,984
Net appreciation (depreciation) in fair value of assets	647,788	(1,194,993)
Total investment income (loss)	805,908	(1,025,435)
Employer contribution	1,506,469	1,179,527
Total additions	2,312,377	154,092
Deductions		
Plan expenses	55,458	55,527
Benefits paid directly to participants	138,280	205,751
Total deductions	193,738	261,278
NET INCREASE (DECREASE)	2,118,639	(107,186)
Net assets available for benefits		
Beginning of year	4,637,056	4,744,242
End of year	\$ 6,755,695	\$ 4,637,056

The accompanying notes are an integral part of these statements.

Third Federal Savings Bank Retirement Plan and Trust

STATEMENT OF ACCUMULATED PLAN BENEFITS

December 31,

	<u>2008</u>
Actuarial present value of accumulated Plan benefits	
Vested benefits	
Participants currently receiving payments	\$ 342,263
Other participants	1,760,958
Nonvested benefits	<u>199,511</u>
 Total actuarial present value of accumulated Plan benefits	 \$ <u>2,302,732</u>

The accompanying notes are an integral part of this statement.

Third Federal Savings Bank Retirement Plan and Trust

STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS

December 31, 2008

Actuarial present value of accumulated Plan benefits at beginning of year	\$	<u>1,994,130</u>
Increase (decrease) during the year attributable to:		
Decrease in discount period		170,412
Benefits accumulated		343,941
Benefits paid		<u>(205,751)</u>
Net increase		<u>308,602</u>
Actuarial present value of accumulated Plan benefits at end of year	\$	<u><u>2,302,732</u></u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009 and 2008

NOTE A - DESCRIPTION OF THE PLAN

The following description of the Third Federal Savings Bank Retirement Plan and Trust (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

1. General

The Plan is a defined benefit pension plan covering substantially all employees of Third Federal Bank (the “Bank”), which is a wholly owned subsidiary of TF Financial Corporation. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

2. Pension Benefits

Employees are eligible to become participants after completing one year of service and attaining 21 years of age. The normal form of pension payable to an unmarried participant is a single life annuity. A participant is 100 percent vested upon attainment of his/her early or normal retirement date; otherwise, the participant becomes vested in his/her accrued benefit after five years of service.

3. Death and Disability Benefits

If a vested, married, active employee dies, a death benefit equal to 50 percent of the value of the employee’s accumulated pension benefits is paid to the employee’s spouse. No death benefits are payable to unmarried employees under this Plan, except when necessary requirements are met. Active employees who become totally and permanently disabled receive annual disability benefits that are equal to the normal retirement benefits they have accumulated as of the time they became disabled.

4. Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated July 29, 2003, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan administrator and tax counsel believe that the Plan is in compliance with the applicable requirements of the Code.

5. Administrative Expenses

The Bank pays the insurance premium of the Pension Benefit Guaranty Corporation. All other administrative expenses are paid by the Plan.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies of the Plan:

1. Basis of Accounting

The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America.

2. Use of Estimates

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, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

3. Valuation of Investments and Income Recognition

Investments of the Plan are stated at fair value. Note C-*Fair Value Measurements* provides additional disclosure related to valuation methodologies. Purchase and sales of securities are recorded on a trade date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

4. Actuarial Present Value of Accumulated Plan Benefits

Accumulated Plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services 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. The accumulated Plan benefits are based on career average compensation. Benefits payable under all circumstances--retirement, death, disability, and termination of employment--are included to the extent they are deemed attributable to employee service rendered as of the valuation date.

An actuary estimates the actuarial present value of accumulated Plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated Plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment by means of decrements (such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

(Continued)

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Significant assumptions underlying the actuarial computations as of December 31 2008, are as follows:

Actuarial cost method	- Unit Credit Cost Method
Assumed average rate of return on investments	- 9 percent per year pre-retirement, compounded annually
Mortality scale	- IRS 2009 Combined Static Mortality Table
Retirement	- Retirement is assumed at normal retirement age

These actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

5. Benefits Paid

Benefit payments to participants are recorded upon distribution.

