Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500-SF.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 04/01/2009 and ending 03/31/2010

A This return/report is for: [X] single-employer plan [ ] multiple-employer plan (not multiemployer) [ ] one-participant plan

B This return/report is for: [ ] first return/report [ ] final return/report
[ ] an amended return/report [ ] short plan year return/report (less than 12 months)

C Check box if filing under: [ ] Form 5558 [ ] automatic extension [ ] DFVC program
[ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
PENSION PLAN FOR EMPLOYEES OF GERBER PRODUCTS COMPANY OF PUERTO RICO, INC.

1b Three-digit plan number (PN) ▶ 115

1c Effective date of plan 04/01/1978

2a Plan sponsor's name and address (employer, if for single-employer plan)
NESTLE USA, INC.

30003 BAINBRIDGE RD
SOLON, OH 44139-2205

2b Employer Identification Number (EIN) 95-1572209

2c Plan sponsor's telephone number 440-349-5757

2d Business code (see instructions) 424400

3a Plan administrator's name and address (if same as Plan sponsor, enter "Same")
NESTLE USA, INC.
30003 BAINBRIDGE RD
SOLON, OH 44139-2205

3b Administrator's EIN 95-1572209

3c Administrator's telephone number 440-349-5757

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. Sponsor's name

4b EIN

4c PN

5a Total number of participants at the beginning of the plan year	**5a**	67
b Total number of participants at the end of the plan year	**5b**	46
c Total number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	**5c**	

6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) [X] Yes [ ] No

b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) [X] Yes [ ] No

If you answered "No" to either 6a or 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	1208748	596433
b Total plan liabilities	7b	0	0
c Net plan assets (subtract line 7b from line 7a)	7c	1208748	596433

8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from: (1) Employers	8a(1)		
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	35685	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		35685
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	644003	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f	3997	
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		648000
i Net income (loss) (subtract line 8h from line 8c)	8i		-612315
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

9a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1C 1G 1I 3H

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

Part V Compliance Questions

10 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? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X	
c Was the plan covered by a fidelity bond?	10c	X		20000000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h		X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i		X	

Part VI Pension Funding Compliance

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

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? [ ] Yes [X] No

(If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)

a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____

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

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

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

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted during the plan year or any prior year? [ ] Yes [X] No

If "Yes," enter the amount of any plan assets that reverted to the employer this year 13a

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

c If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

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

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/28/2010	SHARON M. STRASSHOFER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 04/01/2009 and ending 03/31/2010

▶ **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
PENSION PLAN FOR EMPLOYEES OF GERBER PRODUCTS COMPANY OF PUERTO RICO, INC.

B Three-digit plan number (PN) ▶ 115

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
NESTLE USA, INC.

D Employer Identification Number (EIN)
95-1572209

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 04 Day 01 Year 2009

2	Assets:			
	a Market value		**2a**	1208748
	b Actuarial value		**2b**	1208748
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	0	0
	b For terminated vested participants	**3b**	25	720811
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		268505
	(3) Total active	**3c(3)**	42	268505
	d Total	**3d**	67	989316
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**	6.68 %
6	Target normal cost		**6**	604

Statement by Enrolled Actuary

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

SIGN HERE

	10/06/2010
Signature of actuary	Date
THAD SUMMERSETT	08-07261
Type or print name of actuary	Most recent enrollment number
TOWERS PERRIN	310-551-5716
Firm name	Telephone number (including area code)
1925 CENTURY PARK EAST, SUITE 1500 LOS ANGELES, CA 90067-2790	
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 [ ]

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)	84338	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)	84338	0
10	Interest on item 9 using prior year's actual return of 4.22 %	3560	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		0
	b Interest on (a) using prior year's effective rate of 6.14 %		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		
12	Reduction in balances due to elections or deemed elections	0	
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	87898	0

Part III Funding percentages

14	Funding target attainment percentage	14	113.29 %
15	Adjusted funding target attainment percentage	15	122.18 %
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	112.83 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
5.33 %	6.62 %	6.80 %	☐ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 0

22 Weighted average retirement age — **22**: 63

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment — **27**:

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	**31**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment		0
b Waiver amortization installment		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**	0

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

36 Additional cash requirement (item 34 minus item 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	0
38 Interest-adjusted excess contributions for current year (see instructions)	**38**	0
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

