Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

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

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 04/01/2011 and ending 10/02/2011

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

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

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

Part II Basic Plan Information—enter all requested information

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

1b Three-digit plan number (PN) ▶ 115

1c Effective date of plan 04/01/1978

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)
NESTLE USA, INC.

30003 BAINBRIDGE RD
SOLON, OH 44139-2205

2b Employer Identification Number (EIN) 95-1572209

2c Sponsor's telephone number 440-349-5757

2d Business code (see instructions) 424400

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

3b Administrator's EIN 95-1572209

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

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

4b EIN

4c PN

5a Total number of participants at the beginning of the plan year	**5a**	44
b Total number of participants at the end of the plan year	**5b**	0
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	**5c**	

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

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

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

Part III Financial Information

7 Plan Assets and Liabilities		**(a) Beginning of Year**	**(b) End of Year**
a Total plan assets	**7a**	497279	0
b Total plan liabilities	**7b**	0	0
c Net plan assets (subtract line 7b from line 7a)	**7c**	497279	0

8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: **(1)** Employers	**8a(1)**		
(2) Participants	**8a(2)**		
(3) Others (including rollovers)	**8a(3)**		
b Other income (loss)	**8b**	9816	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	**8c**		9816
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	**8d**	13145	
e Certain deemed and/or corrective distributions (see instructions)	**8e**		
f Administrative service providers (salaries, fees, commissions)	**8f**	1955	
g Other expenses	**8g**		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	**8h**		15100
i Net income (loss) (subtract line 8h from line 8c)	**8i**		-5284
j Transfers to (from) the plan (see instructions)	**8j**	-491995	

Part IV Plan Characteristics

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

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

Part V Compliance Questions

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

Part VI Pension Funding Compliance

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

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

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

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

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

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

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

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? ☐ Yes ☒ No

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

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

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

13c(1) Name of plan(s):	**13c(2)** EIN(s)	**13c(3)** PN(s)
NESTLE PUERTO RICO PENSION PLAN	66-0773236	116

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	08/14/2012	SHARON MM STRASSHOFER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	08/14/2012	RUSSELL W. NISWANDER, F.S.A.
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 04/01/2011 and ending 10/02/2011

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

B Three-digit plan number (PN) ▶ 115

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

D Employer Identification Number (EIN)
95-1572209

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

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

Part I Basic Information

1 Enter the valuation date: Month 04 Day 01 Year 2011

2 Assets:

a	Market value	**2a**	498986
b	Actuarial value	**2b**	498986

3 Funding target/participant count breakdown:

			(1) Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	0	0
b	For terminated vested participants	**3b**	20	344472
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		151685
	(3) Total active	**3c(3)**	24	151685
d	Total	**3d**	44	496157

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**	6.04 %
6	Target normal cost	**6**	624

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

08/14/2012
Signature of actuary — Date

THAD SUMMERSETT — 11-07261
Type or print name of actuary — Most recent enrollment number

TOWERS WATSON PENNSYLVANIA INC. — 310-551-5716
Firm name — Telephone number (including area code)

1925 CENTURY PARK EAST, SUITE 1500
LOS ANGELES, CA 90067-2790
Address of the firm

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

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	91447	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	2632	
9	Amount remaining (line 7 minus line 8)	88815	0
10	Interest on line 9 using prior year's actual return of 3.28%	2913	
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	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	91728	0

Part III Funding percentages

14	Funding target attainment percentage	14	82.08 %
15	Adjusted funding target attainment percentage	15	100.57 %
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	117.71 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			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	
	b Contributions made to avoid restrictions adjusted to valuation date	19b	
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	

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:	
2.51%	5.59%	6.38 %	☐ 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**

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** 624

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** 624

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	658		658

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**

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**

2011 Schedule SB, line 26 - Schedule of Active Participant Data
Name of Sponsor / Plan: Nestlé USA, Inc. – Gerber Puerto Rico Pension Plan
EIN / PIN: 95-1572209 / 115

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

Average Age = 42.9 Average Service = 7.1

Description of Weighted Average Retirement Age

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

Average Retirement Age: 63

Actuarial Assumptions and Methods

Economic Assumptions

Interest rate basis:	
▸ Applicable month (Puerto Rico/All other plans)	April/January
▸ Yield curve basis	Segment rates
▸ ASC 960 discount rate (Puerto Rico/All other plans)	5.00%/8.50%
Interest rates (Puerto Rico/All other plans):	
▸ First segment rate	2.51% / 2.94%
▸ Second segment rate	5.59% / 5.82%
▸ Third segment rate	6.38% / 6.46%
Annual rates of increase	
▸ Compensation	N/A
▸ Social Security wage base	3.50%
▸ Lump sum rates	Equal to interest rate
▸ Lump sum rate for ASC 960	6.00%

Demographic Assumptions

Inclusion date: The valuation date coincident with or next following the date on which the employee becomes a participant

Mortality

- Healthy: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2026 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2018 using Scale AA).
- Disabled: Single table rates (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2018 using Scale AA).