NOTE C - FAIR VALUE MEASUREMENTS

U.S. generally accepted accounting principles establishes a fair value hierarchy which requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value. A financial instrument's level within the fair value hierarchy is based on the lowest level of input significant to the fair value measurement.

The three levels of the fair value hierarchy are described below:

Level I – Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.

Level II – Inputs to the valuation methodology are observable inputs other than Level I prices, such as quoted prices for similar assets or liabilities in active markets; quoted prices in markets that are not active for identical or similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data. If the asset or liability has a specified (contractual) term, the Level II input must be observable for substantially the full term of the asset or liability.

Level III – Inputs to the valuation methodology are unobservable inputs that are supported by little or no market activity and significant to the fair value of the assets or liabilities that are developed using the reporting entities' estimates and assumptions, which reflect those that market participants would use.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE C - FAIR VALUE MEASUREMENTS (Continued)

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

<i>Equities:</i>	Valued at quoted prices in active markets.
<i>Mutual Funds:</i>	Valued at the net asset value (NAV) of shares held by the Plan at year-end.
<i>Money Fund:</i>	Valued at the net asset value (NAV) of shares held by the Plan at year-end.
<i>Corporate/Government Bonds:</i>	Debt securities are primarily priced through a multi-dimensional relational model, a Level 2 hierarchy, which incorporates dealer quotes and other market information, including defined sector breakdown, benchmark yields, base spread, yield to maturity, and other information.
<i>Other Assets:</i>	Valued at the net asset value (NAV) of shares held by the Plan at year-end.
<i>Collective Investment Trust Funds:</i>	The collective investment trust funds fair value is classified in Level 2 using the asset fair value provided by Wilmington Trust, the trustee of the fund. Net asset value unit price is quoted on a private market that is not active; however, the unit price is based on underlying investments which are traded on an active market.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The Plan custodian engages a third-party pricing agent as well as an internal pricing service to determine fair value. Furthermore, although the Plan believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008, respectively.

<u>At December 31, 2009</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	<u>Balance as of December 31, 2009</u>
Assets				
Collective investment trust funds	\$ -	\$4,952,475	\$-	\$4,952,475
Equities	6,338	-	-	6,338
Other assets	269,055	-	-	269,055
Total investment securities at fair value	<u>\$275,393</u>	<u>\$4,952,475</u>	<u>\$-</u>	<u>\$5,227,868</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE C - FAIR VALUE MEASUREMENTS (Continued)

<u>At December 31, 2008</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2008
Assets				
Equities	\$1,610,115	\$ -	\$-	\$1,610,115
Mutual funds	432,801	-	-	432,801
Money funds	1,085,042	-	-	1,085,042
Corporate/government bonds	-	1,201,698	-	1,201,698
Other assets	296,964	-	-	296,964
Total investment securities at fair value	<u>\$3,424,922</u>	<u>\$1,201,698</u>	<u>\$-</u>	<u>\$4,626,620</u>

NOTE D – FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments are defined as cash, evidence of ownership interest in an entity, or a contract which creates an obligation or right to receive or deliver cash or another financial instrument from/to a second entity on potentially favorable or unfavorable terms. Fair value is defined as the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced liquidation or sale. If a quoted market price is available for a financial instrument, the fair value would be calculated based upon the market price per trading unit of the instrument.

Investments in collective investment trusts, equities, accrued interest and dividends receivable, and cash would be considered financial instruments. At December 31, 2009, the carrying amounts of these financial instruments approximate fair value.

NOTE E - FUNDING POLICY

The Bank's funding policy is to make annual contributions to the Plan that are between the minimum amount required to satisfy the funding standards of ERISA and the maximum tax-deductible contribution for federal income tax purposes, such that all employees' benefits will be fully provided for by the time they retire.

