

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</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>DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>09/01/1964</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>09/01/1964</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>09/01/1964</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>DIFCO LABORATORIES, INC.</u> <u>P.O. BOX 4800</u> <u>SPARKS, MD 21152-4800</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>38-0488100</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>410-316-4758</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>325900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>38-0488100</u>	2c Sponsor's telephone number <u>410-316-4758</u>	2d Business code (see instructions) <u>325900</u>	
2b Employer Identification Number (EIN) <u>38-0488100</u>					
2c Sponsor's telephone number <u>410-316-4758</u>					
2d Business code (see instructions) <u>325900</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/18/2011	CHARLES BURAK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
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 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") DIFCO LABORATORIES, INC. P.O. BOX 4800 SPARKS, MD 21152-4800	3b Administrator's EIN 38-0488100 3c Administrator's telephone number 410-316-4758
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	132
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	31
b Retired or separated participants receiving benefits.....	6b	64
c Other retired or separated participants entitled to future benefits.....	6c	25
d Subtotal. Add lines 6a , 6b , and 6c	6d	120
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	7
f Total. Add lines 6d and 6e	6f	127
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	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1B 1G 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

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

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 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>DIFCO LABORATORIES, INC.</u>	D Employer Identification Number (EIN) <u>38-0488100</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>	
2 Assets:	
a Market value	2a <u>7069874</u>
b Actuarial value	2b <u>7069874</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>70</u> <u>3673556</u>
b For terminated vested participants	3b <u>26</u> <u>758136</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>47610</u>
(2) Vested benefits	3c(2) <u>1795101</u>
(3) Total active	3c(3) <u>30</u> <u>1842711</u>
d Total	3d <u>126</u> <u>6274403</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>6.54</u> %
6 Target normal cost	6 <u>88171</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>09/09/2011</u>
<u>EDWARD CARD</u>	Signature of actuary	Date
<u>MERCER</u>	Type or print name of actuary	<u>08-06538</u>
<u>601 MERRITT 7 NORWALK, CT 06856</u>	Firm name	Most recent enrollment number
	Address of the firm	<u>203-229-6000</u>
		Telephone number (including area code)

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) 2010
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)	799897	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	26375	0
9	Amount remaining (Item 7 minus item 8).....	773522	0
10	Interest on item 9 using prior year's actual return of <u>16.25</u> %	125697	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		1876037
b	Interest on (a) using prior year's effective rate of <u>8.26</u> %		154961
c	Total available at beginning of current plan year to add to prefunding balance		2030998
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	10000	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	889219	0

Part III		Funding percentages	
14	Funding target attainment percentage.....	14	98.50 %
15	Adjusted funding target attainment percentage.....	15	112.67 %
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	95.76 %
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	
Totals ►		18(b)	0
		18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:			
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0	
b Contributions made to avoid restrictions adjusted to valuation date	19b	0	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	0	
20 Quarterly contributions and liquidity shortfalls:			
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No			
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No			
c If 20a is "Yes," see instructions and complete the following table as applicable:			
Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)	21b			0
22 Weighted average retirement age	22			63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	88171
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	88171
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	88171	88171
36 Additional cash requirement (item 34 minus item 35).....	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	0
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

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
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DIFCO LABORATORIES, INC.</u>	D Employer Identification Number (EIN) <u>38-0488100</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	<u>7069874</u>	<u>7447340</u>
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	7069874	7447340

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	7069874	7447340
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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)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		836377
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		836377

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	419838	
(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)		419838
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)		
(2) Contract administrator fees	2i(2)	39073	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		39073
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		458911

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		377466
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: REHMANN ROBSON

(2) EIN: 38-3567911

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 DIFCO LABORATORIES, INC.		D Employer Identification Number (EIN) 38-0488100
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
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): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3 0
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....		☒ Yes ☐ No ☐ N/A
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?		☐ Yes ☐ No ☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....		☐ Yes ☐ No ☒ N/A
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box..... ☐ Increase ☐ Decrease ☒ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....		☐ Yes ☐ No
11 a Does the ESOP hold any preferred stock?		☐ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)		☐ Yes ☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?		☐ Yes ☐ No
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2010 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): _____