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

Representative Termination Rates

- Infant Nutrition / Puerto Rico

Percentage leaving during the year

	Years of Service							
	<1		1-2		2-3		>3	
Attained Age	Males	Females	Males	Females	Males	Females	Males	Females
25	35.6%	38.3%	23.7%	25.5%	17.8%	19.1%	11.9%	12.8%
40	14.0%	16.1%	9.3%	10.8%	7.0%	8.1%	4.7%	5.4%
55	3.6%	5.4%	2.4%	3.6%	1.8%	2.7%	1.2%	1.8%

- Gerber Life

Percentage leaving during the year

Attained Age	
25	11.6%
40	5.5%
55	0.0%

- Gerber Hourly Plans

Percentage leaving during the year

Attained Age	Males	Females
25	7.1%	11.2%
40	1.8%	3.5%
55	0.0%	0.0%

Disability — Rates varying by age, sex, and plan

- Infant Nutrition/Puerto Rico — None assumed

Representative Disability Rates

- Gerber Life

Percentage becoming disabled during the year		
Age	Males	Females
25	0.1%	0.1%
40	0.2%	0.3%
50	0.5%	0.6%

- Gerber Hourly Plans

Percentage becoming disabled during the year		
Age	Males	Females
25	0.3%	0.4%
40	0.3%	0.5%
50	0.6%	0.9%

Retirement — Rates varying by age and plan

Representative Retirement Rates

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

Benefit commencement date:

Infant Nutrition, Puerto Rico, and Gerber Life

- Preretirement death benefit — Upon death and eligibility for benefit
- Deferred vested benefit — Upon termination of employment and eligibility for benefit
- Disability benefit — Upon disability and eligibility for benefit
- Retirement benefit — Upon termination of employment and eligibility for benefit

Gerber Hourly Plans	
► Preretirement death benefit	Upon death, vesting and eligibility for dependent spouse and estate. Upon participant's early retirement date for surviving spouse
► Deferred vested benefit	Age 65
► Disability benefit	Upon disability and eligibility for benefit
► Retirement benefit	Upon termination of employment and eligibility for benefit
Form of payment	
► Infant Nutrition, Puerto Rico, and Gerber Life	Lump sum
► Gerber Hourly Plans	Life annuity
Percent married	
► Gerber Life	75%
► Other Plans	80%
Spouse age	Wife three years younger than husband
Covered pay	N/A
Administrative expenses	For funding, 1% of beginning-of-year fair value of assets for Reedsburg, Fort Smith, and Gerber Life; 0.75% for Fremont and Infant Nutrition; and 0.25% for Puerto Rico.
At-risk assumptions	For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan.
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year
Actuarial value of assets	Market value of assets
Funding policy	Nestlé USA's general funding policy is to make contributions for each plan year in an amount not less then the minimum required contribution under ERISA and to target 100% funded status on a Pension Protection Act (PPA) basis. This will not exceed the maximum tax-deductible contribution. Nestlé may vary its contribution level, if appropriate to its tax and cash position and funded status.
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. Towers Watson has reviewed the plan provisions with Nestlé and based on that review, is not aware of any significant benefits required to be valued that were not.
Change in assumptions and methods since prior valuation	The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements. The assumed plan-related expenses added to the target normal cost were changed from 0.25% of beginning-of-year fair value of assets for Infant Nutrition and 0.50% for all other plans to 0.25% of beginning-of-year fair value of assets for Puerto Rico, 0.75% for Fremont and Infant Nutrition, and 1.00% for Gerber Life, Fort Smith and Reedsburg.

Gerber Puerto Rico Pension Plan

Plan Provisions

The most recent amendment reflected in the following plan provisions was effective in 2008.

Covered employees	Employees formerly of Gerber Products Company of Puerto Rico, Inc.
Participation date	Age 21 and one year of service. Closed to new entrants effective December 31, 2004.
Type of plan	Frozen pension equity plan

Definitions

Vesting service	The number of completed full plan years of employment with the Company or any Affiliate in which the employee works 975 hours. Service prior to January 1, 1998 is based on prior plan provisions.
Credited service	Same as vesting service.
Pensionable earnings	Total compensation including section 125 and 401(k) contributions but excluding deferred compensation.
Covered compensation	Average of social security wage bases over the 35 years prior to the participant's Social Security Normal Retirement Age (SSNRA).

