

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2009</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2009 or fiscal plan year beginning <u>12/01/2009</u> and ending <u>11/30/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>QUAKER CHEMICAL CORPORATION PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>111</u>	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>QUAKER CHEMICAL CORPORATION</u> <u>ONE QUAKER PARK</u> <u>CONSHOHOCKEN, PA 19428</u>		1c Effective date of plan <u>01/01/1983</u>	
2b Employer Identification Number (EIN) <u>23-0993790</u>		2c Sponsor's telephone number <u>610-832-4000</u>	
2d Business code (see instructions) <u>325900</u>		<div style="background-color: #cccccc; height: 40px;"></div>	

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/15/2011	ALYCE SABA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/15/2011	ALYCE SABA
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")

QUAKER CHEMICAL CORPORATION

ONE QUAKER PARK
CONSHOHOCKEN, PA 19428**3b** Administrator's EIN

23-0993790

3c Administrator's telephone number

610-832-4000

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**5** Total number of participants at the beginning of the plan year**5**

826

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**

244

b Retired or separated participants receiving benefits.....**6b**

220

c Other retired or separated participants entitled to future benefits.....**6c**

275

d Subtotal. Add lines **6a**, **6b**, and **6c**.....**6d**

739

e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....**6e**

41

f Total. Add lines **6d** and **6e**.....**6f**

780

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**

0

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 1C

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

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

<div>SCHEDULE A (Form 5500) <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>	<div>Insurance 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> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2009 or fiscal plan year beginning 12/01/2009 and ending 11/30/2010		
A Name of plan QUAKER CHEMICAL CORPORATION PENSION PLAN	B Three-digit plan number (PN) ▶	111
C Plan sponsor's name as shown on line 2a of Form 5500. QUAKER CHEMICAL CORPORATION	D Employer Identification Number (EIN) 23-0993790	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	405642	0	12/01/2009	11/30/2010

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

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	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	1182224

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	
(4) Transferred from separate account	7c(4)	
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions	7c(6)	
d Total of balance and additions (add b and c(6))	7d	
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account	7e(3)	
(4) Other (specify below)	7e(4)	
▶		
(5) Total deductions	7e(5)	
f Balance at the end of the current year (subtract e(5) from d)	7f	

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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 12/01/2009 and ending 11/30/2010

▶ **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 <u>QUAKER CHEMICAL CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>111</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>QUAKER CHEMICAL CORPORATION</u>	D Employer Identification Number (EIN) <u>23-0993790</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>12</u> Day <u>01</u> Year <u>2009</u>
2	Assets:
a	Market value 2a <u>40136614</u>
b	Actuarial value 2b <u>41527081</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>280</u> <u>29446962</u>
b	For terminated vested participants 3b <u>276</u> <u>9452627</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>0</u>
(2)	Vested benefits 3c(2) <u>11183174</u>
(3)	Total active 3c(3) <u>274</u> <u>11183174</u>
d	Total 3d <u>830</u> <u>50082763</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>6.63</u> %
6	Target normal cost 6 <u>259715</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>08/23/2011</u>
Signature of actuary	Date
<u>GLENN F. FINK</u>	<u>11-03951</u>
Type or print name of actuary	Most recent enrollment number
<u>MERCER</u>	<u>215-982-4600</u>
Firm name	Telephone number (including area code)
<u>1717 ARCH STREET, 27TH FLOOR</u> <u>PHILADELPHIA, PA 19103-2754</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)	1764356	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).....	1764356	0
10	Interest on item 9 using prior year's actual return of <u>23.29</u> %	410919	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		1450803
b	Interest on (a) using prior year's effective rate of <u>8.28</u> %		120126
c	Total available at beginning of current plan year to add to prefunding balance		1570929
d	Portion of (c) to be added to prefunding balance.....		1570929
12	Reduction in balances due to elections or deemed elections.....	2175275	110059
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	1460870

Part III Funding percentages			
14	Funding target attainment percentage.....	14	80.00 %
15	Adjusted funding target attainment percentage.....	15	80.00 %
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	85.73 %
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
12/30/2009	1500000				
03/08/2010	375000				
06/08/2010	375000				
02/28/2011	2100000				
			Totals ►	18(b)	4350000
				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 4162606
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: 5.12 %	2nd segment: 6.74 %	3rd segment: 6.83 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	259715
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	10016552	1849348
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	2109063
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	2109063
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	4162606
38 Interest-adjusted excess contributions for current year (see instructions).....	38	2053543
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 12/01/2009 and ending 11/30/2010

<div>A</div> <div>Name of plan</div> <div>QUAKER CHEMICAL CORPORATION PENSION PLAN</div>	<div>B</div> <div>Three-digit plan number (PN)</div> <div>▶</div> <div>111</div>
<div>C</div> <div>Plan sponsor's name as shown on line 2a of Form 5500</div> <div>QUAKER CHEMICAL CORPORATION</div>	<div>D</div> <div>Employer Identification Number (EIN)</div> <div>23-0993790</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

(b)

Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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

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)

MILL CREEK CAPITAL ADVISORS

41-2212501

(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?
28 51	NONE	120349	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MERCER

13-2834414

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 17 70	NONE	78807	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

STRALEM & COMPANY, INC.

23-0993790

(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?
28 51	NONE	36395	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PNC BANK

22-1146430

(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	NONE	31581	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

CAMBIAR INVESTORS LLC

84-1596610

(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?
28 51	NONE	23654	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

AGINCOURT CAPITAL MANAGEMENT LLC

54-1947440

(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?
28 51	NONE	19459	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:	ROBERT J. WILKOWSKI	b EIN:	13-2834414
c Position:	ACTUARY		
d Address:	1717 ARCH STREET, 27TH FLOOR PHILADELPHIA, PA 19103-2754	e Telephone:	215-982-4600

Explanation: THE ACTUARY WAS REASSIGNED WITHIN MERCER.

