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), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

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

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] 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. . . . . ▶ [X]

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
SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 005

1c Effective date of plan 01/01/2007

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

SUPERIOR TUBE COMPANY, INC.

3900 GERMANTOWN PIKE
COLLEGEVILLE, PA 19426-3112

2b Employer Identification Number (EIN)
86-1118863

2c Sponsor's telephone number
610-489-5200

2d Business code (see instructions)
331110

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.	06/27/2012	MEGAN A. FERRY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	06/27/2012	MEGAN A. FERRY
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

3900 GERMANTOWN PIKE
COLLEGEVILLE, PA 19426-3112

3b Administrator's EIN
86-1118863

3c Administrator's telephone number
610-489-5200

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

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	248
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**	231
b	Retired or separated participants receiving benefits	**6b**	13
c	Other retired or separated participants entitled to future benefits	**6c**	25
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	269
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	3
f	Total. Add lines **6d** and **6e**	**6f**	272
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**	3
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

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)	X	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)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**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

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **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
SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 005

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

D Employer Identification Number (EIN)
86-1118863

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

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

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2011			
2	Assets:			
a	Market value	**2a**		7102593
b	Actuarial value	**2b**		6576959
3	Funding target/participant count breakdown:		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	12	398496
b	For terminated vested participants	**3b**	23	120269
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		600764
	(2) Vested benefits	**3c(2)**		5415505
	(3) Total active	**3c(3)**	217	6016269
d	Total	**3d**	252	6535034
4	If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**		
5	Effective interest rate	**5**		6.03 %
6	Target normal cost	**6**		1007189

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	06/05/2012 Date
MARC DINERMAN, FSA Type or print name of actuary	11-06448 Most recent enrollment number
MERCER Firm name	215-982-4600 Telephone number (including area code)
1717 ARCH STREET, 27TH FLOOR PHILADELPHIA, PA 19103-2754 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 (line 13 from prior year)	4294701	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	1052771	0
9	Amount remaining (line 7 minus line 8)	3241930	0
10	Interest on line 9 using prior year's actual return of 11.78%	381899	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of 6.65 % except as otherwise provided (see instructions)		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	3623829	0

Part III Funding percentages

14	Funding target attainment percentage	14	45.18 %
15	Adjusted funding target attainment percentage	15	100.64 %
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	163.80 %
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 contributions 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? [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:	
2.94%	5.82%	6.46 %	☐ 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 contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	1007189
b Excess assets, if applicable, but not greater than 31a	**31b**	0

32 Amortization installments:

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

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	1007189

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	1007189	0	1007189

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN	**B** Three-digit plan number (PN) ▶ 005
C Plan sponsor's name as shown on line 2a of Form 5500 SUPERIOR TUBE COMPANY, INC.	**D** Employer Identification Number (EIN) 86-1118863

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

THE VANGUARD GROUP, INC.

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 52	NONE	192000	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

MERCER

13-2834414

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	79424	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

SUPERIOR GROUP, INC.

23-2189013

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	PARENT COMPANY	16399	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

ELKO & ASSOCIATES

23-3063393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	12500	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

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

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

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500
SUPERIOR TUBE COMPANY, INC.

D Employer Identification Number (EIN)
86-1118863

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2973	4238
(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)	7162390	7154640
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(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	7165363	7158878
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	62770	78438
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	62770	78438
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	7102593	7080440

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) Amount	(b) Total
a Contributions:			
(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)	351010	
(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)		351010
(3) Rents	2b(3)		
(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)	-7965	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-7965
	(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)		
c	Other income	2c		
d	Total income. Add all **income** amounts in column (b) and enter total	2d		343045
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	54414	
	(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)		54414
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)	262705	
	(2) Contract administrator fees	2i(2)	16399	
	(3) Investment advisory and management fees	2i(3)	23000	
	(4) Other	2i(4)	8680	
	(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		310784
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		365198
	Net Income and Reconciliation			
k	Net income (loss). Subtract line 2j from line 2d	2k		-22153
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)** [X] Disclaimer **(4)** [ ] Adverse

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

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

(1) Name: ELKO & ASSOCIATES **(2)** EIN: 23-3063393

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.) **4a**		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.) **4b**		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.) **4c**		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.) **4d**		X	
e	Was this plan covered by a fidelity bond? **4e**	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? **4f**		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? **4g**		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? **4h**		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.) **4i**	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.) **4j**		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? **4k**		X	
l	Has the plan failed to provide any benefit when due under the plan? **4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) **4m**		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. **4n**			

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)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500
SUPERIOR TUBE COMPANY, INC.

D Employer Identification Number (EIN)
86-1118863

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** 0

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): 23-2926795

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** 2

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 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 (include any prior year accumulated funding deficiency not waived) **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 or other authority 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. 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**

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):

elko & Associates Ltd

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of
the Superior Group, Inc. 2007 Retirement Plan
Conshohocken, Pennsylvania

We were engaged to audit the financial statements of the Superior Group, Inc. 2007 Retirement Plan (the "Plan") as of December 31, 2011 and 2010 and for the years then ended, and the supplemental schedule as of December 31, 2011, as listed in the table of contents. 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 the information summarized in Note C, which was certified by Vanguard Fiduciary Trust Company, the Trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the Trustee as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the Trustee 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 supplemental schedule is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. 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 Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Elko & Associates Ltd