Description of Weighted Average Retirement Age

Age	Retirement Rate	1.00 - Retirement Rate	Probability of Remaining Active	Percentage Retiring at Age	Age Times Percentage Retiring
55	1.50%	98.50%	98.50%	1.50%	0.83
56	1.70%	98.30%	96.83%	1.67%	0.94
57	2.00%	98.00%	94.89%	1.94%	1.10
58	2.70%	97.30%	92.33%	2.56%	1.49
59	4.60%	95.40%	88.08%	4.25%	2.51
60	7.40%	92.60%	81.56%	6.52%	3.91
61	14.00%	86.00%	70.14%	11.42%	6.97
62	21.20%	78.80%	55.27%	14.87%	9.22
63	17.50%	82.50%	45.60%	9.67%	6.09
64	20.50%	79.50%	36.25%	9.35%	5.98
65	100.00%	0.00%	0.00%	36.25%	23.56
				100.00%	

Average Retirement Age: 63

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month (Puerto Rico / All other plans)	April/October
▸ Yield curve basis (Puerto Rico / All other plans)	Segment rates/Yield curve
▸ Transition from current liability rates	No
Funding interest rates (Puerto Rico / All other plans):	
– First segment rate	5.33%/8.81%
– Second segment rate	6.62%/8.22%
– Third segment rate	6.80%/7.50%
Lump sum rates:	
▸ Contributions	Same as funding interest rates
Expected return on assets (Puerto Rico / All other plans)	5.00%/8.50%
Annual rates of increase	N/A

Demographic and Other Assumptions

Mortality:

- Pre-retirement: RP-2000 projected to 2024
- Post-retirement: RP-2000 projected to 2016
- Disability: RP-2000 projected to 2016

Termination: Rates varying by age, sex, service and plan

- Contributions

Sample rates:

Plan	*Years of Service*	*Sex*	*Age 25*	*Age 40*	*Age 55*
Infant Nutrition/Puerto Rico	<1	Male	35.6%	14.0%	3.6%
		Female	38.3%	16.1%	5.4%
	1 -2	Male	23.7%	9.3%	2.4%
		Female	25.5%	10.8%	3.6%
	2 - 3	Male	17.8%	7.0%	1.8%
		Female	19.1%	8.1%	2.7%
	>3	Male	11.9%	4.7%	1.2%
		Female	12.8%	5.4%	1.8%
Gerber Life	All Years		11.6%	5.5%	0.0%
Gerber Hourly Plans	All Years	Male	7.1%	1.8%	0.0%
		Female	11.2%	3.5%	0.0%

Disability: Rates varying by age, sex, service and plan

Sample rates:

Plan	*Years of Service*	*Sex*	*Age 25*	*Age 40*	*Age 50*
Infant Nutrition/Puerto Rico	None Assumed				
Gerber Life	All Years	Male	0.1%	0.2%	0.5%
		Female	0.1%	0.3%	0.6%
Gerber Hourly Plans	All Years	Male	0.3%	0.3%	0.6%
		Female	0.4%	0.5%	0.9%

Retirement:

Rates varying by age and plan

Age	Infant Nutrition, Puerto Rico, and Gerber Life	Gerber Hourly Plans
55	2%	0%
62	21%	30%
65	100%	100%

Benefit commencement date:

- Infant Nutrition, Puerto Rico, and Gerber Life
  - Preretirement death benefit — Upon death and eligibility for benefit
  - Deferred vested benefit — Upon termination of employment and eligibility for benefit
  - Disability benefit — Upon disability and eligibility for benefit
  - Retirement benefit — Upon termination of employment and eligibility for benefit

▸ Gerber Hourly Plans	
– Preretirement death benefit	Upon death, vesting and eligibility for dependent spouse and estate; upon participant's early retirement date for surviving spouse
– Deferred vested benefit	Age 65
– Disability benefit	Upon disability and eligibility for benefit
– Retirement benefit	Upon termination of employment and eligibility for benefit
Form of payment	
▸ Infant Nutrition, Puerto Rico, and Gerber Life	Lump Sum
▸ Gerber Hourly Plans	Life Annuity
Percent married	
▸ Gerber Life	75%
▸ Other Plans	80%
Spouse age	Wife three years younger than husband
Covered pay	N/A
Administrative expense	For accounting, return on asset assumption is net of any expenses paid by the trust. For funding, 0.25% of beginning-of-year fair value of assets for Infant Nutrition and 0.50% for all other plans.
Special at-risk assumptions	For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year. In addition, these participants are assumed to elect the most valuable form of benefit.
Participant data	The company supplied a census of all participants as of January 1, 2009.

Methods

Contributions:

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Market value of assets
▸ Funding policy	Nestlé's funding policy is to make contributions for each plan year in an amount not less than the minimum required contribution under the law and not more than the maximum tax-deductible contribution. Nestlé may vary its contribution from the funding policy target, if appropriate to its tax and cash position and the plan's funded status.