Difco
Laboratories,
Inc. Local 246
UAW AFL-CIO
Retirement
Plan

Years Ended
December 31,
2010 and 2009

Financial
Statements
and
Supplementary
Information

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

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Note: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

INDEPENDENT AUDITORS' REPORT

October 14, 2011

Administrative Council
DIFCO Laboratories, Inc.
Local 246 UAW AFL-CIO Retirement Plan
P.O. Box 4800
Sparks, Maryland 21152

We were engaged to audit the accompanying statements of net assets available for benefits of the **DIFCO Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan** (the "Plan") as of December 31, 2010 and 2009, the related statements of changes in net assets available for benefits for the years then ended, the statements of accumulated plan benefits as of December 31, 2009 and 2008, and the related statements of changes in accumulated plan benefits for the years then ended, and the December 31, 2010 supplemental schedules of assets (held at end of year). These financial statements and supplemental schedule 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 information referred to in Note 2, which was certified by Comerica Bank, the trustee of the Plan from January 1, 2009 through March 2, 2009, and The Northern Trust Company, the trustee of the Plan from March 3, 2009 through December 31, 2010, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the trustees hold the Plan's investment assets and execute investment transactions. The Plan Administrator has obtained certifications from the trustees as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan Administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustees, 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 and Disclosure under the Employee Retirement Income Security Act of 1974.



**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31	
	2010	2009
ASSETS		
Investments at fair value (equal to net assets available for benefits)		
Plan interest in Becton Dickinson and Company Master Retirement Trust	<u>\$ 7,447,340</u>	<u>\$ 7,069,874</u>

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

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year Ended December 31	
	2010	2009
Additions to net assets attributed to		
Investment income		
Plan interest in Becton Dickinson and Company		
Master Retirement Trust	\$ 836,377	\$ 1,293,876
Interest	-	17,799
Total investment income	836,377	1,311,675
Employer contributions	-	2,053,738
Total additions	836,377	3,365,413
Deductions from net assets attributed to		
Benefits paid to participants	419,838	428,798
Administrative expenses	39,073	21,510
Total deductions	458,911	450,308
Net depreciation in fair value of investments	-	(502,116)
Net increase	377,466	2,412,989
Net assets available for benefits		
Beginning of year	7,069,874	4,656,885
End of year	\$ 7,447,340	\$ 7,069,874

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

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

STATEMENTS OF ACCUMULATED PLAN BENEFITS

	Year Ended December 31	
	2009	2008
Actuarial present value of accumulated plan benefits		
Vested benefits		
Participants currently receiving payments	\$ 3,292,685	\$ 3,197,480
Terminated vested participants	639,362	688,422
Active participants	<u>1,487,790</u>	<u>1,393,123</u>
Total vested benefits	5,419,837	5,279,025
Nonvested benefits	<u>41,764</u>	<u>100,016</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 5,461,601</u>	<u>\$ 5,379,041</u>

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

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

STATEMENTS OF CHANGES IN ACCUMULATED PLAN BENEFITS

	Year Ended December 31	
	2009	2008
Increase (decrease) during the year attributable to		
Decrease in the discount period	\$ 414,493	\$ 397,435
Benefits paid	(395,750)	(390,517)
Benefits accumulated and losses (gains)	8,941	209,197
Change in actuarial assumptions	58,830	13
Change in plan provisions	(3,954)	(554)
Net increase	82,560	215,574
Actuarial present value of accumulated plan benefits		
Beginning of year	5,379,041	5,163,467
End of year	\$ 5,461,601	\$ 5,379,041

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

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF THE PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following brief description of the *DIFCO Laboratories, Inc. Local 246 UAW AFL-CIO Retirement Plan* (the “Plan”) is provided for general information purposes only. Additional information about the Plan agreement, vesting and benefit provisions, and the Pension Benefit Guarantee Corporation’s (“PBGC”) benefit guarantee can be found in the Summary Plan Description. Copies of this Summary Plan Description are available from the Plan Administrator.