Media, Pennsylvania
May 24, 2012

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

Actuarial assumptions – cash balance benefits

Discount rate sponsor elections	
▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	0
▪ First 5 years	2.94%
▪ Next 15 years	5.82%
▪ Over 20 years	6.46%
Mortality sponsor elections	
▪ Healthy and disabled 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.
Cash balance plans	
▪ Interest accumulation rate	3.20%
▪ Whipsaw calculations	No
▪ Annuity conversion	
– Mortality table	2011 IRC Section 417(e) unisex mortality
– Interest rate basis	Funding segment rates and 30-year Treasury Rate assumption of 4.15%
Other economic assumptions	
▪ Salary increases	2.50% per year for 2011 and 2012 and 3.50% thereafter
▪ Social Security wage base	3.25% per year
▪ Inflation	2.50% per year
▪ Expected investment return	4.50% for 2009 6.70% for 2010
▪ Expenses	Prior year administrative expenses rounded up to next $1,000. For 2011, $326,000 added to current year normal cost.

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

Demographic assumptions

- Withdrawal

Attained age	Percentage Male	Female
25	14.55%	14.55%
30	11.25%	11.25%
35	8.49%	8.49%
40	6.21%	6.21%
45	4.14%	4.14%
50	2.03%	2.03%
55	0.00%	0.00%

- Disability incidence: 82% of the Class 1 table from the 1985 study performed by the Conference of Consulting Actuaries (sex-distinct)
- Retirement age

Attained age	Percentage Male	Female
55	2.00%	2.00%
56	2.00%	2.00%
57	2.00%	2.00%
58	2.00%	2.00%
59	2.00%	2.00%
60	5.00%	5.00%
61	5.00%	5.00%
62	15.00%	15.00%
63	10.00%	10.00%
64	10.00%	10.00%
65 and above	100.00%	100.00%

Benefit commencement age for

- Future vested deferred: 80% immediate; 20% at age 60
- Current vested deferred
- Terminated within 12 months of the valuation date: 80% immediate; 20% at age 60
- Terminated more than 12 month’s prior to the valuation date: Age 60
- Future disableds: Age 65

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

Spouse assumptions	**Male participants**	**Female participants**
▪ Percentage married	80%	80%
▪ Spouse age difference	3 years younger	3 years older

Form of payment	**Immediate lump sum**	**Deferred lump sum**	**Single life**	**100% J&S**
▪ Active retirements	85%	0%	5%	10%
▪ Future vested deferred	80%	5%	5%	10%
▪ Future disabilities	0%	85%	5%	10%
▪ Future deaths	100%	0%	0%	0%
▪ Current vested deferred	80%	5%	5%	10%
▪ (terminated within 12 months of valuation date)				
▪ Current vested deferred (terminated more than 12 months prior to valuation date)	0%	25%	25%	50%
▪ Current deferred widows (participant died within 12 months of valuation date)	80%	5%	15%	0%
▪ Current deferred widows (participant died more than 12 months prior to valuation date)	0%	25%	75%	0%

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

Actuarial assumptions – collectively bargained benefits

Discount rate sponsor elections

▪ Segment rates or full yield curve	Segment rates
▪ Look-back months	0
▪ First 5 years	2.94%
▪ Next 15 years	5.82%
▪ Over 20 years	6.46 %

Mortality sponsor elections

▪ Healthy and disabled 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.

Other economic assumptions

▪ Flat-dollar benefit increases	None
▪ Expected investment return	4.50% for 2009 6.70% for 2010
▪ Expenses	Prior year administrative expenses rounded up to next $1,000. For 2011, $326,000 has been added to current year normal cost.

Demographic assumptions

▪ Withdrawal

	Percentage	
Attained age	**Male**	**Female**
25	6.3%	6.3%
30	5.5%	5.5%
35	4.3%	4.3%
40	2.7%	2.7%
45	1.0%	1.0%
50	0.2%	0.2%
55	0.1%	0.1%

▪ Disability incidence	82% of the Class 3 table from the 1985 study performed by the conference of Consulting Actuaries (sex distinct)

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

- Retirement age

	Percentage	
Attained age	**Male**	**Female**
50[1]	1.50%	1.50%
51[1]	1.50%	1.50%
52[1]	1.50%	1.50%
53[1]	1.50%	1.50%
54[1]	1.50%	1.50%
55	2.00%	2.00%
56	2.00%	2.00%
57	2.00%	2.00%
58	2.00%	2.00%
59	2.00%	2.00%
60	5.00%	5.00%
61	5.00%	5.00%
62	25.00%	25.00%
63	25.00%	25.00%
64	25.00%	25.00%
65 and above	100.00%	100.00%

Benefit commencement age for

- Future vested deferred 65
- Current vested deferred 65

Spouse assumptions	**Male participants**	**Female participants**
▪ Percentage married	80%	80%
▪ Spouse age difference	3 years younger	3 years older

Form of payment	**Single life**	**50% J&S**
▪ Active retirements	45%	55%
▪ Future vested deferred	45%	55%
▪ Future disabilities	45%	55%
▪ Future deaths	100%	0%
▪ Current vested deferred	45%	55%

[1] Only applies if participant has 30 years of service at these ages; otherwise 0.00%.

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

Actuarial methods

Asset methods

The asset valuation method is an annual average of the adjusted market value over the last 24 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

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

Participant methods

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

- **Participants included:** The Vanguard Group 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.
- **Transferred participants:** The liabilities for employees who have transferred into another business unit of the plan sponsor have been included with the liabilities for terminated vested participants.
- **Disabled participants:** The liabilities for participants on long-term disability have been included with the liabilities for terminated vested participants for those with collectively bargained benefits and with the liabilities for active participants for those with cash balance benefits.
- **Insurance contracts**: The plan does not have any insurance contracts.