NOTE F - PLAN TERMINATION

Although it has not expressed any intent to do so, the Bank has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

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:

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE F - PLAN TERMINATION (Continued)

- (a) To that portion of participant Accrued Benefit which is derived from participant contributions made to the Plan.
- (b) Equally among:
 - (1) Retired participants and their beneficiaries to whom payment commenced at least three years prior to the date of termination.
 - (2) Participants who could have retired and received payment of their benefits at least three years prior to the date of termination.
- (c) To all benefits guaranteed and insured by the Pension Benefit Guaranty Corporation.
- (d) To all other vested accrued benefits not insured by the Pension Benefit Guaranty Corporation.
- (e) To all other accrued benefits provided under the Plan.

Any excess funds shall revert to the employer.

NOTE G - INFORMATION CERTIFIED BY THE CUSTODIAN

The Plan administrator has elected the method of compliance 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. In December 2009 the Plan administrator changed the custodian of Plan assets from Merrill Lynch Trust Co., FSB to Wilmington Trust. Merrill Lynch Trust Co., FSB and Wilmington Trust have certified that the data included in the following financial statements and supplemental schedules is complete and accurate:

- Investments at fair value as shown in the statements of net assets available for benefits, December 31, 2009 and 2008
- Investment activity (interest and dividend income, net appreciation (depreciation) in fair value of investments) as shown in the statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2009 and 2008
- Schedule of assets (held at end of year) December 31, 2009
- Schedule of reportable (5 percent) transactions December 31, 2009

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE G - INFORMATION CERTIFIED BY THE CUSTODIAN (Continued)

	December 31, 2009	
	Number of shares or principal amount	Fair value
Equities:		
Common stock	355 shares	<u>\$6,338</u>
Total equities		<u>6,338</u>
Collective investment trust funds:		
Fixed Income Index	53,465	996,695*
Fundamental Value Portfolio	10,724	592,442*
International Growth Portfolio	22,799	397,908*
International Value Portfolio	23,452	494,506*
Mid-Cap Fundamental Value Portfolio	11,879	123,384
Mid-Cap Growth Portfolio	6,693	73,929
Money Market Portfolio	149,344	149,344
S&P 500index Portfolio	25,718	393,878*
Short Duration Portfolio	24,117	298,567
Small Co Growth Portfolio	798	73,662
Small Company Diversified Value Portfolio	11,437	122,566
Strategic Bond Portfolio	18,804	500,088*
Strategic Growth Portfolio	30,614	493,803*
Total Return REIT Portfolio	1,1619	<u>241,703</u>
Total collective investment trust funds		<u>4,952,475</u>
Other assets		
Campbell Strategic Allocation Fund	112 shares	<u>269,055</u>
Total other assets		<u>269,055</u>
Total investment securities at fair value		<u>\$5,227,868</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE G - INFORMATION CERTIFIED BY THE CUSTODIAN (Continued)

	December 31, 2008	
	Number of shares or principal amount	Fair value
Equities:		
Common stock		\$1,588,639
Preferred stock		<u>21,476</u>
Total equities		<u>1,610,115</u>
Mutual Funds		432,801
Money Funds		
CMA Money Fund	\$176,187	176,187
ML Government Fund	\$908,855	<u>908,855*</u>
Total money funds		<u>1,085,042</u>
Debt Securities		
U.S. government agency securities	\$857,832	877,327
Corporate bonds	\$354,000	<u>324,371</u>
Total debt securities		<u>1,201,698</u>
Other Assets		
Campbell Strategic Allocation Fund	112 shares	296,265*
1MTH Campbell Strategic Allocation Fund LP	265 shares	<u>699</u>
Total other assets		<u>296,964</u>
Total investment securities at fair value		<u>\$4,626,620</u>

*Represents 5 percent or more of Plan assets

During 2009 and 2008, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) as follows:

	December 31,	
	2009	2008
Appreciation (depreciation)		
Equities	\$ 562,261	\$(1,032,039)
Mutual funds	25,787	(112,005)
Debt securities	111,629	(51,741)
Collective investment trust	(25,654)	-
Other assets	<u>(26,235)</u>	<u>792</u>
	<u>\$ 647,788</u>	<u>\$(1,194,993)</u>

Interest and dividend income for 2009 and 2008 was \$158,120 and \$169,558, respectively.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009 and 2008

NOTE H - RISKS AND UNCERTAINTIES

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

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

NOTE I – SUBSEQUENT EVENTS

The Plan assessed events occurring subsequent to December 31, 2009 through October 13, 2010, for potential recognition and disclosure in the financial statements. No other events have occurred that would require adjustment to or disclosure in the financial statements which were issued October 13, 2010.