Description of the Plan

General

The Plan is a defined benefit, non-contributory plan, which provides pension, death, and disability benefits to all members of Local 246 of the International Union, United Automobile, Aerospace, Aircraft and Agricultural Implement Workers of America (UAW, AFL-CIO) employed by DIFCO Laboratories, Inc. (“the Company”) who are twenty-one years old and have completed three months of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Funding Policy

The Company has agreed to contribute such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan members. This amount, determined by an independent actuary, is equal to the sum of the annual current service contribution attributable to a year’s cost for continuous service and the prior service obligation. The Plan has met the minimum funding requirements prescribed by ERISA.

Pension Benefits

Employees with three or more years of service are entitled to monthly pension benefits beginning at normal retirement age (65) equal to \$36.00 for each year of service. In addition, each member who retires at their normal retirement age will also receive the lesser of \$43.80 or Medicare Part B (or successor) provision per month added to their retirement benefits. Also, a participant who is permanently laid off by the Company and qualifies for retirement at the time of the layoff will receive an additional special benefit of \$35.00 per month after age 60 upon retirement in addition to the monthly benefit for each year of service in effect in the year in which they retire. The Plan permits early retirement at age 55 with benefits reduced by 1/3% for each calendar month benefits begin prior to normal retirement date. An unreduced benefit is available for participants retiring on or after age 60 with 25 years of service. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees terminate before rendering five years of service and prior to becoming eligible for a retirement benefit, they lose all rights under the Plan.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

■ NOTES TO FINANCIAL STATEMENTS

Death and Disability Benefits

If an active employee dies at pre-retirement age with at least five years of service, and has elected the Qualified Joint and Survivor Option, a benefit is payable to the spouse equal to 50% of the vested portion of the employee's accrued normal retirement benefit reduced by 1/3% for each calendar month from the date of election of such option to the date of death.

Active employees who become totally and permanently disabled receive a benefit equal to their accrued benefit with payment commencing as of the date of disability. A participant retiring on Total and Permanent Disability, on or after April 25, 1994, shall receive a monthly payment of \$100 until the Participant reaches age 65 or until the participant receives a total of \$5,000, whichever occurs first.

Vesting

Effective for plan year ended December 31, 2010, a participant becomes fully vested after three years of service. Prior to 2010, a participant became fully vested after five years.

Administrative Expense

The Plan's administrative expenses, including salaries, accounting, and legal costs, are paid by the Company and qualify as party-in-interest transactions which are exempt from prohibited transaction rules. Fees for actuarial, auditing, and record keeping services are paid by the Plan.

Summary of Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on 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 the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosures of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

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 3 for a discussion of fair value measurements.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

■ NOTES TO FINANCIAL STATEMENTS

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Net depreciation in aggregate fair value includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the services employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

Benefits under the Plan are based on employees' length of credited service. The accumulated plan benefits for active employees are based on their length of service on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by Mercer Human Resource Consulting, the Plan's actuary, and is the 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 death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuations as of December 31, 2009 and 2008 are as follows:

Investment return	8.00%
Life expectancy of participants	RP2000 Combined White-Collar Mortality Table, projected to 2017 using scale AA
Retirement age	Normal retirement assumed to occur at age 65
Assumed average rate of return	8.00%

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

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

■ NOTES TO FINANCIAL STATEMENTS

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

New Accounting Pronouncement

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*. ASU 2010-06 amended Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, to clarify certain existing fair value disclosures and to require a number of additional disclosures. The guidance in ASU 2010-06 clarified that disclosures should be presented separately for each “class” of assets and liabilities measured at fair value and provided guidance on how to determine the appropriate classes of assets and liabilities to be presented. ASU 2010-06 also clarified the requirement for entities to disclose information about both the valuation techniques and inputs used in estimating Level 2 and Level 3 fair value measurements. In addition, ASU 2010-06 introduced new requirements to disclose the amounts (on a gross basis) and reasons for any significant transfers between Levels 1, 2, and 3 of the fair value hierarchy and to present information regarding the purchases, sales, issuances, and settlements of Level 3 assets and liabilities on a gross basis. With the exception of the requirement to present changes in Level 3 measurements on a gross basis, which is delayed until 2011, the guidance in ASU 2010-06 is effective for reporting periods beginning after December 15, 2009. The adoption of ASU 2010-06 did not and is not expected to have an effect on the Plan’s net assets available for benefits or its changes in net assets available for benefits, as changes are related to the fair value measurement disclosures.