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:

<div>SCHEDULE D</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan 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>		<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2009 or fiscal plan year beginning 12/01/2009 and ending 11/30/2010					
A Name of plan QUAKER CHEMICAL CORPORATION PENSION PLAN				B Three-digit plan number (PN) ▶ 111	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 QUAKER CHEMICAL CORPORATION				D Employer Identification Number (EIN) 23-0993790	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN BOND AND MORTGAGE SA-R6					
b Name of sponsor of entity listed in (a): PRINCIPLE LIFE INSURANCE COMPANY					
c EIN-PN 42-0127290-005		d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1182224		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see		

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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

For calendar plan year 2009 or fiscal plan year beginning 12/01/2009 and ending 11/30/2010		
A Name of plan QUAKER CHEMICAL CORPORATION PENSION PLAN	B Three-digit plan number (PN) ►	111
C Plan sponsor's name as shown on line 2a of Form 5500 QUAKER CHEMICAL CORPORATION	D Employer Identification Number (EIN) 23-0993790	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	775000	2100000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	124402	193215
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1564272	1019331
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	6195423	8936023
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	4072903	10257175
(5) Partnership/joint venture interests	1c(5)		53956
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)	1304727	1394784
(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)	24014605	19722188
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	1891563	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	194900	379800
(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	40137795	44056472

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	26011	35716
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	26011	35716

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	40111784	44020756
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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)	4350000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		4350000

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	835	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)	504467	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		505302

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	162005	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	587680	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		749685

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	28783968	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	28366861	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		417107

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	1927134	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		1927134
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		149301
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		0
c Other income.....	2c		1958
d Total income. Add all income amounts in column (b) and enter total.....	2d		8100487

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3749803	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		3749803
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	78807	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	199857	
(4) Other	2i(4)	163048	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		441712
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4191515

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3908972
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ASHER & CO. LTD.

(2) EIN: 23-1914020

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		2000000
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.
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For calendar plan year 2009 or fiscal plan year beginning 12/01/2009 and ending 11/30/2010

A Name of plan <u>QUAKER CHEMICAL CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>111</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>QUAKER CHEMICAL CORPORATION</u>	D Employer Identification Number (EIN) <u>23-0993790</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.....	<u>1</u>	<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>22-1146430</u> <u>42-0127290</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.....	<u>3</u>	<u>15</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	<u>6a</u>		
b Enter the amount contributed by the employer to the plan for this plan year	<u>6b</u>		
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).....	<u>6c</u>		
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
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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): _____

*INDEPENDENT AUDITORS' REPORT,
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION*

**QUAKER CHEMICAL CORPORATION
PENSION PLAN**

NOVEMBER 30, 2010 AND 2009

Quaker Chemical Corporation Pension Plan

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* Other supplemental schedules required by Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.



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An independent firm associated with
Moore Stephens International Limited

Independent Auditors' Report

To the Participants and Pension Plan Committee of the Quaker Chemical Corporation Pension Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the **Quaker Chemical Corporation Pension Plan** (the "Plan") as of November 30, 2010 and 2009 and the related statements of changes in net assets available for benefits for the years then ended and supplemental schedules as listed in the accompanying index. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by PNC Bank, trustee, and Principal Mutual Life Insurance Company, a custodian, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustees and custodian hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the trustees and custodian as of and for the years ended November 30, 2010 and 2009 that the information provided to the plan administrator by the trustees and custodian is complete and accurate.

Because of the significance of the information that we did not audit, we were unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the trustees and custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Asher & Company, Ltd.
ASHER & COMPANY, Ltd.

September 12, 2011

Quaker Chemical Corporation Pension Plan

Statements of Net Assets Available for Benefits

	As of November 30,	
	2010	2009
Cash and cash equivalents	\$ 1,019,331	\$ 1,564,272
Investments, at fair value		
Pooled separate accounts	1,394,784	1,304,727
Registered investment companies	19,722,188	24,014,605
Corporate bonds	8,936,023	6,195,423
Common stocks	10,636,975	4,267,803
Public partnerships	53,956	—
Hedge fund of funds	—	1,891,563
Total investments	40,743,926	37,674,121
Receivables		
Receivables due from broker	193,215	124,402
Employer contributions	2,100,000	775,000
Total receivables	2,293,215	899,402
Total assets	44,056,472	40,137,795
Liabilities		
Accrued expenses	35,716	26,011
Total liabilities	35,716	26,011
Net assets available for benefits	\$ 44,020,756	\$ 40,111,784

The accompanying notes are an integral part of the financial statements.

Quaker Chemical Corporation Pension Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended November 30,	
	2010	2009
Additions		
Investment income		
Interest and dividends	\$ 1,256,946	\$ 1,630,182
Net appreciation in fair value of investments	2,493,541	6,067,410
	<u>3,750,487</u>	<u>7,697,592</u>
Employer contributions	4,350,000	3,100,000
Total additions	<u>8,100,487</u>	<u>10,797,592</u>
Deductions		
Benefit payments	3,749,803	4,278,210
Administrative expenses	441,712	366,624
Total deductions	<u>4,191,515</u>	<u>4,644,834</u>
Net increase	3,908,972	6,152,758
Net assets available for benefits		
Beginning of year	40,111,784	33,959,026
End of year	<u>\$ 44,020,756</u>	<u>\$ 40,111,784</u>

The accompanying notes are an integral part of the financial statements.

Quaker Chemical Corporation Pension Plan
Notes to Financial Statements
November 30, 2010 and 2009

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Quaker Chemical Corporation Pension Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a noncontributory pension plan that, before December 31, 2005, covered substantially all employees of the Quaker Chemical Corporation (the "Company") who had at least one year of eligibility service and had attained age 21. The Plan is administered by the Pension Plan Committee appointed by the Company's Board of Directors, and is subject to the Employee Retirement Income Security Act of 1974 ("ERISA").