SUPPLEMENTAL INFORMATION

Third Federal Savings Bank Retirement Plan and Trust

EIN 23-1151162

Plan #003

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

December 31, 2009

<u>(a)</u>	<u>(b) Identity of issuer, borrower, lessor or similar party</u>	<u>(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value</u>	<u>(d) Cost</u>	<u>(e) Current value</u>
<u>Common Stocks</u>				
	Host Marriott Corp Md	5 shares	\$ 52	\$ 58
	ING Gp Nv Spnd Adr	306 shares	2,308	3,002
	Macerich Co	2 shares	60	72
	Seacor Hldgs Inc	41 shares	3,390	3,126
	Simon Property Group Del	1 shares	76	80
	Total Common Stocks		\$ 5,886	\$ 6,338
<u>Collective Investment Trust Funds</u>				
	Fixed Income Index	53,465 units	\$995,626	\$996,695
	Fundamental Value Portfolio	10,724 units	597,375	592,442
	International Growth Portfolio	22,799 units	398,250	397,908
	International Value Portfolio	23,452 units	497,813	494,506
	Mid-Cap Fundamental Value Portfolio	11,879 units	124,453	123,384
	Mid-Cap Growth Portfolio	6,693 units	74,672	73,929
	Money Market Portfolio	149,344 units	149,344	149,344
	S&P 500index Portfolio	25,718 units	398,250	393,878
	Short Duration Portfolio	24,117 units	298,688	298,567
	Small Co Growth Portfolio	798 units	74,672	73,662
	Small Company Diversified Value Portfolio	11,437 units	124,453	122,566
	Strategic Bond Portfolio	18,804 units	497,813	500,088
	Strategic Growth Portfolio	30,614 units	497,813	493,803
	Total Return REIT Portfolio	11,619 units	248,906	241,703
	Total Collective Funds		4,978,128	4,952,475
<u>Other Assets</u>				
	Campbell Strategic Allocation Fund LP	112 shares	308,598	269,055
	Total Other Assets		308,598	269,055
	Total Investments		\$ 5,292,612	\$ 5,227,868

**Third Federal Savings Bank
Defined Benefit Plan
December 31, 2009**

Schedule H, Line 4j Schedule of Reportable Transactions

(a) Identity of party involved	(b) Description of asset include interest rate and maturity in case of a loan	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Merrill Lynch	PIMCO Fixed Income Shs (FISH) series C Instl	N/A	\$270,897	\$0	\$0	\$225,939	\$270,897	\$44,958
Merrill Lynch	PIMCO Fixed Income Shs (FISH) series M Instl	N/A	254,289	0	0	251,922	254,289	2,367
Merrill Lynch	FNMA P9889579 6% 2038	N/A	195,679	0	0	191,535	195,679	4,144
Merrill Lynch	FNMA P9889579 6% 2038	\$121,982	N/A	0	0	121,982	127,554	N/A
Merrill Lynch	JP Morgan International Value SMA Fund	5,340	N/A	0	0	5,340	48,090	N/A
Merrill Lynch	JP Morgan International Value SMA Fund	N/A	196,525	0	0	218,063	196,525	-21,538
Merrill Lynch	CMA Money Fund	6,197,724	N/A	0	0	6,197,724	6,197,724	N/A
Merrill Lynch	CMA Money Fund	N/A	6,373,911	0	0	6,373,911	6,373,911	0
Merrill Lynch	ML Government Fund	1,401	N/A	0	0	1,401	1,401	N/A