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

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.

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.
- This plan provides disability benefits that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

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

Maximum deductible contribution method

Calculations of maximum deductible contributions include the excess of the 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 compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

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

- The plan's **projected funding target** is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target is included in the "cushion amount

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions – cash balance benefits

Effective date and plan year	Original plan: January 1, 2007 Restated plan: January 1, 2010 Plan year: January 1 to December 31
Status of the plan	The plan has ongoing benefit accruals and new employees are eligible to participate in the plan once they satisfy the participation requirements.
Significant events that occurred during the year	None
Definitions	
▪ Eligibility	A full-time employee shall be eligible to become a participant upon his completion of 6 months of service. A part-time employee shall be eligible to become a participant upon his completion of 1,000 hours of service during the 12-consecutive month period beginning on his employment date or during any plan year.
▪ Years of service	With respect to full-time employees, an elapsed time definition is used to credit service with a year of service based on 12 months of service. With respect to part-time employees, a year of service is credited for plan years in which an employee completes 1000 hours of service.
▪ Account balance	An account used to determine the amount of pension benefits payable to a participant. The account balance will be credited with Contribution Credits at the end of each calendar month and Interest Credits compounded daily. A participant's Accrued Benefit is the annuitized projected Account Balance to age 65 with interest credits.
▪ Vesting	Completion of three years of service. All active participants as of December 31, 2006 in the Superior Group, Inc. Retirement Plan who remained employed on January 1, 2007 are automatically 100% vested in this plan.

Schedule SB, Part V — Summary of Plan Provisions

▪ Interest credits	The amount credited to the Account Balance compounded daily prior to the crediting of Contribution Credits. The rate applicable to each calendar year quarter is based on the greater of 2.25% or the average monthly yield on 10-Year Treasury Securities at constant maturity for the second month preceding each calendar year quarter.
▪ Contribution credits	The amount credited to the Account Balance at the end of each calendar month, based on participant attained age and Years of Service at the beginning of such month.

Age and Service Points	**Percentage of Compensation**
Less than 30	4%
At least 30, but less than 40	5%
At least 40, but less than 55	6%
55 or more	7%

A participant's age and service points shall equal the sum of a participant's whole and fractional years of age, and his whole and fractional years of service when combined on a points basis.

▪ Actuarial equivalent	Interest rates prescribed under section 417(e)(3)(A)(ii)(II) of the Internal Revenue Code and regulations for the second month preceding the Plan Year and mortality assumptions described under Section 471(e)(3)(A)(ii)(I) of the Internal Revenue Code and regulations.
▪ Break in service	With respect to full-time employees, a 12 month period during which an individual is not credited with service. With respect to part-time employees, a plan year within which an employee is not credited with more than 500 hours of service (unless on a Qualified Leave of Absence). If the participant is not vested and the number of consecutive one-year Breaks in Service equals or exceeds the greater of total number of Years of Service earned prior to break, or five years, such prior service is lost.
▪ Compensation	Total W-2 pay for a calendar year, including any pre-tax elected deferrals. Compensation excludes taxable fringe benefits, severance pay and similar payments. For 2011, compensation is capped at $245,000.
▪ Employee contributions	None.

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement	
▪ Eligibility	First day of the month coincident with or next following the date on which the participant attains age 65.
▪ Benefit	The actuarial equivalent of the participant's Account Balance determined as of benefit commencement date.
Early retirement	
▪ Eligibility	100% vested in their benefit.
▪ Benefit	The actuarial equivalent of the participant's Account Balance determined as of benefit commencement date.
Late retirement	
▪ Eligibility	First day of the month coincident with or following the date on which the participant attains age 65 and one month.
▪ Benefit	The actuarial equivalent of the participant's Account Balance determined as of benefit commencement date.
Disability	
▪ Eligibility	Total Disability while an Eligible Employee.
▪ Benefit	Contribution Credits are granted until the earlier of the cessation of Total Disability or the Benefit Commencement Date based on the participant's compensation as of the last business day on which an Hour of Service was performed immediately preceding the date of Total Disability.
Pre-retirement death	
▪ Eligibility	Any participant who dies while an Eligible Employee is automatically vested and eligible for a death benefit.
▪ Benefit	100% of the participant's Account Balance, payable as a lump sum to the designated beneficiary. A surviving spouse may choose to receive a single life annuity.
Form of benefits	
▪ Automatic form for unmarried participants	Single Life Annuity (actuarial equivalent of Account Balance).
▪ Automatic form for married participants	Qualified Joint and Survivor Annuity (actuarial equivalent of Account Balance).

Schedule SB, Part V — Summary of Plan Provisions

▪ Optional forms	▪ Lump Sum ▪ Single Life Annuity ▪ Joint and 100% Survivor annuity ▪ Joint and 75% Survivor annuity ▪ Joint and 66.67% Survivor annuity ▪ Joint and 50% Survivor annuity ▪ 5-Year Certain and Life annuity ▪ 10-Year Certain and Life annuity ▪ 15-Year Certain and Life annuity
▪ Optional forms conversion factors	▪ The mortality table shall be the “applicable mortality table” as prescribe under section 417(e)(3)(B) of the Code. ▪ The interest rate shall be the “applicable interest rate” as prescribed under section 417(e)(3)(A)(ii)(ll) of the Code in effect for the second month preceding the applicable Plan Year.
Miscellaneous	
▪ Administration	The plan is administered by the Administrative Committee appointed by the Board of Directors of Superior Tube Company, Inc.
▪ Funding medium	Trust with The Vanguard Group.
▪ Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2011, the limit is $245,000.
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2011, the limit is $195,000.
▪ Benefits not included in this valuation	None.