Investment manager fees for investment management and other services, actuary fees, and the PBGC premium are paid by the Plan. All other expenses incurred in connection with the administration of the Plan are paid by the Company.

Pension Benefits

Prior to January 1, 2001, pension benefits were determined based solely on a participant's average salary and length of service. Effective January 1, 2001, the Plan implemented a cash balance feature, whereby a credit is provided to a participant's cash balance account for a plan year in an amount equal to a designated percentage of eligible compensation as determined by adding the participant's age to years of credited service (both as of the beginning of the plan year) in accordance with the following schedule:

<u>Age Plus Years of Service</u>	<u>Percent of Compensation</u>
Less than 40	3.0%
40 to 49	4.0%
50 to 59	5.0%
60 to 69	6.0%
70 or more	7.0%

However, a contribution credit is provided to a participant's cash balance account for a plan year only if the participant completes at least 1,000 hours of service in the plan year or begins participation, retires or dies in that plan year. Also, the contribution credit is reduced if the participant is credited with fewer than 12 months of service in the plan year. Effective December 31, 2005, no additional contribution credits are made for participants who are not part of a collective bargaining unit.

The cash balance account of each participant is credited with interest each plan year, using a percentage equal to the average annual interest rate applicable to 30-year Treasury securities for the second month preceding the first day of the plan year. However, a participant's actual accrued benefit may vary due to transition rules from the Plan's former benefit calculation.

All accrued pension benefits become fully vested after an employee has completed 5 years of vesting service or upon reaching age 65.

Pension benefits accrued prior to 1973, are paid by Principal Mutual Life Insurance Company ("PML"), a wholly owned subsidiary of Principal Financial Group, Inc, in accordance with a group annuity contract. This contract is supported by investments in pooled separate accounts of PML.

Participants are entitled to monthly pension benefit payments and, in certain cases, to lump sum distributions. The normal form of payment is a straight life annuity for unmarried participants and a 50% joint and survivor annuity for married participants, beginning at the normal retirement age of 65. Participants ages 60-64 are eligible to receive early retirement benefits if participants completed 10 years of vesting service. Participants are entitled to receive their vested cash balance account prior to age 60 if they terminate employment.

Effective December 31, 2005, the Plan was amended to freeze benefit accruals for participants who are not part of a collective bargaining unit, add a voluntary early retirement window provision for certain non-

union employees who were born before April 1, 1944 and who had completed at least ten years of vesting services as of December 31, 2005 and decrease the Plans involuntary cash-out maximum from \$5,000 to \$1,000.

In September 2008, the Internal Revenue Service issued a favorable determination letter to the Plan subject to certain technical comments being adopted by the Plan. In November 2008, the Plan was amended to reflect these comments as well as certain requirements of the Pension Protection Act of 2006.

In September 2009, the Plan was amended to reflect final regulations under IRC section 415. In November 2009, the Plan was amended and restated to incorporate prior amendments, permit payment of benefits before a terminated participant attains age 60 and completes 10 years of service, and to make certain other changes.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The Plan's financial statements are prepared under the accrual basis of accounting.

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 and changes therein, and disclosure of contingent assets and liabilities, including the present value of accumulated plan benefits and changes in the present value of accumulated plan benefits. Actual results could differ from those estimates.

Cash Equivalents

Cash equivalents are comprised of highly liquid investments, which have original maturities of three months or less. The balances are not federally insured. The Plan mitigates this risk by monitoring cash balances and investing excess funds as necessary. At November 30, 2010 and 2009, the total uninsured cash balance held at financial institutions was \$769,331 and \$1,314,272, respectively.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

Security transactions are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends on registered investment companies and common stocks are recorded on the ex-dividend date; capital gain distributions are recorded in dividend income. Income from pooled separate accounts is included in the separate account value and is reflected as unrealized appreciation.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries. Benefits payable under all circumstances - retirement, disability, death and termination of employment are included to the extent that they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by consulting actuaries, William M. Mercer ("Mercer"), and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for disability, death, withdrawal or retirement) between the valuation date and the expected date of payment.

Quaker Chemical Corporation Pension Plan
Notes to Financial Statements - Continued
November 30, 2010 and 2009

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

Cost method	-	Unit credit method
Investment yield	-	7.5% compounded annually for funding purposes
Mortality basis	-	RP-2000 projected to 2010 for males and female
Retirement age	-	Age 65 or age on the valuation date, if older
Salary increases	-	4.5% compounded annually

The foregoing actuarial methods and assumptions are consistent with the prior year and are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Payment of Benefits

Benefit payments to participants are recorded when paid.

NOTE 3 – 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 assumptions 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 4 – FAIR VALUE MEASURES

The Plan applies the guidance of the FASB regarding fair value measurements. The guidance establishes a common definition for fair value to be applied to U.S. GAAP guidance requiring use of fair value, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements. This guidance does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements.

The guidance utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

- Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy:

Quaker Chemical Corporation Pension Plan
Notes to Financial Statements - Continued
November 30, 2010 and 2009

Registered investment companies

The shares of registered investment companies, which represent the net asset values of shares held by the Plan, are valued at quoted market prices in an exchange and active markets and are classified as Level 1 investments.

Common Stock

Common stock is valued at quoted market prices in an exchange and active markets, and is classified as a Level 1 investment.

Corporate Bonds

Corporate Bonds are valued at quoted market prices in an exchange and active markets, and are classified as Level 1 investments.

Public Partnerships

Public Partnerships are valued at quoted market prices in an exchange and active markets, and are classified as Level 1 investments.

Pooled Separate Accounts

Pooled Separate Accounts consist of insurance annuity contracts and is valued based on the reported unit value at year end. Units of the pooled separate accounts are not traded in an active exchange or market; however, valuation is based on the underlying investments of the units and is classified as a Level 2 investment.