**Third Federal Savings Bank
Defined Benefit Plan
December 31, 2009**

Schedule H, Line 4j Schedule of Reportable Transactions

(a) Identity of party involved	(b) Description of asset include interest rate and maturity in case of a loan	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Merrill Lynch	ML Government Fund	N/A	910,256	0	0	910,256	910,256	0

0000 0

SCHEDULE SB, LINE 26-SCHEDULE OF ACTIVE PARTICIPANT DATA

[illegible]

PLAN NAME: THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN

PLAN SPONSOR'S EIN: 23-1151162

PLAN NUMBER: 003

SCHEDULE SB, PART V – STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

ACTUARIAL VALUATION METHODS

I. ACTUARIAL COST METHOD

The method used to determine the costs of this Plan is the Unit Credit Actuarial Cost Method. Under this method, the annual cost of the Plan consists of two parts: (1) Amortization of Funding Shortfall and (2) Target Normal Cost.

An individual's accrued benefit for valuation purposes on any date (i.e., a valuation date) related to a particular separation date is the accrued benefit described under the Plan, using the credited service as of the determination date.

The benefit deemed to accrue for an individual during a plan year is the excess of the accrued benefit for valuation purposes at the end of the plan year over the accrued benefit for valuation purposes at the beginning of the plan year.

An individual's Funding Target is the present value of the accrued benefit for valuation purposes at the beginning of the plan year, and the Target Normal Cost is the present value of the benefit deemed to accrue in the plan year.

II. ASSET VALUATION METHOD

Assets shall be valued using their current fair market price.

PLAN NAME: THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN

PLAN SPONSOR'S EIN: 23-1151162

PLAN NUMBER: 003

SCHEDULE SB, PART V – STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

ACTUARIAL VALUATION ASSUMPTIONS

In determining the value of future benefits and costs, the actuarial factors and assumptions used for your Plan are:

Mortality:

Funding, PBGC Premium
& Ongoing Basis:

IRS 2009 Combined Static Mortality Table.

Interest:

Funding:

Transition Segmented Rates:

1 st Segment	5.64%
2 nd Segment	6.40%
3 rd Segment	6.56%

PBGC Premium:

1 st Segment	6.72%
2 nd Segment	7.12%
3 rd Segment	6.36%

Ongoing Basis FAS 35:

A rate of 9.0% per annum.

Retirement Age:

Retirement is assumed at Normal Retirement Age.

Termination:

Annual rates based on the following scale as a percentage:

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	7.72%	7.72%
40	5.15%	5.15%
55	0.94%	0.94%



PLAN NAME: THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN

PLAN SPONSOR'S EIN: 23-1151162

PLAN NUMBER: 003

SCHEDULE SB, PART V – STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

ACTUARIAL VALUATION ASSUMPTIONS (Cont'd)

Expenses: None assumed.

Annuity Form: Straight Life Annuity.

Salary Scale: Salaries are assumed to increase at the rate of 6% per annum.

Hours Worked: This Valuation Report reflects actual hours worked for the prior calendar year. It is assumed that for the current year and future years, all Members will have enough hours for full vesting and benefit accruals.

Incidence of Disability,
Active Lives: None assumed.

Calculation of Benefits: Benefits are calculated as of the last completed computation period, December 31, 2008.



Third Federal Savings Bank Retirement Plan and Trust

EIN 23-1151162

Plan #003

December 31, 2009

Schedule H, Line 4j Schedule of Reportable Transactions

(a) Identity of party involved	(b) Description of asset include interest rate and maturity in case of a loan	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Merrill Lynch	PIMCO Fixed Income Shs (FISH) series C Instl	N/A	\$270,897	\$0	\$0	\$225,939	\$270,897	\$44,958
Merrill Lynch	PIMCO Fixed Income Shs (FISH) series M Instl	N/A	254,289	0	0	251,922	254,289	2,367
Merrill Lynch	FNMA P9889579 6% 2038	N/A	195,679	0	0	191,535	195,679	4,144
Merrill Lynch	FNMA P9889579 6% 2038	\$121,982	N/A	0	0	121,982	127,554	N/A
Merrill Lynch	JP Morgan International Value SMA Fund	5,340	N/A	0	0	5,340	48,090	N/A
Merrill Lynch	JP Morgan International Value SMA Fund	N/A	196,525	0	0	218,063	196,525	-21,538
Merrill Lynch	CMA Money Fund	6,197,724	N/A	0	0	6,197,724	6,197,724	N/A
Merrill Lynch	CMA Money Fund	N/A	6,373,911	0	0	6,373,911	6,373,911	0
Merrill Lynch	ML Government Fund	1,401	N/A	0	0	1,401	1,401	N/A

