Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
J.H. HAAR & SONS, INC. PENSION PLAN

1b Three-digit plan number (PN) ▶ 009

1c Effective date of plan 06/30/1970

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

9399 HIGGINS ROAD, SUITE 500
ROSEMONT, IL 60018

2b Employer Identification Number (EIN) 36-3642294

2c Plan sponsor's telephone number 847-720-8000

2d Business code (see instructions) 424400

3a Plan administrator's name and address (if same as Plan sponsor, enter "Same")
US FOODS, INC. 9399 HIGGINS ROAD, SUITE 500
ROSEMONT, IL 60018

3b Administrator's EIN 36-3642294

3c Administrator's telephone number 847-720-8000

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

4b EIN 36-3642294

4c PN 009

5a Total number of participants at the beginning of the plan year	**5a**	58
b Total number of participants at the end of the plan year	**5b**	57
c Total number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	**5c**	

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

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

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

Part III Financial Information

7 Plan Assets and Liabilities		**(a) Beginning of Year**	**(b) End of Year**
a Total plan assets	**7a**	407830	461443
b Total plan liabilities	**7b**		
c Net plan assets (subtract line 7b from line 7a)	**7c**	407830	461443

8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: **(1)** Employers	**8a(1)**	72000	
(2) Participants	**8a(2)**		
(3) Others (including rollovers)	**8a(3)**		
b Other income (loss)	**8b**	67727	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	**8c**		139727
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	**8d**	5262	
e Certain deemed and/or corrective distributions (see instructions)	**8e**		
f Administrative service providers (salaries, fees, commissions)	**8f**		
g Other expenses	**8g**		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	**8h**		5262
i Net income (loss) (subtract line 8h from line 8c)	**8i**		134465
j Transfers to (from) the plan (see instructions)	**8j**	-80852	

Part IV Plan Characteristics

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

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

Part V Compliance Questions

10 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X	
c Was the plan covered by a fidelity bond?	10c	X		20000000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

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

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

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

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

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

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

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

Part VII Plan Terminations and Transfers of Assets

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

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

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

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

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)
U.S. FOODSERVICE, INC. MASTER DEFINED BENEFIT PENSION TRUST	36-3642294	200

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	12/13/2011	GARY HANSEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

▶ **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
J.H. HAAR & SONS, INC. PENSION PLAN

B Three-digit plan number (PN) ▶ 009

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

D Employer Identification Number (EIN)
36-3642294

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

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

Part I Basic Information

1 Enter the valuation date: Month 07 Day 01 Year 2010

2 Assets:

a	Market value	**2a**	449287
b	Actuarial value	**2b**	432012

3 Funding target/participant count breakdown

			(1) Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	2	51658
b	For terminated vested participants	**3b**	37	249374
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		219055
	(3) Total active	**3c(3)**	19	219055
d	Total	**3d**	58	520087

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**	6.65 %
6	Target normal cost	**6**	60000

Statement by Enrolled Actuary

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

SIGN HERE

Signature of actuary	Date: 11/10/2011
MARK E. SILVERS	11-04235
Type or print name of actuary	Most recent enrollment number
MERCER	312-917-9900
Firm name	Telephone number (including area code)
155 N. WACKER DRIVE, SUITE 1500 CHICAGO, IL 60606	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	125686	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	1500	0
9	Amount remaining (Item 7 minus item 8)	124186	0
10	Interest on item 9 using prior year's actual return of 22.08 %	27420	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		5
	b Interest on (a) using prior year's effective rate of 7.67 %		1
	c Total available at beginning of current plan year to add to prefunding balance		6
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	151606	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	83.06 %
15	Adjusted funding target attainment percentage	15	83.06 %
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	109.71 %
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
10/14/2010	10000				
01/13/2011	10000				
04/07/2011	10000				
07/06/2011	10000				
09/16/2011	51000				
			Totals ► 18(b)	91000	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	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	85539

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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:	2nd segment:	3rd segment:	
4.44 %	6.62 %	6.74 %	☐ 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** 60000

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	67272	11214
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** 71214

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

36 Additional cash requirement (item 34 minus item 35) **36** 71214

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) **37** 85539

38 Interest-adjusted excess contributions for current year (see instructions) **38** 14325

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 (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

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

OMB No. 1210-0110

2010

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For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

▶ **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: J. H. Haar & Sons, Inc. Pension Plan

B Three-digit plan number (PN) ▶ 009

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF: US Foods, Inc.