Hedge Fund of Funds

In 2009, the investment in the JP Morgan Chase Multi-Strategy Fund was valued based upon the quoted redemption value of units owned by the Plan at the prior year end. Units of the fund are not available in an active exchange and active market and valuation was based on unobservable inputs and was classified as a Level 3 investment. The Plan sold this investment during 2010.

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. Furthermore, although the Plan believes its 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 fair value measurement at the reporting date.

As of November 30, 2010 and 2009, the Plan's investments measured at fair value on a recurring basis were as follows:

	Fair Value as of November 30, 2010	Fair Value Measurements at November 30, 2010 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Assets				
Pooled Separate Accounts	\$ 1,394,784	\$ —	\$ 1,394,784	\$ —
Registered Investment Companies	19,722,188	19,722,188	—	—
Corporate Bonds	8,936,023	8,936,023	—	—
Common Stock	10,636,975	10,636,975	—	—
Public Partnerships	53,956	53,956	—	—
Total	\$ 40,743,926	\$ 39,349,142	\$ 1,394,784	\$ —

Quaker Chemical Corporation Pension Plan
Notes to Financial Statements - Continued
November 30, 2010 and 2009

	Fair Value as of November 30, 2009	Fair Value Measurements at November 30, 2009 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
<u>Assets</u>				
Pooled Separate Accounts	\$ 1,304,727	\$ —	\$ 1,304,727	\$ —
Registered Investment Companies	24,014,605	24,014,605	—	—
Corporate Bonds	6,195,423	6,195,423	—	—
Common Stock	4,267,803	4,267,803	—	—
Hedge Fund of Funds	1,891,563	—	—	1,891,563
Total	\$ 37,674,121	\$ 34,477,831	\$ 1,304,727	\$ 1,891,563

Changes in the fair value of the Plan's Level 3 investments were as follows:

	Hedge Fund of Funds
Balance at November 30, 2008	\$ 1,783,221
Total gains or losses (realized/unrealized) included in earnings or changes in net assets	108,342
Balance at November 30, 2009	\$ 1,891,563
Purchases, sales and settlements, net	(1,894,223)
Total gains or losses (realized/unrealized) included in earnings or changes in net assets	2,660
Balance at November 30, 2010	\$ —

NOTE 5 - INVESTMENTS

The following presents investments that represent 5 percent or more of the Plan's net assets:

	November 30,	
	2010	2009
Dodge & Cox Stock Fund	N/A	4,205,026
Dodge & Cox International Stock Fund	2,522,041	2,565,440
Vanguard Total STK MKT Index Fund	5,790,051	4,260,609
PIMCO Funds Moderate Duration Institutional Fund	3,301,964	3,242,063
PIMCO Funds Total Return Institutional Fund	2,542,459	3,329,643
Artio International Equity Fund	2,373,174	2,412,862

Quaker Chemical Corporation Pension Plan
Notes to Financial Statements - Continued
November 30, 2010 and 2009

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

	Year Ended November 30,	
	2010	2009
Pooled Separate Accounts	\$ 149,301	\$ 265,938
Registered Investment Companies	1,588,754	4,879,962
Corporate Bonds	282,309	56,050
Common Stocks	489,460	757,118
Public Partnerships	(18,943)	—
Hedge Fund of Funds	2,660	108,342
	<u>\$ 2,493,541</u>	<u>\$ 6,067,410</u>

NOTE 6 - PLAN TERMINATION

Although the Company has not expressed any intent to do so, it has the right under the Plan to terminate the Plan subject to the provisions set forth in ERISA.

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits, in the order indicated:

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

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination (with certain exceptions for increases in benefits adopted within five years of termination). However, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees. The ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward. Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

NOTE 7 - INFORMATION CERTIFIED BY TRUSTEE

In accordance with Section 2520.103-5 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA, PNC, the Trustee, and PML, a custodian, certified certain information, which was relied upon in the preparation of the financial statements and schedules of the Plan. The investments and related investment activity included in the statements of net assets available for benefits at November 30, 2010 and 2009, the statement of changes in net assets available for benefits for the year then ended, the

Quaker Chemical Corporation Pension Plan
Notes to Financial Statements - Continued
November 30, 2010 and 2009

Schedule of Assets (Held at End of Year), and the Schedule of Reportable Transactions for the Plan have been compiled from statements certified as complete and accurate by PNC and PML.

NOTE 8 - FUNDING POLICY

Employer contributions are funded based upon amounts required under the provisions of ERISA. Employer contributions are designed to fund the Plan's normal service costs. As determined by the actuary, Mercer, the contribution for 2010 was \$4,350,000 and for 2009 was \$3,100,000.

NOTE 9 - ACCUMULATED PLAN BENEFITS

The actuarial present value of accumulated plan benefits as of November 30, 2009 is as follows:

	2009
Vested benefits:	
Inactive participants currently receiving payments	\$ 27,315,367
Other participants	18,490,556
	<u>45,805,923</u>
Non-vested benefits	<u>—</u>
Total present value of accumulated Plan benefits	<u>\$ 45,805,923</u>

The changes in the actuarial present value of accumulated plan benefits are as follows:

Actuarial present value of accumulated plan benefits, at the beginning of the year	\$ 45,995,330
Increase (decrease) due to:	
Benefits accumulated and (gains)/losses	799,586
Increase for interest due to decrease in discount period	3,289,217
Benefits Paid	<u>(4,278,210)</u>
Net decrease	<u>(189,407)</u>
Actuarial present value of accumulated plan benefits, at end of the year	<u>\$ 45,805,923</u>

NOTE 10 – PARTY IN INTEREST TRANSACTIONS

The Plan invests in the Principal Mutual Life Bond and Mortgage Fund, which is managed by PML, a custodian of the assets. The Plan also invests in shares of Quaker Chemical Corporation. At November 30, 2010 and 2009, the Plan held 10,000 shares of Quaker Chemical Corporation worth \$379,800 and \$194,900, respectively. Transactions in such investments qualify as party-in-interest transactions and are exempt from the prohibited transaction rules.