Plan provision changes since prior valuation

Maximum compensation and maximum benefit limits were updated from 2010 to 2011, but the limits did not change.

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions – collectively bargained benefits

Definitions

- **Eligibility** — All employees who are members of Local Union No. 9455-0 of the United Steelworkers Union.
- **Years of service** — Any 12-consecutive month period of Credited Service as an employee.
- **Years of credited service** — Any 12-consecutive month period of service as a Covered Employee (calculated to completed months).
- **Vesting** — Completion of five years of service. All active participants as of December 31, 2006 in the Superior Group, Inc. Retirement Plan who remained employed on January 1, 2007 are automatically 100% vested in this plan.
- **Monthly accrued benefit** — The product of the participant's Credited Service and the benefit rate in effect at the time of retirement.

Service Prior to January 1, 2007

Date of Retirement	**Benefit Rate**
January 1, 2007 – December 31, 2007	$ 5.00
January 1, 2008 – December 31, 2008	$ 6.00
January 1, 2009 – March 14, 2010	$ 7.00
March 15, 2010 and after	$ 10.00

Service After December 31, 2006

Date of Retirement	**Benefit Rate**
January 1, 2007 – December 31, 2007	$ 35.00
January 1, 2008 – December 31, 2008	$ 36.00
January 1, 2009 – March 14, 2010	$ 37.00
March 15, 2010 and after	$ 40.00

- **Employee contributions** — None

Normal retirement

- **Eligibility** — The first day of the month coincident with or next following the date on which a participant attains age 65.
- **Benefit** — Monthly Accrued Benefit at normal retirement date.

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
▪ Eligibility	Earliest of: (a) 30 years of service (b) Age 55 and vested
▪ Benefit	Monthly Accrued Benefit at termination which is unreduced at age 62 or reduced by 6% per year from age 65 if commencement precedes age 62.
Ancillary retirement	
▪ Eligibility	Participant terminates service under either conditions (a) or (b): (a) Age 55 and age + years of service at least 70, provided either: (i) Termination is a result of a permanent shutdown, layoff, or physical disability (ii) Service is not terminated but participant has been placed on layoff status or has a physical disability which makes his/her return unlikely (b) Age + service at least 80, provided either (i) or above occurs.
▪ Benefit	$75 per month payable in any month in which the Participant is not eligible for Social Security Benefits. Additionally, the retirement benefit is unreduced for early commencement. If the participant was also a participant in the Superior Group, Inc. Retirement Plan, the supplemental annuity is paid by John Hancock.
Late retirement	
▪ Eligibility	The first day of the month coincident with or next following the date of which a participant attains age 65 and one month.
▪ Benefit	The greater of the Monthly Accrued Benefit at late retirement date and the Monthly Accrued Benefit at normal retirement date actuarially increased to the participant's late retirement date.

Schedule SB, Part V — Summary of Plan Provisions

Deferred vested	
▪ Eligibility	Completion of five Years of Service, but less than 30 Years of Service and before age 55. Note that all participants who were Active Participants in the Superior Group, Inc. Retirement Plan as of December 31, 2006 are automatically vested.
▪ Benefit	Monthly Accrued Benefit at date of termination payable at normal retirement date, or reduced benefit as early as age 55 (reduced 6% per year from age 65).
Disability	
▪ Eligibility	Completion of 10 Years of Service and termination due to Total Disability, which has continued for a period of six months.
▪ Benefit	For months prior to Social Security eligibility, the monthly benefit is the sum of (a) and (b) below: (a) The greater of (i) $150.00 (ii) Unreduced Monthly Accrued Benefit (b) $100.00 For months after Social Security eligibility, the monthly benefit is the unreduced Monthly Accrued Benefit. Payment of the Disability Benefit ceases at the earliest of the Participant's recovery from Total Disability, death or attainment of Normal Retirement Date. The $150 monthly limit is applied in aggregate to this Plan and the Disability Benefit from the Superior Group, Inc. Retirement Plan. If the participant was also a participant in the Superior Group, Inc. Retirement Plan, the $100 supplemental annuity is paid by John Hancock.
Pre-retirement death	
▪ Eligibility	Married participant with vested accrued benefit.
▪ Benefit	Qualified Joint and Survivor Annuity
▪ Special additional death benefit eligibility	Age 50 with 10 Years of Service, but less than Normal Retirement Age and death occurs while an active employee.

Schedule SB, Part V — Summary of Plan Provisions

▪ Special additional death benefit	Greater of (a) and (b): (a) $100 per month (b) Applicable percentage of the participant's Monthly Accrued Benefit based on the participant's age as of date of death

Age	Percentage
55+	50%
54	48%
53	46%
52	44%
51	42%
50	40%

The $100 monthly limit is applied in aggregate to this Plan and the Disability Benefit from the Superior Group, Inc. Retirement Plan.