Third Federal Savings Bank Retirement Plan and Trust

EIN 23-1151162
Plan #003

December 31, 2009

Schedule H, Line 4j Schedule of Reportable Transactions

(a) Identity of party involved	(b) Description of asset include interest rate and maturity in case of a loan	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Merrill Lynch	ML Government Fund	N/A	910,256	0	0	910,256	910,256	0

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 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 THIRD FEDERAL SAVINGS BANK RETIREMENT PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF THIRD FEDERAL SAVINGS BANK	D Employer Identification Number (EIN) 23-1151162	
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	4637056	
b Actuarial value.....	2b	4637056	
3 Funding target/participant count breakdown			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	8	413677
b For terminated vested participants.....	3b	25	607016
c For active participants:			
(1) Non-vested benefits.....	3c(1)		311370
(2) Vested benefits.....	3c(2)		1970557
(3) Total active.....	3c(3)	123	2281927
d Total.....	3d	156	3302620
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	6.47%
6 Target normal cost.....		6	376228

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 LAWRENCE C. BRISMAN Type or print name of actuary BEYER-BARBER COMPANY Firm name 1136 HAMILTON STREET ALLENTOWN PA 18101-1081 Address of the firm	<div style="font-size: 1.5em; margin-bottom: 10px;">10/14/09</div> Date 0804972 Most recent enrollment number 610-435-9577 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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)	3253805	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)	3253805	0
10	Interest on item 9 using prior year's actual return of <u>-20.66%</u>	-672236	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		764306
b	Interest on (a) using prior year's effective rate of <u>6.02%</u>		46011
c	Total available at beginning of current plan year to add to prefunding balance		810317
d	Portion of (c) to be added to prefunding balance		810317
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)	2581569	810317

Part III Funding percentages			
14	Funding target attainment percentage	14	37.70%
15	Adjusted funding target attainment percentage	15	140.41%
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	151.56%
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
12/28/2009	1506469	0			
Totals ►			18(b)	1506469	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 1415896
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
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 5.64%	2nd segment: 6.40%	3rd segment: 6.56%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
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	376228
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	376228
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	376228	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	1415896
38 Interest-adjusted excess contributions for current year (see instructions)	38	1415896
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

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SCHEDULE SB, PART V – SUMMARY OF PLAN PROVISIONS

SALIENT FEATURES

I. ELIGIBILITY

Each Employee shall become a participant on the January 1, or July 1 coincident with or next following the completion of one (1) Year of Service and the attainment of age 21.

II. RETIREMENT DATES

- A. Normal Retirement Date - First day of the month coinciding with or next following the attainment of age 65 or the 5th anniversary of joining the plan, if later.
- B. Early Retirement Date – First day of the month coinciding with or next following the attainment of age 55 and completion of 5 Years of Service
- C. Postponed Retirement Date – Retirement after Normal Retirement Date.
- D. Disability Retirement Date – The disability of a participant shall be determined by a licensed physician chosen by the Plan Administrator. Participant becomes totally and permanently disabled and such condition continues for a period of six (6) consecutive months and by reason thereof such Participant's status as an Employee ceases. The benefit shall be computed as of the Anniversary Date subsequent to termination of employment.

III. RETIREMENT BENEFITS

- A. Normal Retirement Benefit - The monthly accrued benefit as of any date of determination is equal to the sum of:
 - (1) The accrued benefit as of December 31, 1997, and



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SCHEDULE SB, PART V – SUMMARY OF PLAN PROVISIONS

III. RETIREMENT BENEFITS (cont'd)

- (2) 1.5% of career average monthly compensation multiplied by Years of Credited Service after December 31, 1997. Years of Service shall not exceed the difference between 30 and the number of Years of Credited Service before January 1, 1998.