NOTE 11 - TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by letter dated September 10, 2008, that the Plan and related trust were qualified under Internal Revenue Code ("IRC") Section 401(a). The Plan has subsequently been amended since receiving the determination letter. However, the plan administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC; therefore, the plan administrator has not identified any uncertain tax positions which would require adjustment to or disclosure in the Plan's financial statements. The IRS has the ability to examine the Plan's tax return filings for all open tax years, which is generally the three prior years.

Quaker Chemical Corporation Pension Plan
Notes to Financial Statements - Continued
November 30, 2010 and 2009

NOTE 12 – SUBSEQUENT EVENTS

The Plan was amended subsequent to November 30, 2010 to permit retroactive benefit commencement dates. The Plan evaluated subsequent events through September 12, 2011, the date the financial statements were issued, and there were no other subsequent events which impacted the Plan's Net Assets Available for Benefits or the Plan's Changes in Net Assets Available for Benefits as of November 30, 2010 or which required disclosure.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions****Sponsor discount rate elections**

▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	4
▪ 1st 5 years	5.12%
▪ Next 15 years	6.74%
▪ Over 20 years	6.83%

Sponsor mortality elections

▪ Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years respectively based on Scale AA.
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Cash balance

▪ Interest accumulation rate	6.00%
▪ Interest used to compute the minimum account balance for grandfathered participants	6.00%
▪ Whipsaw calculations	No

Other economic assumptions

▪ Salary increases	4.50% per year
▪ Social Security wage base	3.50% per year
▪ Expected investment return	8.50% per year for plan years 2008 through 2009.
▪ Expenses	\$175,000 added to current year normal cost.

Demographic assumptions

Withdrawal	The percentage of employees expected to terminate depends on age. See table of sample rates below.
------------	--

Retirement	100% at age 65 or age on the valuation date, if older.
------------	--

Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
▪ Percentage married	80%	80%
▪ Spouse age difference	2 years younger	2 years older

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment	All participants are assumed to elect payment in the form of a single life annuity for benefits earned through December 31, 2000. For benefits earned since January 1, 2001, the assumed payment form elected is a single lump sum distribution.
Unpredictable contingent event assumptions	Not applicable.

Table of sample rates

Attained age	Withdrawal	
	Male	Female
20	13.7%	13.7%
25	10.2	10.2
30	7.2	7.2
35	4.8	4.8
40	3.0	3.0
45	1.7	1.7
50	0.5	0.5
55	0.0	0.0
60	0.0	0.0

Actuarial methods**Asset methods**

The asset valuation method is an average of the adjusted market value for each year during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date, adjusted to the valuation date based on actual cash flows and expected interest at the lesser of:

- The expected rate of return and
- The third segment rate.

This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

The average asset value is based on:

- The asset valuation method permitted under Internal Revenue Code Section 430(g)(3)(B), as amended by the Worker, Retiree, and Employer Recovery Act of 2008 and
- The interim rules for the application of the above method, as described in IRS Notice 2009-22.

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

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** Only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for non-vested participants who terminated prior to the valuation date.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum funding method

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

A detailed description of the calculation follows:

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

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Maximum deductible contribution method**

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

A detailed description of the calculation follows:

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

Schedule SB, Part V — Summary of Plan Provisions**Plan provisions****Benefits included or excluded**

Unless noted below, all benefits provided by the plan, as restated and amended through November 30, 2009, are included in this valuation.

- **Plan amendments excluded:** None
- **IRC Section 436 benefit restrictions:**
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Late retirement increases:**
 - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½. This valuation includes increases for current participants over age 70½.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Part V — Summary of Plan Provisions**Summary of major plan provisions**

Effective date and plan year	Original plan: November 30, 1942 Plan year: December 1 – November 30
Status of the plan	Participation in the plan is frozen to employees who are not covered under a collective bargaining agreement. Benefits are also frozen for employees not covered under a collective bargaining agreement with the exception of interest on the retirement account balance.
Significant events that occurred during the year	None

Definitions

- | | |
|---|--|
| <ul style="list-style-type: none"> ▪ Eligibility | <p>Age 21 and one year of service for any employee of the company except:</p> <ul style="list-style-type: none"> ▪ Those who are compensated on a commission only basis; ▪ Those who are covered under a collective bargaining agreement (unless the agreement provides for plan coverage); ▪ Those working for an affiliate who did not adopt this plan; ▪ Any employee of AC Products other than the President of AC Products. <p>Participation was frozen as of December 31, 2005 for employees who were not covered under a collective bargaining agreement.</p> |
|---|--|

Schedule SB, Part V — Summary of Plan Provisions

▪ Accrued benefit
Through December 31, 2000:

A life annuity equal to the sum of a. and b.:

(a) Past Service Benefit

1.1% of participant's highest average earnings, plus .5% of his/her highest average earnings in excess of 1996 covered compensation, multiplied by the participant's years of service from the earlier of (1.) age 21 and one year of service and (2.) the date of eligibility to December 1, 1996.

Highest average earnings is the highest three consecutive years of compensation through 1996 including overtime, shift differential, bonuses and commissions.

In no event will the accrued benefit as of December 1, 1996 be less than the benefit which was accrued before this benefit update.

(b) Future Service Benefit

For each year of service after December 1, 1996 the future service benefit depends on total years of service as follows:

Before 35 year total service mark:

1.15% of annual pay plus .6% of annual pay over current year covered compensation.

After 35 years of total service:

1.3% of annual pay.

Since January 1, 2001:

A single sum equal to the retirement account balance beginning January 1, 2001.