Form of benefits	
▪ Automatic form for unmarried participants	Single Life Annuity
▪ Automatic form for married participants	Joint and 50% Survivor Annuity
▪ Optional forms	▪ Single Life Annuity ▪ Joint and 100% Survivor annuity ▪ Joint and 75% Survivor annuity ▪ Joint and 66.67% Survivor annuity ▪ Joint and 50% Survivor annuity
▪ Optional forms conversion factors	The mortality table is the 1994 Group Annuity Reserving Table blended 50% male / 50% female and projected to 2002 using Scale AA and the interest rate is 6.5% per annum.
Miscellaneous	
▪ Administration	The plan is administered by the Administrative Committee appointed by the Board of Directors of Superior Tube Company, Inc.
▪ Funding medium	Trust with The Vanguard Group.

Schedule SB, Part V — Summary of Plan Provisions

Plan provision changes since prior valuation

- Maximum benefit limits were updated from 2010 to 2011, but the limits did not change.
- The monthly accrued benefit for collectively bargained participants separating from service on or after March 15, 2010 increased from $7 to $10 for credited service prior to January 1, 2007 and increased from $37 to $40 for credited service after December 31, 2006.

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated and amended through Amendment 2010-2, are included in this valuation.

- **Most recent plan amendments included:** Amendment 2010-2 is included because it was adopted by the valuation date and is effective by the end of the plan year. This amendment added the funding-based limits on benefits and benefit accruals as mandated by PPA.
- **Plan amendments excluded:** None.
- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
  - *Plan amendments:* See above.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Late retirement increases:**
  - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½. This valuation includes increases for current participants over age 70½.

Schedule SB, Part V — Summary of Plan Provisions

  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.

- **Unpredictable contingent event benefits:** The plan does have unpredictable contingent event benefits, but they are disregarded because the probability of occurrence is de minimis.
- **IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans**: We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Line 24 — Change in Actuarial Assumptions

- Interest discount and mortality rates were updated from 2010 to 2011, in accordance with PPA.
- The salary increase assumption was changed from 2.00% for 2011 and 4.00% thereafter, to 2.50% for 2011 and 2012 and 3.50% thereafter.
- The inflation rate assumption was decreased from 2.75% to 2.50%.
- The social security wage base assumption was decreased from 3.50% to 3.25%.
- The cash balance interest accumulation rate was decreased from 3.50% to 3.20%.
- Expense normal cost decreased from $426,000 to $326,000 to reflect our expectations for the current plan year.
- The expected investment return used to develop the actuarial value of assets increased from 4.50% for the 2009 plan year to 6.70% to the 2010 plan year.

Schedule SB, Line 26 — Schedule of Active Participant Data

Distribution of active participants as of January 1, 2011 – cash balance benefits

Attained age	Years of credited service										
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up	Total
Under 25	1	2									3
25-29	1	5									6
30-34		1	1								2
35-39	1		1	1							3
40-44		1	1		2						4
45-49		4	1		2	2	1				10
50-54			2				3	1	1		7
55-59		2	2						2		6
60-64		1			1	1	2		1	1	7
65-69										2	2
70 & Up											
Total	3	16	8	1	5	3	6	1	4	3	50 $22,149 $85,392

In each cell, the top number is the count of active participants for each age/service combination. The middle number is the average account balance. The bottom number is the 2010 pensionable earnings limited to $245,000. Average pay and average account balance are not shown for cells with fewer than 20 participants.

Schedule SB, Line 26 — Schedule of Active Participant Data

Distribution of active participants as of January 1, 2011 – collectively bargained participants

Attained age	Years of credited service										
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up	Total
Under 25		1									1
25-29		4	1								5
30-34		1	2								3
35-39		1			1	1					3
40-44	1	2	2		1	5					11
45-49		2	1		3	5	10				21
50-54		8	1	1	3	4	8	24	3		52
55-59		1	3	3	4	5	2	10	12	1	41
60-64		1	5		2	3	3	5	6	1	26
65-69		1				1					2
70 & Up						1			1		2
Total	1	22	15	4	14	25	23	39	22	2	167

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

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.

Collectively Bargained Benefits

(A)	(B)	(C)	(D)	(E)
Age	Probability of retirement	Number of lives	Number of retirements	(A) x (D)
55	2.00%	10,000	200	11,000
56	2.00%	9,800	196	10,976
57	2.00%	9,604	192	10,949
58	2.00%	9,412	188	10,918
59	2.00%	9,224	184	10,884
60	5.00%	9,039	452	27,118
61	5.00%	8,587	429	26,191
62	25.00%	8,158	2,039	126,447
63	25.00%	6,118	1,530	96,365
64	25.00%	4,589	1,147	73,421
65	100.00%	3,442	3,442	223,705
Total			10,000	**627,973**
Average				**62.7973**

Cash Balance Benefits

(A)	(B)	(C)	(D)	(E)
Age	Probability of retirement	Number of lives	Number of retirements	(A) x (D)
55	2.00%	10,000	200	11,000
56	2.00%	9,800	196	10,976
57	2.00%	9,604	192	10,949
58	2.00%	9,412	188	10,918
59	2.00%	9,224	184	10,884
60	5.00%	9,039	452	27,118
61	5.00%	8,587	429	26,191
62	15.00%	8,158	1,224	75,868
63	10.00%	6,934	693	43,685
64	10.00%	6,241	624	39,941
65	100.00%	5,617	5,617	365,086
Total			10,000	632,616
Average				**63.2616**

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

1.	Number of active employees with collectively bargained benefits	171
2.	Weighted average retirement age for active employees with collectively bargained benefits	62.7973
3.	(1) × (2)	10,738.34
4.	Number of active employees with cash balance benefits	47
5.	Weighted average retirement age for active employees with cash balance benefits	63.2616
6.	(4) × (5)	2,973.30
7.	Weighted average retirement age [(3)+(6)] ÷ [(1)+(4)]	63

The weighted average retirement ages for the union and nonunion groups are calculated by first determining the number of retirements at the earliest possible retirement age from a population of 10,000 lives. The number of retirements at each successive age is then determined by applying the appropriate retirement rate to the number of remaining lives. The percentage of the number of retirements at each age over 10,000 is the weight applied to that age to determine the weighted average. It should be noted that while only integral values are shown in the tables on the previous page, the full content of each cell, including decimal portions, is used in the calculations.