In no event shall the accrued benefit be less than the greater of:

- (1) The accrued benefit under the old formula calculated as of December 31, 1988.
- (2) The accrued benefit under the old formula calculated as of December 31, 1993.
- (3) The accrued benefit as of November 15, 1992 (merger date) for prior participants of Doylestown Federal Savings and Loan Association Defined Benefit Pension Plan.
- (4) The benefit under the December 31, 1996 formula multiplied by Years of Credited Service at December 31, 1997 divided by the total Years of Credited Service at Retirement Date (not to exceed 30 years).

B. Early Retirement Benefit –

- (1) Early Deferred Benefit – Equal to the Participant's Accrued Benefit payable at the Participant's Normal Retirement Date.
- (2) Early Immediate Benefit – Pension benefit determined as of Early Retirement Date, reduced 0.5555% for each of the first 60 months and 0.2777% for each of the next 60 months and reduced actuarially for each additional year by which retirement precedes Normal Retirement Date.



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SCHEDULE SB, PART V – SUMMARY OF PLAN PROVISIONS

III. RETIREMENT BENEFITS (cont'd)

- C. Postponed Retirement Benefit – Benefit is equal to the greater of the equivalent actuarial value of the Participant's benefit calculated using years of service and average monthly compensation to his Normal Retirement Date, or the benefit calculated using years of service and average monthly compensation as of the date of actual retirement.
- D. Disability Retirement Benefit – Actuarial equivalent of Participant's vested Accrued Benefit.

IV. VESTED BENEFIT

- A. Accrued Benefit – The Normal Retirement Benefit as of the Date of Determination.
- B. Vested Benefit – A percentage of the Participant's Accrued Benefit based on the number of Years of Service according to the following schedule:

<u>Years of Vesting Service</u>	<u>Vesting %</u>
Less than 5 years	0%
5 years or more	100%

V. DEATH BENEFIT

- A. Pre-Retirement - In accordance with the provisions of the Retirement Equity Act, a monthly benefit is payable to the spouse of certain vested Participants who die after August 23, 1984, with payments commencing on the Participant's Early Retirement Date. The spouse's benefit is equal to 50% of the Participant's vested benefit, reduced for the 50% Qualified Joint & Survivor form of payment and reduced for payment commencing at Early Retirement Date.
- B. Post-Retirement – Based on optional form of benefit elected.

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VI. COMPENSATION

Compensation with respect to any Participant means total taxable compensation paid by the Employer during a Plan Year as calculated for federal income tax purposes for the Participant's Form W-2, except as otherwise provided herewith with respect to Participants who receive incentive compensation for loan and deposit product sales as described below; provided, however, that for purposes of this Section, the determination of Compensation shall be made by:

- (1) including amounts which are contributed by the Employer pursuant to a salary reduction agreement and which are not includible in the gross income of the Participant under Code Sections 125, 132(f)(4) for Plan Years beginning after December 31, 2000, 402(e)(3), 402(h)(1)(B), 403(b) or 457(b), and Employee contributions described in Code Section 414(h)(2) that are treated as Employer contributions; and
- (2) including stock bonus awards in the Plan Year in which a Participant is Vested in any such award, notwithstanding any language contained herein to the contrary and regardless of the compensation reported as taxable income on a Participant's W-2 for a Plan Year

Average Monthly Compensation means – Compensation averaged over the five (5) consecutive full plan years of service which produce the highest average within the last 10 completed years of participation.

Career Average Monthly Compensation means – Compensation averaged over a Participant's full Plan Years of Service beginning after December 31, 1997.

The Annual Compensation in any Plan Year beginning after December 31, 2001, shall not exceed \$200,000. This limitation shall not be adjusted for cost-of-living increases in accordance with Code Section 401(a)(17)(B).