Reclassifications

Certain amounts as reported in the 2009 financial statements have been reclassified to conform with the 2010 presentation.

Subsequent Events

In preparing these financial statements, Plan management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2010, the most recent statement of net assets available for benefits presented herein, through October 14, 2011, the date these financial statements were available to be issued. No significant such events or transactions were identified.

■ 2. INVESTMENTS

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Comerica Bank, the Plan Trustee, from January 1, 2009 through March 2, 2009, and

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

The Northern Trust Company, the Plan Trustee, from March 3, 2009 through December 31, 2010, have certified the completeness and accuracy of all investment information reflected in (1) the accompanying statements of net assets available for benefits as of December 31, 2010 and 2009, (2) the December 31, 2010, supplemental schedules of assets (held at end of year), (3) the related investment activity reflected in the statements of changes in net assets available for benefits during 2010 and 2009, and (4) information summarized below and in Note 4.

At December 31, 2010 and 2009 the Plan's interest in the Becton Dickinson and Company Master Retirement Trust represented greater than 5% of the Plan's net assets totaling \$7,447,340 and \$7,069,874, respectively (see Note 4).

Net depreciation in fair value of investments for 2009 relate entirely to mutual funds.

3. FAIR VALUE MEASUREMENTS

The FASB *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2010 and 2009.

Cash and cash equivalents: Valued at cost which approximates fair value due to the short-term nature of such investments.

U.S. government securities: Valued at the closing price reported in the active market in which the individual security is traded.

Corporate debt securities: Corporate debt securities are valued at the closing price reported in the active market in which the bond is traded.

Common stock: Valued at the closing price reported on various stock market exchanges.

The preceding methods 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.

The fair values of trust assets and liabilities as of December 31, 2010 and 2009, are discussed in Note 4.

4. INTEREST IN BECTON DICKINSON AND COMPANY MASTER RETIREMENT TRUST

On March 3, 2009 all of the Plan's investments were transferred from Comerica Bank to the Becton Dickinson and Company Master Retirement Trust ("Master Trust") managed by The Northern Trust Company. The Master Trust was established for the investment of assets of the Plan and several other Becton Dickinson Company (parent company of DIFCO Laboratories, Inc.) sponsored retirement plans. Each participating retirement plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by The Northern Trust Company (Trustee). At December 31, 2010 and 2009, the Plan's interest in the net assets of the Master Trust was approximately 0.7%. Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon average monthly balances invested by each plan.

The Trustee is the custodian of all investments and is authorized to execute transactions. Financial information relating to the assets held by the Trustee is included in the accompanying financial statements based on information provided by the Trustee. The Plan's share of net assets in the Master Trust was determined by the Trustee as of December 31, 2010 and 2009, on the basis of the cumulative contributions and cumulative proportional share of investment gain for the Plan, less the Plan's cumulative benefit payments and share of administrative expenses. That information, which has not been audited by independent auditors, is summarized below:

**DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN**

NOTES TO FINANCIAL STATEMENTS

The following table represents the fair value of investments for the Master Trust at December 31:

	2010	2009
Investments (at fair value)		
Cash and cash equivalents	\$ 2,472,054	\$ 190,586,396
U.S. government securities	191,636,942	170,883,103
Corporate debt securities	172,934,039	131,786,761
Common stock	685,611,973	515,992,668
Other	<u>1,649,523</u>	<u>6,575,562</u>
Total master trust investments	<u>\$ 1,054,304,531</u>	<u>\$ 1,015,824,490</u>

Investment income from Master Trust investments are as follows for the years ended December 31:

	2010	2009
Investments and dividend income	<u>\$ 19,744,008</u>	<u>\$ 16,397,097</u>
Net appreciation (depreciation)		
Cash and cash equivalents	(129,887)	326,842
U.S. government securities	4,874,251	1,488,437
Corporate debt securities	35,454,950	24,811,357
Common stock	85,594,666	105,569,006
Other	<u>(1,232,687)</u>	<u>(428,780)</u>
Net appreciation	<u>124,561,293</u>	<u>131,766,862</u>
Investment income	<u>\$ 144,305,301</u>	<u>\$ 148,163,959</u>