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury, Internal Revenue Service; Department of Labor, Employee Benefits Security Administration; Pension Benefit Guaranty Corporation	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.	2011 — This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **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: SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF: SUPERIOR TUBE COMPANY, INC.

D Employer Identification Number (EIN): 86-1118863

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

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

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2011

2	Assets:		
a	Market value	2a	7,102,593
b	Actuarial value	2b	6,576,959

			(1) Number of participants	(2) Funding Target
3	Funding target/participant count breakdown:			
a	For retired participants and beneficiaries receiving payment	3a	12	398,496
b	For terminated vested participants	3b	23	120,269
c	For active participants:			
	(1) Non-vested benefits	3c(1)		600,764
	(2) Vested benefits	3c(2)		5,415,505
	(3) Total active	3c(3)	217	6,016,269
d	Total	3d	252	6,535,034

4	If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5	Effective interest rate	5	6.03 %
6	Target normal cost	6	1,007,189

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 Marc Dinerman MD — Signature of actuary

06/05/2012 — Date

Marc Dinerman, FSA — Type or print name of actuary

11-06448 — Most recent enrollment number

Mercer — Firm name

(215) 982-4600 — Telephone number (including area code)

1717 Arch Street, 27th Floor

Philadelphia PA 19103-2754 — 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 (line 13 from prior year)	4,294,701	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	1,052,771	0
9	Amount remaining (line 7 minus line 8)	3,241,930	0
10	Interest on line 9 using prior year's actual return of 11.78 %	381,899	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38 from prior year)		0
	b Interest on (a) using prior year's effective rate of 6.65 % except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	3,623,829	0

Part III Funding percentages

14	Funding target attainment percentage	14	45.18 %
15	Adjusted funding target attainment percentage	15	100.64 %
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	163.80 %
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 contributions 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? [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:	☐ N/A, full yield curve used
2.94 %	5.82 %	6.46 %	

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

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):

a	Target normal cost (line 6)	**31a**	1,007,189
b	Excess assets, if applicable, but not greater than 31a	**31b**	0

32 Amortization installments:

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

33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	1,007,189

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	1,007,189	0	1,007,189

36	Additional cash requirement (line 34 minus line 35)	**36**	0
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a	Total (excess, if any, of line 37 over line 36)	**38a**	0
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40	Unpaid minimum required contributions for all years	**40**	0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42	Amount of acceleration adjustment	**42**	
43	Excess installment acceleration amount to be carried over to future plan years	**43**	

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

elko & Associates Ltd

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN

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elko
& Associates Ltd

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of
the Superior Group, Inc. 2007 Retirement Plan
Conshohocken, Pennsylvania

We were engaged to audit the financial statements of the Superior Group, Inc. 2007 Retirement Plan (the "Plan") as of December 31, 2011 and 2010 and for the years then ended, and the supplemental schedule as of December 31, 2011, as listed in the table of contents. 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 the information summarized in Note C, which was certified by Vanguard Fiduciary Trust Company, the Trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the Trustee as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the Trustee 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 supplemental schedule is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. 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 Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Elko & Associates Ltd

Media, Pennsylvania
May 24, 2012

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SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	DECEMBER 31, 2011		DECEMBER 31, 2010	
ASSETS				
INVESTMENTS				
Registered investment companies:				
Vanguard Intermediate-Term Inv Grade Admiral	$ 3,529,525	*	$ 3,382,485	*
Vanguard Total Stock Market Index Fund	1,851,848	*	1,986,384	*
Vanguard Long-Term Inv Grade Fund	1,120,836	*	1,030,420	*
Vanguard Total International Stock Index Fund	652,431	*	763,101	*
Total Investments	7,154,640		7,162,390	
CASH AND CASH EQUIVALENTS	4,238		2,973	
Total Assets	7,158,878		7,165,363	
LIABILITIES				
ACCOUNTS PAYABLE	78,438		62,770	
NET ASSETS AVAILABLE FOR BENEFITS	$ 7,080,440		$ 7,102,593	

* Represents 5% or more of net assets available for benefits.

The accompanying Notes are an integral part of these statements.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	FOR THE YEARS ENDED DECEMBER 31,	
	2011	2010
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Net appreciation in fair value of investments	$ -	$ 490,145
Interest and dividend income	351,010	364,616
Total Additions	351,010	854,761
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Net depreciation in fair value of investments	7,965	-
Benefits paid directly to participants	54,414	50,139
Administrative expenses	310,784	348,069
Total Deductions	373,163	398,208
NET CHANGE	(22,153)	456,553
NET ASSETS AVAILABLE FOR BENEFITS - BEGINNING OF YEAR	7,102,593	6,646,040
NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	$ 7,080,440	$ 7,102,593

The accompanying Notes are an integral part of these statements.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE A - Description of Plan

The following description of the Plan provides only general information. Participants should refer to the Plan agreement, as amended, for a more complete description of the Plan's provisions.