Each participant is allocated at the end of each plan year, a percent of annual pay. The percent is based on the sum of the participant's chronological age and credited service at the beginning of the plan year. The formula is:

Age + Service	Allocation
Less than 40	3%
40-49	4%
50-59	5%
60-69	6%
70 or more	7%

Schedule SB, Part V — Summary of Plan Provisions

Accrued benefit (continued)	<p>Interest is credited to the account annually. The effective annual interest rate used to compute interest credits during a plan year is the 30-year Treasury Bond rate in effect during the October preceding the plan year.</p> <p>For participants age 50 or more with at least 10 years of vesting service on January 1, 2001, the minimum account balance is the lump sum value of accumulated accruals based on the prior plan formula. The lump sum value is computed using the interest and mortality assumptions prescribed in Code Section 417(e)(3) for plan years beginning in 2008, as required under the Pension Protection Act of 2006.</p> <p>The accrued benefit was frozen as of December 31, 2005 for participants who were not covered under a collective bargaining agreement. (Please note the retirement account balance will continue to accumulate with interest.)</p>
Normal retirement	
▪ Eligibility	Age 65
▪ Benefit	The accrued benefit.
Early retirement	
▪ Eligibility	Age 60 and 10 years of service
▪ Benefit	For benefits earned under the prior formula, the accrued benefit reduced 1/180 for each month commencement precedes normal retirement date. For benefits earned under the cash balance formula, the accrued benefit based on age, salary, service and credited interest rates to date of retirement.
Late retirement	
▪ Eligibility	Commencement after age 65
▪ Benefit	The accrued benefit based on age, salary, service and credited interest rates to date of retirement.
Additional benefit	
▪ Eligibility	Participants listed in Appendix B of the plan document.
▪ Benefit	Beginning December 1, 2003, additional benefits are paid to certain former participants of the Non-qualified Pension Plan. The list of affected individuals and their additional benefits are outlined in Appendix B of the plan document.

Schedule SB, Part V — Summary of Plan Provisions

Terminated vested	
▪ Eligibility	100% vested at earlier of 3 years of service or age 65
▪ Benefit	Accrued benefit payable at normal retirement
Disability	
▪ Eligibility	Total and permanent disability
▪ Benefit	A participant continues to be credited with service for vesting and benefit accrual. While disabled, he or she receives one year of service for each full year of service accrued before becoming disabled. However, service accruals cease at normal retirement date.
Pre-retirement death	
▪ Benefit	<p>For benefits earned through December 31, 2000, each married active participant who has completed three or more years of service and each terminated vested married participant has an automatic death benefit for his or her spouse.</p> <p>The death benefit is a life annuity determined as if the participant:</p> <ul style="list-style-type: none"> ▪ Terminated employment on the date of death (or actual termination date, if earlier); ▪ Survived to earliest retirement date (or date of death, if later); ▪ Retired with a 50% joint and survivorship option in effect; and ▪ Died on the following day. <p>Payment of this death benefit begins on the participant's earliest retirement date, or date of death, if later.</p> <p>For benefits earned since January 1, 2001, each active participant who has completed three or more years of service and each terminated vested participant has an automatic death benefit. This benefit – equal to 100% of the participant's account balance – is payable regardless of the participant's marital status at death.</p>

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
▪ Automatic form for unmarried participants	Single life annuity
▪ Automatic form for married participants	50% Joint and Survivor annuity
▪ Optional forms	Single life annuity 5-year certain and life annuity 10-year certain and life annuity 50% Joint and Survivor annuity 75% Joint and Survivor annuity 100% Joint and Survivor annuity Lump sum (cash balance portion)
Miscellaneous	
▪ Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2009, the limit is \$245,000.
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2009, the limit is \$195,000.

Plan provision changes since prior valuation

- The maximum compensation limit increased from \$230,000 to \$245,000.
- The maximum annual benefit limit under IRC Section 415 increased from \$185,000 to \$195,000.

Schedule SB, Line 24 — Change in Actuarial Assumptions

Beginning with the December 1, 2009 valuation, the yield curve used to determine the target liability and target normal cost was changed from the full yield curve with a one month look-back to the segment yield curve with a four month look-back. Expenses of \$175,000 have been added to the target normal cost to reflect expectations for the current plan year.

Schedule SB, Line 26 — Schedule of Active Participant Data

Attained age	Years of service									
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up
< 25										
25 - 29		7	4							
30 - 34		15	18							
35 - 39		16	13	7	2					
40 - 44		11	13	4	2					
45 - 49		10	15	5	3	5	2			
50 - 54		8	12	4	8	7	5	1		
55 - 59		5	7	8	3	2	6	2	1	
60 - 64		3	7	6	7	5	3	5	4	
65 - 69			1			2				
70+										

In each cell, the number is the count of active participants for each age/service combination.

Schedule SB, Line 32 — Schedule of Amortization Bases

The shortfall amortization charge is the sum of the shortfall base amortization for each plan year covered under PPA. Although a shortfall base can be negative, the combined shortfall amortization charge cannot be negative.

Shortfall bases				
Year established		Outstanding balance	Years remaining	Installment
2008	\$	7,444,531	6	\$ 1,415,905
2009		2,572,021	7	433,443
Total	\$	10,016,552		\$ 1,849,348

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 12/01/2009 and ending 11/30/2010

▶ **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 QUAKER CHEMICAL CORPORATION PENSION PLAN	B Three-digit plan number (PN) ▶ 111
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF QUAKER CHEMICAL CORPORATION	D Employer Identification Number (EIN) 23-0993790
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>12</u> Day <u>1</u> Year <u>2009</u>			
2 Assets:			
a Market value.....		2a	40,136,614
b Actuarial value.....		2b	41,527,081
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....		3a	280
b For terminated vested participants.....		3b	276
c For active participants:			
(1) Non-vested benefits.....		3c(1)	0
(2) Vested benefits.....		3c(2)	11,183,174
(3) Total active.....		3c(3)	274
d Total.....		3d	830
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	6.63 %
6 Target normal cost.....		6	259,715