DIFCO LABORATORIES, INC.
LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

The closing prices reported in the active markets in which the securities are traded are used to value the investments in the Master Trust. The following table sets forth by level, within the fair value hierarchy, the Trust's assets and liabilities at fair value as of December 31, 2010:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 2,472,054	\$ -	\$ -	\$ 2,472,054
U.S. government securities	191,636,942	-	-	191,636,942
Corporate debt securities	172,934,039	-	-	172,934,039
Common stock				
Domestic	671,053,723	-	-	671,053,723
International	14,558,250	-	-	14,558,250
Total common stock	685,611,973	-	-	685,611,973
Other	-	1,649,523	-	1,649,523
Total investments at fair value	\$ 1,052,655,008	\$ 1,649,523	\$ -	\$ 1,054,304,531

The following table sets forth by level, within the fair value hierarchy, the Trust's assets and liabilities at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 190,586,396	\$ -	\$ -	\$ 190,586,396
U.S. government securities	170,883,103	-	-	170,883,103
Corporate debt securities	131,786,761	-	-	131,786,761
Common stock				
Domestic	509,887,477	-	-	509,887,477
International	6,105,191	-	-	6,105,191
Total common stock	515,992,668	-	-	515,992,668
Other	-	6,575,562	-	6,575,562
Total investments at fair value	\$ 1,009,248,928	\$ 6,575,562	\$ -	\$ 1,015,824,490

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

5. RELATED PARTY TRANSACTIONS

Certain Plan investments for the period January 1, 2009 through March 2, 2009 consisted of mutual funds managed by Munder Capital Management, an affiliate of Comerica Bank. For the period March 3, 2009 to December 31, 2010, The Northern Trust Company managed the Master Trust. Comerica Bank and The Northern Trust Company were the trustees of the Plan for these periods and therefore, these transactions qualify as party-in-interest.

6. INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter, dated November 15, 2002, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed and is operating in compliance with the applicable requirements of the IRC, and, therefore, believe that the Plan is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability or asset if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the applicable taxing authorities. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the financial statements. The Plan may be subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2007.

7. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan and discontinue its contributions subject to the provisions of the Collective Bargaining Agreement between the Company and the Union and also 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. To provide retirement benefits to retired employees (spouses), whose retirement benefits commenced three or more years prior to the date of the termination of the Plan, based on the Plan provisions in effect during the five-year period prior to the date of termination of the Plan under which such benefits would be the least;
- B. To provide retirement benefits to other retired employees (spouses), employees and vested

DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN

■ NOTES TO FINANCIAL STATEMENTS

employees, who at least three years prior to the date of the termination of the Plan had attained age sixty (60) with ten (10) or more years of service, based on the Plan provisions in effect during the five-year period prior to the date of the termination of the Plan under which the benefit would be the least;

- C. To provide retirement benefits to all retired employees (spouses), employees, and vested employees based on their retirement benefits guaranteed on their behalf under Section 4022 of the Employee Retirement Income Security Act of 1974, less any amounts set forth in (a) and (b) above;
- D. To provide retirement benefits to all retired employees (spouses), employees, and vested employees based on their nonforfeitable retirement benefits in excess of the amounts payable under subparagraph (c) above as of the date of the termination of the Plan;
- E. To provide retirement benefits to all other employees based on their accrued benefits at the date of the termination of the Plan.

If, after having made provisions in the above order of precedence for some but not all of the above categories, the assets then remaining in the fund are not sufficient to provide completely for the benefits for employees in the next category, such benefits shall be provided for each such employee in an amount proportionate to the actuarially determined present value of such accrued retirement benefits at the date of termination of the Plan. Should the Plan terminate at some future time, its net assets generally will not be available on a pro-rata basis to provide participants' benefits. Whether the full amount of a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation ("PBGC") at that time. Some benefits may be fully or partially provided for by then existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

■ 8. 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 fair values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits and the statements of changes in 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.