The Plan became effective January 1, 2007 and covers all eligible employees of Superior Group, Inc. (the "Company") and certain of its domestic subsidiaries including Superior Tube Company, Inc., the current plan sponsor. Prior to the establishment of the Plan, the Company sponsored the Superior Group, Inc. Union Pension Plan for the benefit of its eligible union employees and the Superior Group, Inc. Retirement Plan for the benefit of its eligible nonunion employees. The Superior Group, Inc. Union Pension Plan was merged with and into the Superior Group, Inc. Retirement Plan, effective as of September 30, 2006. The Superior Group, Inc. Retirement Plan was terminated effective December 31, 2006. The Company contributed 25% of the surplus assets from the termination of the Superior Group Retirement Plan to the Plan in the amount of $25,044,452.

In 2008, Sharp Corporation, a subsidiary of Superior Group, Inc., was sold to United Drug plc. Employees of Sharp Corporation participated in the Superior Group, Inc. 2007 Retirement Plan until the effective date of a separate Sharp Corporation Retirement Plan. Effective August 11, 2008 all Sharp participants became fully vested in their benefits under the Superior Group, Inc. 2007 Retirement Plan. Sharp Corporation assumed all related liabilities for active Sharp Corporation participants of the Plan. Under the terms of the sale, Superior Group, Inc. 2007 Retirement Plan transferred $16,865,581 to the Sharp Corporation Retirement Plan.

Effective July 31, 2010, the Plan was amended to transfer sponsorship to Superior Tube Company, Inc.

During 2010, the Plan was amended to clarify certain provisions with respect to Hero's Earnings Assistance and Relief Tax Act 2008.

Effective March 15, 2010, the Plan was amended to reflect the most recent terms of the collective bargaining agreement. The actuarial present value of accumulated plan benefits, as disclosed in Note G for January 1, 2011, reflects this amendment.

During 2009, the Plan was amended to update certain compensation limits and policies concerning severance from employment and participants who die while performing qualified military service.

General - The Plan is a non-contributory defined benefit plan which provides benefits upon retirement to all employees of the Company and its domestic subsidiaries who become eligible in accordance with the terms of the Plan. Companies participating in the Plan as of December 31, 2011 and 2010 include Superior Tube Company, Inc. (Plan Sponsor) and Superior Group, Inc. (Participating Employer). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE A - Description of Plan - continued

Pension Benefits - Non-bargaining full-time employees with six months of service and part-time employees with 1,000 credited hours of service during a 12-consecutive month period are eligible to participate in the Plan. The Plan provides benefits beginning at normal retirement age (65) or earlier upon death, or upon termination after completion of three years of service. A participant's account balance is used to determine the pension benefits payable to each participant. Benefits are payable in the form of an annuity. The participant's account balance is credited with contribution credits at the end of each calendar month and interest credits compounded daily.

The amount of contribution credited to the account balance at the end of each calendar month is determined as follows:

Age and Service Points	Percentage of Compensation
Less than 30	4%
At least 30, but less than 40	5%
At least 40, but less than 55	6%
55 or more	7%

For 2011 and 2010, the compensation base for application of the percentage of compensation was limited to the first $245,000 of earnings.

The Plan also provides benefits to full-time bargaining unit employees. Benefits commence at normal retirement age 65, or earlier upon death or disability, or upon election by the employee upon attaining age 55. Annual pension benefits are generally determined with reference to various formulas, including stipulated amounts determined at the date of retirement or separation from service multiplied by years of credited service. Benefits are payable in the form of a monthly annuity. For a complete description of the Plan's benefit and vesting provisions, participants should refer to the summary Plan description or Plan document.

NOTE B - Summary of Accounting Policies

This summary of significant accounting policies of the Plan is presented to assist in understanding the Plan's financial statements. The financial statements and notes are representations of the Plan's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting and Use of Estimates - The financial statements are prepared on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - The Plan's investments are reported at fair value. Net realized and unrealized appreciation or depreciation in the fair value of investments is reported in the Statements of Changes in Net Assets Available for Benefits.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE B - Summary of Accounting Policies - continued

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income.

Fair Value Measurements - Fair value is defined as 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. Accounting standards set a framework for measuring fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect management's judgment about the assumptions that market participants would use in pricing the asset or liability.

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

Mutual Funds – Valued at the net asset value of shares held by the Plan at year-end.

Fair value of all investments held by the Plan have been measured by quoted prices in an active market and are therefore considered as Level 1 measurements.

Actuarial Present Value of Accumulated Plan Benefits - Accumulated Plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated Plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits payable under all circumstances - retirement, disability, death, and termination of employment are included to the extent 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 Resources Consulting and is that amount that results from applying actuarial assumptions to adjust the accumulated Plan benefits to give effect to the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for disability, death, withdrawal, or retirement) between the valuation date and the expected date of payment.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE B - Summary of Accounting Policies - continued

The significant actuarial methods and assumptions used in the actuarial valuation as of January 1, 2011 (January 1, 2010, where different) are as follows:

Cost Method	- Unit Credit Method
Value of Investments	- Market value
Mortality Basis	- 2011 PPA unisex mortality table (2010 PPA unisex mortality table for January 1, 2010 valuation)
Investment Return	- 6.70% (4.50% for January 1, 2010 valuation)
Withdrawal	- Annual termination rates of 14.55% decreasing to 0% based on attained ages of 25 to 55
Salary Increases	- 2.50% per year (2011 and 2012) and 3.50% thereafter (2.00% per year [2010 and 2011] and 4.00% thereafter for January 1, 2010 valuation)
Retirement Age	- Retirement rates from age 55 to 65

The foregoing actuarial methods and 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.