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>Glenn F. Fink (GFF)</u> Signature of actuary	<u>08/23/2011</u> Date
<u>GLENN F. FINK</u> Type or print name of actuary		<u>11-03951</u> Most recent enrollment number
<u>MERCER</u> Firm name		<u>(215) 982-4600</u> Telephone number (including area code)
<u>1717 ARCH STREET, 27TH FLOOR</u> Address of the firm		
<u>PHILADELPHIA PA 19103-2754</u>		

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)	1,764,356	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)	1,764,356	0
10 Interest on item 9 using prior year's actual return of <u>23.29</u> %	410,919	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		1,450,803
b Interest on (a) using prior year's effective rate of <u>8.28</u> %		120,126
c Total available at beginning of current plan year to add to prefunding balance		1,570,929
d Portion of (c) to be added to prefunding balance		1,570,929
12 Reduction in balances due to elections or deemed elections	2,175,275	110,059
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	1,460,870

Part III Funding percentages

14 Funding target attainment percentage	14	80.00 %
15 Adjusted funding target attainment percentage	15	80.00 %
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	85.73 %
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
12/30/2009	1,500,000				
03/08/2010	375,000				
06/08/2010	375,000				
02/28/2011	2,100,000				
Totals ▶			18(b)	4,350,000	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	4,162,606

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: 5.12 %	2nd segment: 6.74 %	3rd segment: 6.83 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	259,715
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	10,016,552	1,849,348
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	2,109,063
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	2,109,063
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	4,162,606
38 Interest-adjusted excess contributions for current year (see instructions)	38	2,053,543
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

Quaker Chemical Corporation Pension Plan**Schedule II****Schedule of Reportable Transactions ******Year Ended November 30, 2010**

Quaker Chemical Corporation Pension Plan, EIN 23-0993790, PN 111
Attachment to Form 5500, Schedule H, Part IV, Line j:

					Current Value of Asset on Transaction Date	Gain (Loss)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Historical Cost of Asset		
* PNC	Prime Money Market Fund		6,407,135	6,407,135		—
* PNC	Prime Money Market Fund	8,945,888			8,945,888	—
* PNC	Dodge & Cox Stock Fund		4,623,251	4,223,130		400,121
* Party in interest						

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

This schedule has been prepared based on information certified as complete and accurate by the trustee.

Quaker Chemical Corporation Pension Plan

Schedule of Assets (Held at End of Year)

Year Ended November 30, 2010

Schedule I

Quaker Chemical Pension Plan, EIN 23-0993790, PN 111

Attachment to Form 5500, Schedule H, Part IV, Line i:

Identity of Issue	Investment Type	Cost	Current Value
* Principal Mutual Life Bond and Mortgage Fund	Pooled Separate Account	\$ 985,674	\$ 1,394,784
American Beacon Funds	Registered Investment Co.	753,152	685,585
Dodge & Cox International Stock Fund	Registered Investment Co.	2,827,847	2,522,041
Artio International Equity Fund	Registered Investment Co.	2,962,091	2,373,174
Vanguard Total STK MKT Index Fund	Registered Investment Co.	5,244,495	5,790,051
PIMCO Funds Moderate Duration Institutional Fund	Registered Investment Co.	3,044,613	3,301,964
PIMCO Funds Total Return Institutional Fund	Registered Investment Co.	2,370,456	2,542,459
ISHares MSCI EAFE Growth Index Fund	Registered Investment Co.	755,761	795,620
ISHares MSCI Value Index Fund	Registered Investment Co.	752,071	705,366
Vanguard Emerging Markets Index Fund	Registered Investment Co.	376,266	437,184
Vanguard Index Fund – Small Cap ETF	Registered Investment Co.	225,858	290,400
Vanguard Small Cap Growth ETF	Registered Investment Co.	220,524	278,344
Alliance Bernstein Holding LP	Public Partnership	72,898	53,956
* Quaker Chemical Corporation	Common Stock	225,105	379,800
Abbott Labs	Common Stock	305,393	265,107
Ace Limited	Common Stock	145,341	160,930
Aetna Inc.	Common Stock	125,810	114,037
Altria Group	Common Stock	87,929	100,800
American Electric Power	Common Stock	182,561	181,560
Ameriprise Financial	Common Stock	99,180	114,048
Apache Corporation	Common Stock	216,631	244,881
Applied Materials	Common Stock	181,238	164,010
Archer Daniels Midland	Common Stock	176,265	176,839
Bank of America Corp – Warrant	Common Stock	105,977	78,120
Bank New York Mellon Corp	Common Stock	127,090	113,358
Baxter International	Common Stock	194,789	165,070
CVS Caremark Corporation	Common Stock	346,368	322,400
Caterpillar Inc.	Common Stock	138,396	203,040
Chevron Corporation	Common Stock	339,609	327,928
Cisco Systems	Common Stock	161,730	101,548
Consolidated Edison	Common Stock	196,127	203,154
Cooper Industries PLC	Common Stock	110,346	125,350
Corning Inc.	Common Stock	186,061	169,536
DST Sys Inc	Common Stock	82,176	83,577
Danaher Corp	Common Stock	168,539	173,000
Devon Energy Corp	Common Stock	162,477	179,954
Duke Energy Holding	Common Stock	205,725	193,050
Emerson Electric	Common Stock	183,448	203,759
Exxon Mobil Corp	Common Stock	338,383	353,434
Flextronics International, LTD	Common Stock	203,896	193,496
General Electric	Common Stock	150,468	123,474
Halliburton	Common Stock	181,047	211,904
Hess Corporation	Common Stock	153,952	175,125
Hewlett Packard	Common Stock	143,071	117,404
Honeywell Intl	Common Stock	211,344	238,608
Hospira Inc	Common Stock	106,703	109,707
Intel Corp	Common Stock	107,179	120,595
International Business Machines	Common Stock	170,827	212,190
Johnson & Johnson	Common Stock	90,992	92,325
KBR, Inc.	Common Stock	97,861	116,444
Kroger Co	Common Stock	168,675	190,755