■ ■ ■ ■ ■

SUPPLEMENTARY INFORMATION

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

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

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

OMB No. 1210-0110

2010**This Form is Open to Public
Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan DIFCO LABORATORIES, INC. HRLY EES' RETIREMENT PL	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Difco Laboratories, Inc.	D Employer Identification Number (EIN) 38-0488100
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>	
2 Assets:	
a Market value.....	2a 7,069,874
b Actuarial value.....	2b 7,069,874
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 70 3,673,556
b For terminated vested participants	3b 26 758,136
c For active participants:	
(1) Non-vested benefits.....	3c(1) 47,610
(2) Vested benefits.....	3c(2) 1,795,101
(3) Total active	3c(3) 30 1,842,711
d Total.....	3d 126 6,274,403
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 6.54 %
6 Target normal cost.....	6 88,171

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>9/9/2011</u>
	Signature of actuary	Date
Edward Card	Type or print name of actuary	11-06538
Mercer	Firm name	Most recent enrollment number
601 Merritt 7		(203) 229-6000
Norwalk	Address of the firm	Telephone number (including area code)
	CT 06856	

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) 2010
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)	799,897	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	26,375	0
9 Amount remaining (Item 7 minus item 8).....	773,522	0
10 Interest on item 9 using prior year's actual return of <u>16.25</u> %	125,697	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		1,876,037
b Interest on (a) using prior year's effective rate of <u>8.26</u> %		157,068
c Total available at beginning of current plan year to add to prefunding balance		2,033,105
d Portion of (c) to be added to prefunding balance.....		0
12 Reduction in balances due to elections or deemed elections.....	10,000	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	889,219	0

Part III Funding percentages

14 Funding target attainment percentage.....	14	98.50 %
15 Adjusted funding target attainment percentage.....	15	112.67 %
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	95.76 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

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

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	88,171
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	88,171
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	88,171	88,171
36 Additional cash requirement (item 34 minus item 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	0
38 Interest-adjusted excess contributions for current year (see instructions)	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A) Retirement age	(B) Number of employees expected to retire, per 1000 retirements	(C) (A) X (B)
55	50.00	2,750.00
56	28.50	1,596.00
57	27.65	1,575.77
58	26.82	1,555.31
59	26.01	1,534.66
60	25.23	1,513.85
61	24.47	1,492.91
62	197.83	12,265.51
63	59.35	3,739.00
64	53.41	3,418.52
65	360.55	23,435.54
66	90.14	5,949.02
67	22.53	1,509.79
68	5.63	383.08
69	1.41	97.18
70	0.47	32.86
Total	1,000.00	62,849.00
Average		62.85

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

Discount rate elections		<u>Funding</u>
▪ Segment rates or full yield curve		Segment
▪ Look-back months		0
▪ 1st 5 years		4.60%
▪ Next 15 years		6.65%
▪ Over 20 years		6.76%
The effective interest rate is 6.54%		
Mortality elections		
▪ Healthy participants	2010 PPA separate static annuitant and nonannuitant mortality tables	
Other economic assumptions		
▪ Salary increases	N/A	
▪ Flat-dollar benefit increases	N/A	
▪ Social Security wage base	N/A	
▪ Inflation	3.50% per year for increase in IRC Section 415 and 401(a)(17) limitations	
▪ Expected investment return	8.00% for 2007 through 2010	
▪ Expenses added to target normal cost	\$25,000	

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

Demographic assumptions

Withdrawal

A sample of rates, showing the percentage of participants assumed to terminate in the next year, is as follows:

Attained age	Male Rate	Female Rate
20	7.5%	12.5%
25	5.0%	7.5%
30	3.5%	5.0%
35	2.5%	3.5%
40	1.5%	2.5%
45	1.0%	1.5%
50	0.5%	1.0%
55	0.0%	0.5%
60 and over	0.0%	0.0%

No withdrawal is assumed to occur after eligibility for early retirement.