Benefits not Valued

All benefits described in the Plan Provisions section of this report were valued. Towers Watson has reviewed the plan provisions with Nestlé and is not aware of any significant benefits required to be valued that were not.

Changes in Assumptions and Methods Since Prior Year

Contributions

The funding interest rates changed from 5.31%/5.92%/6.43% to the October 2008 yield curve, for all plans except Puerto Rico. For Puerto Rico, the funding interest rates changed from 5.20%/5.99%/6.52% to 5.33%/6.62%/6.80%. The mortality table was updated for one year of mortality improvements.

Participant Data and Assets

Towers Watson used asset data supplied by the trustee. Nestlé furnished participant data. Nestlé furnished the dates and amounts of the 2008 contributions that will be paid in 2009, and accrued pension cost as of December 31, 2008. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Plan name:	Puerto Rico Pension Plan
Effective date:	Most recent amendment in 2007
Participation date:	Age 21 and one year of service. Closed to new entrants effective December 31, 2004.
Type of plan:	Frozen pension equity plan for employees formerly of Gerber Products Company of Puerto Rico, Inc.
Normal form:	Life annuity
Optional forms:	100%, 75% and 50% contingent annuitant; life; lump sum
Vesting service:	The number of completed full plan years of employment with the Company or any Affiliate in which the employee works 975 hours. Service prior to January 1, 1998 is based on prior plan provisions.
Credited service:	Same as vesting service
Pensionable pay:	Total compensation including Section 125 and 401(k) contributions but excluding deferred compensation.
Covered compensation:	Average of Social Security wage bases over the 35 years prior to the participant's Social Security Normal Retirement Age (SSNRA).
Accumulated benefit:	**Lump Sum Benefit:** A participant's Lump Sum Benefit is equal to the following calculated as if the person terminated employment on December 31, 2004:

1. The sum of base credits (see below) times Final Average Pay

plus

2. The sum of Excess Credits (see below) times Final Average Pay greater than covered compensation

Sum of Attained Age and Year of Credited Service During the Plan Year	Base Credits	Excess Credits
0 – 34	2.0%	1.0%
35 – 39	3.0%	1.5%
40 – 44	4.0%	2.0%
45 – 49	5.0%	2.5%
50 – 54	6.0%	3.0%
55 – 59	8.0%	4.0%
60 +	10.0%	5.0%

Accumulated benefit:

Adjusted Lump Sum Benefit: A participant's Adjusted Lump Sum Benefit is equal to the Participant's Lump Sum Benefit increased by 5% per year from the earlier of the date of the Participant's termination of employment and December 31, 2004 to the Participant's Annuity Starting Date.

Pension Equity Benefit: The monthly amount of each Participant's Pension Benefit is equal to the amount, determined on an Actuarial Equivalent basis, of the Participant's Adjusted Lump Sum Benefit expressed as a life annuity payable on the Participant's Annuity Start Date.

Grandfathered Benefit: The benefit, determined in accordance with the plan in effect prior to 2002, for participants who were accruing benefits under the prior plan as of January 1, 2000.

Benefit	Age	Vest Svc	Description
Normal retirement (NRD):	SSNRA		Accrued benefit (greater of Pension Equity Benefit and Grandfathered Benefit) payable immediately
Early:	60	3	Accrued benefit determined as of early retirement date is equal to the greater of (a) and (b) below: (a) The Grandfathered Benefit reduced according to the prior plan provision. (b) Actuarial equivalent of the Adjusted Lump Sum Benefit
Postponed:	>SSNRA		Accrued benefit (greater of Pension Equity Benefit and Grandfathered Benefit) payable immediately
Vesting:		3	Accrued benefit determined as of termination date, actuarially reduced for commencement of payments prior to NRD
Disability	50	15	Accrued benefit determined as of disability retirement date, reduced by certain other benefits provided by or at the expense of the company
Preretirement death:	At death	3	A 50% surviving spouse benefit is payable on the participant's early retirement age date.

Optional Form Conversion Factors

Optional form conversion factors are the actuarial equivalent factors determined using the following assumptions.