Payment of Benefits - Benefit payments to participants are recorded upon distribution.

Administrative expenses - All administrative expenses are paid by the Plan. Administrative expenses include payments to Superior Group, Inc. for accounting services and general administration of the Plan in the amount of $16,399 for each of the years ended December 31, 2011 and 2010.

Recently Issued Accounting Pronouncements - The following standard was effective for the Plan for the year ended December 31, 2011:

Disclosure of Fair Value Measurements - A new standard issued in 2010 requires separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements. This requirement was effective for fiscal years beginning after December 15, 2010. The adoption of this guidance did not have a significant impact on the Plan's financial statements.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE C - Information Certified by the Trustee

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, Vanguard Fiduciary Trust Company (VFTC), the Plan's Trustee, certified the following information, which has not been subject to audit by independent accountants, to be accurate and complete:

Investment balances included in the statements of net assets available for benefits at December 31, 2011 and 2010.

Investment income and net appreciation/depreciation in fair value of investments included in the statements of changes in net assets available for benefits for the years ended December 31, 2011 and 2010.

Information included in the accompanying schedule of assets held at end of year.

NOTE D - Related Party Transactions

The Plan invests in shares of mutual funds managed by an affiliate of Vanguard Fiduciary Trust Company. Vanguard acts as Trustee for Plan investments. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules of ERISA.

NOTE E - Funding Policy

Employer contributions are accrued based upon amounts required to be funded under provisions of ERISA. The Company met the minimum funding requirements of ERISA in 2011 and 2010.

Employer contributions are designed to provide for normal cost on a current basis and amortization of unfunded prior service costs over no greater than a 30-year period.

NOTE F - Plan Termination

Although the Participating Employers have not expressed any intention to do so, they have the right under the Plan to discontinue their contributions at any time, and to terminate the Plan subject to the provisions set forth in ERISA.

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

a) There shall be set aside an amount which will provide retirement income for employees, spouses, or designated beneficiaries who are receiving benefits or who were eligible to receive benefits at least three years prior to termination of the Plan based on provisions in effect five years prior to the date of termination.

b) There shall next be set aside an amount sufficient to discharge all other benefits insured by the Pension Benefit Guaranty Corporation (PBGC).

c) There shall next be set aside an amount which will provide all other vested benefits as determined under the Plan, which are not insured.

d) The balance of the net assets, if any, shall be set aside to provide for all other benefits provided under the Plan.

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE F - Plan Termination - continued

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

NOTE G - Accumulated Plan Benefits

The actuarial present values of accumulated Plan benefits as of January 1, 2011 and 2010 were as follows:

	2011	2010
Actuarial present values of accumulated Plan benefits:		
Vested benefits:		
Participants currently receiving payments	$ 380,993	$ 163,338
Other participants	5,345,023	3,439,720
Total vested benefits	5,726,016	3,603,058
Nonvested benefits	551,490	367,077
Total actuarial present values of accumulated Plan benefits	$ 6,277,506	$ 3,970,135

The changes in the actuarial present value of accumulated Plan benefits was:

Actuarial present value of accumulated Plan benefits, January 1, 2010	$ 3,970,135
Increase (decrease) due to:	
Benefits accumulated and experience loss	581,967
Interest due to the decrease in the discount period	264,319
Benefits paid	(50,139)
Change in actuarial assumptions (See Note B)	532,344
Change in plan provisions	978,880
Actuarial present value of accumulated Plan benefits, January 1, 2011	$ 6,277,506

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE H - Tax Status

The Internal Revenue Service determined and informed the Company, by a letter dated May 19, 2009, that the Plan and related trust were qualified under the Internal Revenue Code (IRC) Section 401(a). The Plan has been amended since receiving the determination letter. However, the plan administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

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 if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain tax positions taken or expected to be taken that require recognition of a liability or disclosure in the financial statements. The Plan is 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 2008.

NOTE I - Financial Instruments - Concentrations of Credit Risk and Risks and Uncertainties

The Plan invests in various types of funds. These investment funds are exposed to various risks such as market volatility, interest rate, and credit risks. Therefore, it is at least reasonably possible that changes in value could occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

The actuarial present value of accumulated Plan benefits is 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 could be material to the financial statements.

NOTE J - Subsequent Events

Superior Group, Inc. currently has a letter of intent with a buyer to purchase Superior Tube Company, Inc. The impact of the sale on the Plan is not known at this time.

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through May 24, 2012, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

SUPERIOR GROUP, INC. 2007 RETIREMENT PLAN
EIN 86-1118863, PLAN NO. 005
PLAN YEAR ENDED DECEMBER 31, 2011

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

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment including maturity date, rate of interest, collateral, par or maturity	(d) Cost	(e) Current Value
*	Vanguard Intermediate-Term Inv Grade Admiral	Registered Investment Company	$ 3,323,451	$ 3,529,525
*	Vanguard Total Stock Market Index Fund	Registered Investment Company	1,560,828	1,851,848
*	Vanguard Long-Term Inv Grade Fund	Registered Investment Company	982,367	1,120,836
*	Vanguard Total International Stock Index Fund	Registered Investment Company	683,191	652,431
*	Vanguard Money Market	Interest-Bearing Cash	4,238	4,238
		Total Investments Held at End of Year	$ 6,554,075	$ 7,158,878

*Party-in-interest