Quaker Chemical Corporation Pension Plan**Schedule I**

Schedule of Assets (Held at End of Year) – Continued

Year Ended November 30, 2010

Quaker Chemical Pension Plan, EIN 23-0993790, PN 111

Attachment to Form 5500, Schedule H, Part IV, Line i:

Identity of Issue	Investment Type	Cost	Current Value
L 3 Communications	Common Stock	172,692	112,528
Loews Corporation	Common Stock	187,637	157,122
McDonalds Corp	Common Stock	150,841	203,580
Medtronic Inc	Common Stock	162,581	167,650
MetLife Inc	Common Stock	152,767	160,230
Microsoft Corp	Common Stock	144,563	106,079
National Oilwell Varco	Common Stock	116,829	183,870
Newmont Mining Corp	Common Stock	48,256	64,713
Norfolk Southern Corp	Common Stock	152,399	160,955
Nortel Networks	Common Stock	379	1
ON Semiconductor Corporation	Common Stock	116,221	123,956
Owens ILL Inc	Common Stock	116,008	112,896
Pfizer Inc	Common Stock	238,081	174,410
Philip Morris International	Common Stock	97,725	108,091
Proctor & Gamble	Common Stock	150,890	158,782
Ralcorp Holdings	Common Stock	119,013	114,552
Southern Co	Common Stock	190,609	199,916
Target Corp	Common Stock	174,034	182,208
Teva Pharmaceuticals Inds LTD	Common Stock	131,413	107,586
Thermo Fisher Scientific	Common Stock	122,489	122,064
3M Company	Common Stock	133,985	159,562
Time Warner Inc	Common Stock	118,609	109,113
Unilever NV	Common Stock	116,767	110,682
Union Pacific Corp	Common Stock	96,996	117,143
United Technologies	Common Stock	107,826	165,594
Wal-Mart Stores	Common Stock	165,038	167,679
Western Union Co	Common Stock	166,639	171,108
Willis Group Holdings PLC	Common Stock	117,087	114,588
AT&T Inc Notes	Corporate Bond	241,646	262,109
American Express Sr Unsecured	Corporate Bond	275,420	296,022
Anthem Inc	Corporate Bond	33,398	32,757
BHP Billiton	Corporate Bond	82,414	85,893
Bank of America Sr Nts	Corporate Bond	360,093	357,354
Barclays Bank PLC	Corporate Bond	262,932	273,312
Bear Stearns Co	Corporate Bond	357,106	367,009
British Telecom PLC	Corporate Bond	201,252	220,672
Bunge Limited Finance	Corporate Bond	87,958	89,775
CSX Corp	Corporate Bond	42,302	45,050
CVS Corp	Corporate Bond	266,645	275,847
Canadian Pacific RR Notes	Corporate Bond	80,587	85,495
Capital One Bank Notes	Corporate Bond	87,337	88,254
Citigroup Inc	Corporate Bond	264,610	281,446
Conoco Philips Notes	Corporate Bond	168,093	170,613
Credit Suisse New York	Corporate Bond	105,861	109,770
Deutsche Telekom Int Fin	Corporate Bond	169,920	175,666
Devon Energy Corporation	Corporate Bond	102,180	102,300
Dominion Resources Inc	Corporate Bond	241,231	258,716
Dow Chemical	Corporate Bond	209,010	225,312

Quaker Chemical Corporation Pension Plan**Schedule I**

Schedule of Assets (Held at End of Year) – Continued

Year Ended November 30, 2010

Quaker Chemical Pension Plan, EIN 23-0993790, PN 111

Attachment to Form 5500, Schedule H, Part IV, Line i:

Identity of Issue	Investment Type	Cost	Current Value
General Electric Cap Corp	Corporate Bond	274,883	279,270
GlaxoSmithKline Capital Com GTD	Corporate Bond	241,413	258,375
Goldman Sachs Group Inc	Corporate Bond	182,260	187,639
HSBC Finance Corp	Corporate Bond	261,305	271,203
Ingersoll Rand GL Hld Co	Corporate Bond	240,578	245,096
International Paper Co	Corporate Bond	86,545	92,205
Kinder Morgan Energy Partners	Corporate Bond	85,852	88,353
Kroger Co	Corporate Bond	84,017	87,555
MetLife Inc	Corporate Bond	279,300	297,210
National Rural Utility Coop	Corporate Bond	170,501	176,825
News America Holdings Inc	Corporate Bond	238,224	258,704
Norsk Hydro AS	Corporate Bond	93,696	92,010
Novartis Secs Invest LTD	Corporate Bond	83,937	90,900
Pacific Gas & Electric	Corporate Bond	168,327	178,898
Pfizer Inc	Corporate Bond	165,408	162,192
Philip Morris Intl Inc	Corporate Bond	172,451	174,469
Rio Tinto Fin USA Ltd	Corporate Bond	79,935	78,217
Safeway Inc	Corporate Bond	72,516	73,344
Sempra Energy	Corporate Bond	247,558	269,707
Symantec Corp	Corporate Bond	90,475	89,831
Tele Communications Inc	Corporate Bond	229,732	219,502
Telefonica Emisiones SAU	Corporate Bond	224,006	224,220
Time Warner Cable Inc	Corporate Bond	235,120	236,290
Valero Energy Corp	Corporate Bond	179,076	189,864
Verizon Communications	Corporate Bond	251,202	269,846
Vodafone Group PLC	Corporate Bond	170,160	178,674
Wachovia Corp	Corporate Bond	268,910	273,255
Yum Brands Inc	Corporate Bond	89,663	88,997
		<u>\$ 39,545,834</u>	<u>\$ 40,743,926</u>

* Party in interest

This schedule has been prepared based on information certified as complete and accurate by trustees.