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SCHEDULE SB, PART V – SUMMARY OF PLAN PROVISIONS

VII. RETIREMENT BENEFIT PAYMENTS

- A. Normal Retirement Benefit – A life annuity payable during the Participant's lifetime, ceasing at death
- B. Ten Year Certain Benefit – A life annuity with 120 monthly payments guaranteed.
- C. Twenty Year Certain Benefit – A life annuity with 240 monthly payments guaranteed.
- D. Qualified Joint and Survivor Options:
 - (1) 100% - A life annuity payable during the Participant's lifetime, with 100% of the annuity continuing to his Beneficiary after his death.
 - (2) 75% - A life annuity payable during the Participant's lifetime, with 75% of the annuity continuing to his Beneficiary after his death.
 - (3) 50% - A life annuity payable during the Participant's lifetime, with 50% of the annuity continuing to his Beneficiary after his death.
- E. Lump Sum – A single payment equal to the equivalent actuarial value of the Normal Retirement Benefit.
- F. If a Participant is entitled to receive a Qualified Joint and Survivor Annuity, but fails to file an election, the automatic benefit is the Joint and 50% Survivor Annuity.

VIII. ANNIVERSARY DATE

January 1st.



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SCHEDULE SB, PART V – SUMMARY OF PLAN PROVISIONS

IX. EFFECTIVE DATE

- A. Original Plan – January 1, 1955
- B. ERISA Plan – January 1, 1976
- C. Amended and Restated plan – January 1, 1997



Third Federal Savings Bank Retirement Plan and Trust

EIN 23-1151162

Plan #003

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

December 31, 2009

<u>(a)</u>	<u>(b) Identity of issuer, borrower, lessor or similar party</u>	<u>(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value</u>	<u>(d) Cost</u>	<u>(e) Current value</u>
<u>Common Stocks</u>				
	Host Marriott Corp Md	5 shares	\$ 52	\$ 58
	ING Gp Nv Spnd Adr	306 shares	2,308	3,002
	Macerich Co	2 shares	60	72
	Seacor Hldgs Inc	41 shares	3,390	3,126
	Simon Property Group Del	1 shares	76	80
	Total Common Stocks		\$ 5,886	\$ 6,338
<u>Collective Investment Trust Funds</u>				
	Fixed Income Index	53,465 units	\$995,626	\$996,695
	Fundamental Value Portfolio	10,724 units	597,375	592,442
	International Growth Portfolio	22,799 units	398,250	397,908
	International Value Portfolio	23,452 units	497,813	494,506
	Mid-Cap Fundamental Value Portfolio	11,879 units	124,453	123,384
	Mid-Cap Growth Portfolio	6,693 units	74,672	73,929
	Money Market Portfolio	149,344 units	149,344	149,344
	S&P 500index Portfolio	25,718 units	398,250	393,878
	Short Duration Portfolio	24,117 units	298,688	298,567
	Small Co Growth Portfolio	798 units	74,672	73,662
	Small Company Diversified Value Portfolio	11,437 units	124,453	122,566
	Strategic Bond Portfolio	18,804 units	497,813	500,088
	Strategic Growth Portfolio	30,614 units	497,813	493,803
	Total Return REIT Portfolio	11,619 units	248,906	241,703
	Total Collective Funds		4,978,128	4,952,475
<u>Other Assets</u>				
	Campbell Strategic Allocation Fund LP	112 shares	308,598	269,055
	Total Other Assets		308,598	269,055
	Total Investments		\$ 5,292,612	\$ 5,227,868

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SCHEDULE SB, LINE 19 – DISCOUNTED EMPLOYER CONTRIBUTIONS

<u>Date</u>	<u>Contribution</u>	Discount Value at <u>1/1/2009*</u>
12/28/2009	\$1,506,469	\$1,415,896

*The interest rate used for this calculation is the effective interest rate at January 1, 2009: 6.47%.



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**SCHEDULE SB, LINE 22 – DESCRIPTION OF WEIGHTED AVERAGE RETIREMENT
AGE**

The assumed rate of retirement is 100% at age 65.