Accumulated benefit:

Lump Sum Benefit: A participant's Lump Sum Benefit is equal to the following calculated as if the person terminated employment on December 31, 2004:

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

plus

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

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

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

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

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

Eligibility for Benefits

Normal retirement	Retirement on or after both attaining age 65 and completing five years of vesting service
Early retirement	Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service
Postponed retirement	Retirement after age 65
Vested termination	Termination for reasons other than death or retirement after completing three years of vesting service
Disability	Permanent and total disability on or after both attaining age 50 and completing fifteen years of vesting service
Preretirement death benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse on or after completing three years of vesting service

Benefits Paid Upon the Following Events

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

Other Plan Provisions

Forms of payment	
Normal form	Life annuity
Optional forms	100%, 75%, and 50% contingent annuitant; lump sum
Pension increases	None
Plan participants' contributions	None
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Optional Form Conversion Factors[1]

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

	Mortality Assumption	Interest Assumption
▸ Single Sum distributions (from Grandfathered Benefit)	Section 417 mortality	Section 417 interest rates, November lookback
▸ Annuity forms of payment (from Pension Equity Benefit)	GATT Mortality Table frozen as of earlier of DOT and 12/31/2004[2]	GATT Interest Rate (yield on 30-year Treasury Bonds) from November of previous year frozen as of earlier of DOT and 12/31/2004[2]
▸ All others	1983 Group Annuity Mortality Table[3]	8.5%

Notes

1. Information shown applies to the majority of participants covered under this plan, some small groups of grandfathered participants (CWT, Indianapolis Hourly, Novartis Consumer Health and Ciba Salaried) have optional forms provided on a separate basis. See plan document for more information.
2. Plan Year 2000 – 6.15% and 1983 GAM Table (blended 50% male/50% female)
   Plan Year 2001 – 5.78% and 1983 GAM Table (blended 50% male/50% female)
   Plan Year 2002 – 5.12% and 1994 GAR Table (blended 50% male/50% female)
   Plan Year 2003 – 4.96% and 1994 GAR Table (blended 50% male/50% female)
   Plan Year 2004+ – 5.12% and 1994 GAR Table (blended 50% male/50% female)
3. The actuarial equivalent shall be 50% of the actuarial equivalent using male mortality rates only plus 50% of the actuarial equivalent using female mortality rates only.

Future Plan Changes

No future plan changes were recognized in determining pension cost, plan accounting liabilities, or minimum and maximum contributions.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year

Schedule SB - Statement by Enrolled Actuary

Plan Sponsor	Nestlé USA, Inc.
EIN/PN	95-1572209/115
Plan Name	Gerber Puerto Rico Pension Plan
Valuation Date	April 1, 2011
Enrolled Actuary	Thad Summersett
Enrollment Number	11-07261

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

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 04/01/2011 and ending 10/02/2011

▶ **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

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

B Three-digit plan number (PN) ▶ 115

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

Nestle USA, Inc.

D Employer Identification Number (EIN)

95-1572209

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

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

Part I Basic Information

1 Enter the valuation date: Month 4 Day 1 Year 2011

2	Assets:			
	a Market value	**2a**		498,986
	b Actuarial value	**2b**		498,986
3	Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	0	0
	b For terminated vested participants	**3b**	20	344,472
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		151,685
	(3) Total active	**3c(3)**	24	151,685
	d Total	**3d**	44	496,157
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**		6.04 %
6	Target normal cost	**6**		624

Statement by Enrolled Actuary

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

SIGN HERE

Thad Summersett TWS

Signature of actuary

08/14/2012

Date

Thad Summersett

Type or print name of actuary

11-07261

Most recent enrollment number

Towers Watson Pennsylvania Inc.

Firm name

(310) 551-5716

Telephone number (including area code)

1925 Century Park East, Suite 1500

Los Angeles CA 90067-2790

Address of the firm

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

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	91,447	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	2,632	
9	Amount remaining (line 7 minus line 8)	88,815	0
10	Interest on line 9 using prior year's actual return of 3.28 %	2,913	
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	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	91,728	0

Part III Funding percentages

14	Funding target attainment percentage	14	82.08 %
15	Adjusted funding target attainment percentage	15	100.57 %
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	117.71 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and liquidity shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			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	
	b Contributions made to avoid restrictions adjusted to valuation date	19b	
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
2.51 %	5.59 %	6.38 %	☐ 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**	
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**	624
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**	624

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	658		658

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**	

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**	