D Employer Identification Number (EIN): 36-3642294

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

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

Part I Basic Information

1 Enter the valuation date: Month 7 Day 1 Year 2010

2	Assets:			
	a Market value		**2a**	449,287
	b Actuarial value		**2b**	432,012
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	2	51,658
	b For terminated vested participants	**3b**	37	249,374
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		219,055
	(3) Total active	**3c(3)**	19	219,055
	d Total	**3d**	58	520,087
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**	6.65 %
6	Target normal cost		**6**	60,000

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 Mark E. Silvers 11/10/11

Signature of actuary — Date

Mark E. Silvers — Type or print name of actuary

11-04235 — Most recent enrollment number

MERCER — Firm name

(312) 917-9900 — Telephone number (including area code)

155 N. Wacker Drive, Suite 1500

Chicago IL 60606 — Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	125,686	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	1,500	0
9	Amount remaining (Item 7 minus item 8)	124,186	0
10	Interest on item 9 using prior year's actual return of 22.08 %	27,420	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		5
b	Interest on (a) using prior year's effective rate of 7.67 %		1
c	Total available at beginning of current plan year to add to prefunding balance		6
d	Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	151,606	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	83.06 %
15	Adjusted funding target attainment percentage	15	83.06 %
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	109.71 %
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
10/14/2010	10,000				
01/13/2011	10,000				
04/07/2011	10,000				
07/06/2011	10,000				
09/16/2011	51,000				
			Totals ▶ 18(b)	91,000	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	
b	Contributions made to avoid restrictions adjusted to valuation date	19b	
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	85,539

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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:	2nd segment:	3rd segment:	
4.44 %	6.62 %	6.74 %	☐ 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**		60,000
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		67,272	11,214
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**		71,214

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

36 Additional cash requirement (item 34 minus item 35)	**36**	71,214
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	85,539
38 Interest-adjusted excess contributions for current year (see instructions)	**38**	14,325
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, Part V — Summary of Plan Provisions

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated and amended through July 1, 2009, are included in this valuation.

- **Plan amendments excluded:** Amendments adopted after the valuation date or effective after the current plan year are excluded from the valuation.

- **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.

- **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:** Because the plan is collectively bargained and only covers union employees, the top-heavy rules do not apply and 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).

Schedule SB, Part V — Summary of 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	Original plan: June 30, 1970 Restated plan: July 1, 2009 Plan year: July 1 through June 30.
Status of the plan	There are no ongoing accruals in this plan as there are no active employees at the location covered by the plan as documented in the closing agreement dated December 13, 2006. All employees active in this plan are currently working at other locations and are no longer accruing benefits.
Significant events that occurred during the year	None
Definitions	
▪ Eligibility	Minimum age of 21 and minimum of 12 months of service in which an employee is credited with at least 1,000 hours of service. An eligible employee enters the plan on the July 1st nearest the date the employee satisfies the eligibility requirements. The plant was closed in December 2006, and thus closed to any future entrants.
▪ Employer contributions	Actuarially determined as required to meet IRS funding standards.
▪ Employee contributions	None allowed.
▪ Vesting service	A participant's vesting in his/her age 65 plan benefit is as given by the following schedule: Years of Vesting Service — Percent Vested Less than 3 — 0% 3 — 20% 4 — 40% 5 — 60% 6 — 80% 7 or more — 100%
▪ Credited service	One Year of Service was given if an employee completed at least 1,000 hours of service during a plan year (for vesting and benefit service). The collective bargaining agreement was terminated in December 2006, concurrent with the plant closing, thereby ceasing all future service accruals as of that date.
▪ Compensation	Code Section 415 compensation that is actually paid in gross income during any given plan year.