Disability incidence

40% of disability incidence under the 1972 – 1976 OASDI study

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

Retirement age

It is assumed that normal and early retirements will occur in accordance with the following rates:

Age	Rate
55	5.0%
56	3.0%
57	3.0%
58	3.0%
59	3.0%
60	3.0%
61	3.0%
62	25.0%
63	10.0%
64	10.0%
65	75.0%
66	75.0%
67	75.0%
68	75.0%
69	75.0%
70	100.0%

Benefit commencement age for**If participant is
younger than 60****If participant is
older than 60**

- Future vested deferred
- Current vested deferred

60

65

60

65

Spouse assumptions**Male participants****Female participants**

- Percentage married
- Spouse age difference

85%

85%

3 years younger

3 years older

Form of payment**Lump sum****Single life****50% J&S**

- Active retirements
- Future vested deferred
- Future disabilities
- Future deaths
- Current vested deferred

0%

75%

25%

0%

75%

25%

0%

75%

25%

0%

100%

0%

0%

75%

25%

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

Actuarial methods

Asset methods

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

The asset valuation method is the market value of assets as described in Treasury Regulation Section 1.430(g)-1(c)(1).

Participant methods

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

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

Minimum funding method

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

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

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

Schedule SB, Line 25 —Changes in Method

The asset method was changed from the average asset value described in Treasury Regulation Section 1.430(g)-1(c)(2) and IRS Notice 2009-22 to the market value of assets.

Schedule SB, Line 26 — Schedule of Active Participant Data*Distribution of active participants as of January 1, 2010*

Attained age	< 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up
< 25										
25 - 29										
30 - 34		1	1							
35 - 39		3	2							
40 - 44		1	2							
45 - 49					1					
50 - 54					1		1	4	1	
55 - 59		1	1	1				3	2	
60 - 64								1	3	
65 - 69										
70+										

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

Schedule SB, Part V —Summary of Plan Provisions

Plan provisions

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

Effective date and plan year	Effective date: September 1, 1964 Plan year: January 1 – December 31
Most recent amendment	Plan changes noted in this appendix are first reflected in this valuation
Significant events that occurred during the year	None
Covered employees	All employees covered by the collective bargaining agreement between the Company and the UAW; AFL-CIO Local 246 participate as of their employment commencement date.
Participation	Full-time and part-time employees begin participation on the date they commence employment.
Years of Service	Prior to January 1, 1976 an employee receives one year of service for each year or portion of a year employed. On or after January 1, 1976 an employee receives one year of service for each year in which the employee is credited with at least 1000 hours. Years of service shall not be less than credited service.
Credited service	Service from date of hire to date of termination, based on the number of hours worked during each plan year. A full year is credited for 1700 hours worked, with proportionate credit to nearest 1/10th of a year if the employee works less than 1700 hours.
Employee contributions	Employees are not required or permitted to make any contributions under the Plan
Deferred vested eligibility	Completion of 3 years of service
Deferred vested benefit	Accrued benefit deferred to normal retirement date or a reduced benefit (1/3% for each completed calendar month prior to normal date) payable on or after age 55. For termination prior to April 28, 2000, a reduced benefit (5/9% for each completed month prior to the normal retirement date) is payable on or after age 60.

Schedule SB, Part V —Summary of Plan Provisions

Monthly Benefit	Years of credited service multiplied by the following:								
	<table> <tr> <td>Retirements Prior to May 1, 2008:</td><td>Amount in effect as of retirement date</td></tr> <tr> <td>Effective May 1, 2008:</td><td>\$36</td></tr> <tr> <td>Effective May 1, 2013:</td><td>\$37</td></tr> <tr> <td>Effective May 1, 2014:</td><td>\$38</td></tr> </table>	Retirements Prior to May 1, 2008:	Amount in effect as of retirement date	Effective May 1, 2008:	\$36	Effective May 1, 2013:	\$37	Effective May 1, 2014:	\$38
Retirements Prior to May 1, 2008:	Amount in effect as of retirement date								
Effective May 1, 2008:	\$36								
Effective May 1, 2013:	\$37								
Effective May 1, 2014:	\$38								
Actuarial Equivalence	<p><u>Annuity conversions:</u> 6.00% interest and UP 1984 Mortality</p> <p><u>Lump Sums:</u></p> <p><i>Prior to January 1, 2003</i></p> <p>30 year Treasury Constant Maturity for November preceding plan year of distribution and Unisex 1983 GAM Mortality table (50% male plus 50% female) as defined in Revenue Ruling 95-6.</p> <p><i>January 1, 2003 through December 31, 2007</i></p> <p>An interest rate published by the IRS under Code Section 417(e) for November preceding the plan year of distributions and mortality table defined in Revenue Ruling 2001-62 (a blend of 50% male and 50% female mortality rates from the 1994 Uninsured Pension Mortality Table projected to 2002 by Scale AA).</p> <p><i>On or after January 1, 2008</i></p> <p>As of January 1, 2008, the actuarial equivalence basis is revised to reflect the Pension Protection Act of 2006</p>								
Normal retirement eligibility	A participant may retire on the normal retirement date which is the first day of the month coinciding with or following age 65 and the completion of 3 years of service.								
Early retirement eligibility	Attainment of age 55 and completion of 3 years of service								
Early retirement benefit	Accrued benefit deferred to age 65 or payable immediately but reduced 1/3% for each complete calendar month that benefits begin prior to normal retirement date. An unreduced benefit is payable immediately for participants retiring on or after age 60 with 25 years of service.								
Late retirement eligibility	A participant may continue in the active service of the Company after normal retirement date.								