	Mortality Assumption	Interest Assumption
► Single Sum distributions (from Grandfathered Benefit)	Section 417 mortality	Section 417 interest rates, November lookback
► Annuity forms of payment (from Pension Equity Benefit)	GATT Mortality Table frozen as of earlier of DOT and 12/31/2004[1]	GATT Interest Rate (yield on 30-year Treasury Bonds) from November of previous year frozen as of earlier of DOT and 12/31/2004[1]
► All others	1983 Group Annuity Mortality Table[2]	8.5%

Notes

1. Plan Year 2000 – 6.15% and 1983 GAM Table (blended 50% male/50% female)
   Plan Year 2001 – 5.78% and 1983 GAM Table (blended 50% male/50% female)
   Plan Year 2002 – 5.12% and 1994 GAR Table (blended 50% male/50% female)
   Plan Year 2003 – 4.96% and 1994 GAR Table (blended 50% male/50% female)
   Plan Year 2004+ – 5.12% and 1994 GAR Table (blended 50% male/50% female)

2. The actuarial equivalent shall be 50% of the actuarial equivalent using male mortality rates only plus 50% of the actuarial equivalent using female mortality rates only.

Changes in Plan Provisions Since Prior Year

A 75% contingent annuitant option was added. The lump sum option was modified to disregard the actuarial equivalent of the participant's Adjusted Lump Sum Benefit calculated as of the participant's Normal Retirement Date.

2009 SCHEDULE SB, LINE 25 -- Change in Method

Nestlé USA, Inc. Puerto Rico Retirement Pension Plan

EIN: 95-1572209

Plan Number: 115

Below is a summary of significant changes that were made.

Aspect of the Valuation	Old	New
Plan Expenses	None	Plan-related expenses included in target normal cost

To the degree that the items above are funding methods, the changes are not inconsistent with the requirements of Code Section 430.

In addition to the above, the valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB, line 26 - Schedule of Active Participant Data
Name of Sponsor / Plan: Nestlé USA, Inc. – Puerto Rico Pension Plan
EIN / PIN: 95-1572209 / 115

Attained Age		Years of Credited Service									
		Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
<25	Number	0	0	0	0	0	0	0	0	0	0
25 to 29	Number	0	0	0	0	0	0	0	0	0	0
30 to 34	Number	0	0	1	4	0	0	0	0	0	0
35 to 39	Number	0	0	8	1	2	0	0	0	0	0
40 to 44	Number	0	0	4	6	2	1	0	0	0	0
45 to 49	Number	0	0	3	2	1	2	0	0	0	0
50 to 54	Number	0	0	2	0	0	0	0	0	0	0
55 to 59	Number	0	0	1	1	0	0	0	0	0	0
60 to 64	Number	0	0	0	1	0	0	0	0	0	0
65 to 69	Number	0	0	0	0	0	0	0	0	0	0
70 & up	Number	0	0	0	0	0	0	0	0	0	0

Average Age = 42.9 Average Service = 10.8

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

For calendar plan year 2009 or fiscal plan year beginning 04/01/2009 and ending 03/31/2010

▶ **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

Pension Plan for Employees of Gerber Products Company of Puerto Rico,

B Three-digit plan number (PN) ▶ 115

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

Nestle USA, Inc.

D Employer Identification Number (EIN)

95-1572209

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 4 Day 1 Year 2009

2 Assets:

a	Market value	2a	1,208,748
b	Actuarial value	2b	1,208,748

3 Funding target/participant count breakdown

			(1) Number of participants	(2) Funding Target
a	For retired participants and beneficiaries receiving payment	3a	0	0
b	For terminated vested participants	3b	25	720,811
c	For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		268,505
	(3) Total active	3c(3)	42	268,505
d	Total	3d	67	989,316

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	6.68 %
6	Target normal cost	6	6,044

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

Thad Summersett TWS
Signature of actuary

10/06/2010
Date

Thad Summersett
Type or print name of actuary

08-07261
Most recent enrollment number

Towers Watson Pennsylvania Inc.
Firm name

(310) 551-5716
Telephone number (including area code)

1925 Century Park East, Suite 1500

Los Angeles CA 90067-2790
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 [ ]

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)	84,338	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)	84,338	0
10	Interest on item 9 using prior year's actual return of 4.22 %	3,560	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		0
	b Interest on (a) using prior year's effective rate of 6.14 %		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		
12	Reduction in balances due to elections or deemed elections	0	
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	87,898	0

Part III Funding percentages

14	Funding target attainment percentage	14	113.29 %
15	Adjusted funding target attainment percentage	15	122.18 %
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	112.83 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19	Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
5.33 %	6.62 %	6.80 %	☐ N/A, full yield curve used

b Applicable month (enter code) **21b** 0

22 Weighted average retirement age **22** 63

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☐ Yes ☒ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☒ Yes ☐ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment..... **27**

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)..... **29** 0

30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)..... **30** 0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)..... **31** 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment		0
b Waiver amortization installment		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** 0

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

36 Additional cash requirement (item 34 minus item 35)..... **36** 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)..... **37** 0

38 Interest-adjusted excess contributions for current year (see instructions)..... **38** 0

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