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement	
▪ Eligibility	Later of age 65 and 5 years of participation.
▪ Benefit	0.77% of compensation for each year of service, not to exceed 26 years of service. The collective bargaining agreement was terminated in December 2006, concurrent with the plant closing, thereby ceasing all future benefit accruals as of that date.
Early retirement	
▪ Eligibility	Age 60 and completion of 11 Years of Service.
▪ Benefit	The actuarial equivalent of the accrued retirement benefit.
Late retirement	
▪ Benefit	The greater of A & B as follows: A. Normal retirement benefit payable at the participant's termination of employment with the benefit amount calculated using years of benefit service. B. The actuarial equivalent at the participant's attained age of the participant's normal retirement benefit determined at normal retirement date.
Death	
▪ Benefit Pre-Retirement	If a vested participant dies prior to commencement of benefit payments, the beneficiary shall receive an actuarially equivalent lump sum payable immediately of the vested aggregate accrued benefit.
▪ Benefit Post-Retirement	As set forth in option elected.
Form of benefits	
▪ Automatic form for unmarried participants	Life annuity with 10 year certain.
▪ Automatic form for married participants	Actuarially reduced Joint and 50% Survivor annuity
▪ Optional forms	▪ Life Annuity ▪ Lump Sum ▪ Joint and 50% Survivor Annuity ▪ Joint and 100% Survivor Annuity
Actuarial Equivalence	Benefit option payments are based on 1951 GAM projected by Scale C to 1970 mortality and 5.00% interest.
Miscellaneous	
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2010 the limit is $195,000.

Schedule SB, Part V — Summary of Plan Provisions

Plan provision changes since prior valuation

- Maximum benefits were updated from 2009 to 2010.

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 65.

(A) Retirement age	(B) Number of employees expected to retire	(C) (A) X (B)
65	1,000.00	65,000.00
Total	1,000.00	65,000.00
Average		65

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

Actuarial assumptions

Discount rate sponsor elections	**Funding**
▪ Segment rates or full yield curve	Segment
▪ Look-back months	4
▪ First 5 years	4.44%
▪ Next 15 years	6.62%
▪ Over 20 years	6.74%
Mortality sponsor 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 based on Scale AA.
▪ Pre-1995 disabilities	N/A
▪ Post-1994 disabilities	N/A
417(e) lump sums	Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality
Other economic assumptions	
▪ Salary increases	N/A
▪ Flat-dollar benefit increases	N/A
▪ Social Security wage base	N/A
▪ Inflation	N/A
▪ Expected investment return	8.00% per year for years 2008 and 2009; 7.75% for 2010 and later
▪ Expenses	3-year average, rounded to nearest $10,000 ($60,000 for current plan year)
Demographic assumptions	
Withdrawal	None
Retirement age	100% at the later of age 65 and 5 years of participation
Benefit commencement age for	
▪ Future vested deferred	65
▪ Current vested deferred	65

Spouse assumptions	**Male participants**	**Female participants**
▪ Percentage married	80.00%	65.00%
▪ Spouse age difference	3 years younger	3 years older

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

Form of payment	**10 Year C&C**	**Lump Sum**
▪ Active retirements	0%	100%
▪ Current vested deferred	100%	0%

Unpredictable contingent event assumptions N/A

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

Actuarial methods

Asset methods

We used financial data submitted by the trustee as of July 1, 2010 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 an annual average of the adjusted market value over the last two years preceding the valuation date with semi-annual determination dates. 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 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset valuation 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 market.

Participant methods

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 potentially eligible for the plan 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.

Minimum funding methods

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.

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 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.

Maximum deductible contribution method

Calculations of maximum deductible contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future benefit 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 benefit 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, Line 24 — Change in Actuarial Assumptions

- Interest discounts and mortality rates were updated from 2009 to 2010 in accordance with PPA and the sponsor changed their interest rate election from full yield curve with a three month look-back to segment rates with a four month look-back.
- Expense normal cost increased from $40,000 to $60,000 to reflect our expectations for the current plan year.
- The expected investment return for 2010 was changed from 8.00% to 7.75% to reflect the change in the allocation of the assets held in the master trust.

Schedule SB, Line 25 — Change in Method

We changed to a new liability valuation system this year. This change did not materially affect liability amounts and qualified for automatic IRS approval under final Section 430 regulations.

Schedule SB, Line 26 — Schedule of Active Participant Data

Years of vesting service										
Attained age	**Under 1**	**1-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & Up**
<25										
25 - 29			1							
30 - 34		1								
35 - 39			1	2						
40 - 44		1	3							
45 - 49		1	1	1		1				
50 - 54			1		1					
55 - 59				1	1	1				
60 - 64				1						
65 - 69										
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
2010	67,272	7	11,214
Total	$ 67,272		$ 11,214