Schedule SB, Part V —Summary of Plan Provisions

Late retirement benefit	If retirement occurs after the normal retirement date, the later retirement income will be equal to the accrued benefit calculated using credited service and benefit rate in effect as of the late retirement date.
Disability eligibility	Total and permanent disability, eligibility for disability benefits under the Federal Social Security Act and 10 years of service.
Disability benefit	Accrued benefit is payable as of the date of disability.
Special Age 65 Benefit	
Eligibility	Any retiree who retired under the normal, early or disability retirement provisions of the plan or otherwise terminates with 25 years of service and special early retirees laid-off between April 28, 2000 and April 27, 2005.
Monthly Benefit	Upon attaining age 65 the retiree will receive the lesser of \$43.80 per month or Medicare Part B.
Benefits for Participants Laid-off April 28, 2000 – April 27, 2005	
Eligibility	Employees who are permanently laid off and retire from active employment during the April 28, 2000 through April 27, 2005 collective bargaining agreement shall be eligible.
Special Deferred Early Retirement Benefit	Employees who are less than age 60 with at least 25 years of service will have no reduction in their benefit if they defer payment to age 60.
Special Age Supplemental Benefit	Employees who retire from active service with a normal, early or late retirement benefit will receive a supplemental benefit of \$35.00 per month after age 60 in addition to their regular benefits.
Pre-Retirement Death Benefits	
Eligibility	3 years of service and married for at least one year.
Benefit	The surviving spouse will receive a 50% survivor benefit computed as if the employee had terminated employment on the date of death, survived until the benefit commencement date and elected the 50% Joint & Survivor annuity. The benefit is reduced for early commencement and the election of the 50% Joint & Survivor Annuity. The benefit commencement date is the first day of the month following the later of the date of death, the date the employee would have attained age 55 or a later date as the spouse may elect.

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 & Survivor annuity, actuarially equivalent to the single life amount.
Optional form	Joint & Survivor Option with 50% payable to spouse at death of retiree; lump sum payments for values under \$5,000.
Miscellaneous	
Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. The limit is indexed annually. For 2010 the limit is \$195,000.
Change in plan provision since prior valuation	<p>Maximum compensation and maximum benefits were updated from 2009 to 2010.</p> <p>Effective March 10, 2010, the additional pre-65 disability benefit of \$100 per month (up to a maximum of \$5,000) was eliminated.</p> <p>The vesting criterion for full vesting was changed from 5 years of service to 3 years of service.</p> <p>The retirement benefit multiplier was updated for retirements after May 1, 2013 according to the schedule shown in the summary.</p>

Benefits included or excluded

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

- **Plan amendments:** Amendments adopted after the valuation date or effective after the current plan year are excluded from the valuation.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Shutdown benefits:** We are not aware of any corporate actions that would create shutdown benefits; therefore, they are excluded.
- **IRC Section 415(b):** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **Benefit restrictions:** Benefit restrictions (if applicable) are ignored in this valuation.

Attachment to 2010 Form 5500			
Schedule H, line 4i - Schedule of Assets (Held at End of Year)			
Plan Name	DIFCO LABORATORIES, INC. LOCAL 246 UAW AFL-CIO RETIREMENT PLAN		FINAN 38-0488100
Plan Sponsor's Name	DIFCO LABORATORIES, INC.		PN: 002

[illegible]