

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
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Part I Annual Report Identification Information			
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>			
A	This return/report is for:	☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) ☐ a one-participant plan	
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	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)	

Part II Basic Plan Information —enter all requested information			
1a	Name of plan <u>SANDUSKY INTERNATIONAL INC. SALARIED EMPLOYEES' RETIREMENT BENEFIT PLAN</u>	1b	Three-digit plan number (PN) <u>003</u>
		1c	Effective date of plan <u>11/01/1959</u>
2a	Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>SANDUSKY INTERNATIONAL, INC.</u> <u>615 WEST MARKET STREET</u> <u>SANDUSKY, OH 44870</u>	2b	Employer Identification Number (EIN) <u>34-4346430</u>
		2c	Sponsor's telephone number <u>419-626-5340</u>
		2d	Business code (see instructions) <u>331400</u>
3a	Plan administrator's name and address (if same as plan sponsor, enter "Same") <u>SANDUSKY INTERNATIONAL INC. SANDUSKY INTERNATIONAL, INC. RETIRE</u> <u>615 WEST MARKET STREET SANDUSKY, OH 44870</u>	3b	Administrator's EIN <u>34-1190155</u>
		3c	Administrator's telephone number <u>419-626-5340</u>
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.	4b	EIN
a	Sponsor's name	4c	PN
5a	Total number of participants at the beginning of the plan year	5a	<u>53</u>
b	Total number of participants at the end of the plan year	5b	<u>53</u>
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.) ☒ 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.) ☒ 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	<u>1802509</u>	<u>1991812</u>
b	Total plan liabilities	7b		
c	Net plan assets (subtract line 7b from line 7a)	7c	<u>1802509</u>	<u>1991812</u>
8	Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a	Contributions received or receivable from:			
	(1) Employers	8a(1)	<u>260000</u>	
	(2) Participants	8a(2)		
	(3) Others (including rollovers)	8a(3)		
b	Other income (loss)	8b	<u>-40312</u>	
c	Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		<u>219688</u>
d	Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	<u>15309</u>	
e	Certain deemed and/or corrective distributions (see instructions)	8e		
f	Administrative service providers (salaries, fees, commissions)	8f	<u>15076</u>	
g	Other expenses	8g		
h	Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		<u>30385</u>
i	Net income (loss) (subtract line 8h from line 8c)	8i		<u>189303</u>
j	Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics**9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1A 1G 1I

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**

	Yes	No	Amount
10 During the plan year:			
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)		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)		X	
c Was the plan covered by a fidelity bond?	X		3000000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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.)		X	
f Has the plan failed to provide any benefit when due under the plan?		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
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			

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)

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.	10/12/2012	RICHARD DANNING
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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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 <u>SANDUSKY INTERNATIONAL INC. SALARIED EMPLOYEES' RETIREMENT BENEFIT PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>SANDUSKY INTERNATIONAL, INC.</u>	D Employer Identification Number (EIN) <u>34-4346430</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>	
2 Assets:	
a Market value	2a <u>1802510</u>
b Actuarial value	2b <u>1802510</u>
3 Funding target/participant count breakdown:	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>2</u> <u>169671</u>
b For terminated vested participants	3b <u>22</u> <u>431973</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>9007</u>
(2) Vested benefits	3c(2) <u>2104849</u>
(3) Total active	3c(3) <u>29</u> <u>2113856</u>
d Total	3d <u>53</u> <u>2715500</u>
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 <u>6.00 %</u>
6 Target normal cost	6 <u>11000</u>

Statement by Enrolled Actuary

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

SIGN HERE	<u>10/12/2012</u>
Signature of actuary <u>DONALD BUNGENSTOCK</u>	Date <u>11-05702</u>
Type or print name of actuary <u>BUCK CONSULTANTS, LLC</u>	Most recent enrollment number <u>513-784-0005</u>
Firm name <u>720 E PETE ROSE WAY</u> <u>SUITE 300</u> <u>CINCINNATI, OH 45202</u>	Telephone number (including area code)
Address of the firm	

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

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

Schedule SB (Form 5500) 2011
v.012611

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)	51799	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	51799	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>13.07</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		6227
b	Interest on (a) using prior year's effective rate of <u>6.46</u> % except as otherwise provided (see instructions)		402
c	Total available at beginning of current plan year to add to prefunding balance		6629
d	Portion of (c) to be added to prefunding balance		
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)	0	0

Part III		Funding percentages	
14	Funding target attainment percentage	14	66.37 %
15	Adjusted funding target attainment percentage	15	66.37 %
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	60.00 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	66.37 %

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
04/12/2011	65000				
07/12/2011	65000				
10/12/2011	65000				
12/12/2011	65000				
			Totals ▶	18(b)	260000
				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 250634
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 3.78%	2nd segment: 6.31%	3rd segment: 6.57%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	11000	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	912990	173675	
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	184675	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35)	36	184675	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	250634	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	65959	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
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		

ATTACHMENT TO 2011 SCHEDULE SB, LINE 26 – SCHEDULE OF ACTIVE PARTICIPANT DATA

[illegible]

SANDUSKY INTERNATIONAL, INC. SALARIED EMPLOYEES' RETIREMENT BENEFIT PLAN**EIN/PN: 34-4346430 / 003****ATTACHMENT TO 2011 SCHEDULE SB, PART V – STATEMENT OF ACTUARIAL ASSUMPTIONS AND MEHTODS****Funding discount rates**

Current Year:	First Segment Rate	3.78%
	Second Segment Rate	6.31%
	Third Segment Rate	6.57%
	Effective Interest Rate	6.00%
Prior Year:	First Segment Rate	5.03%
	Second Segment Rate	6.73%
	Third Segment Rate	6.82%
	Effective Interest Rate	6.46%

PBGC variable premium

Current Year: Same as Funding

Prior Year: Same as Funding

Mortality

	Current Year	Prior Year
Annuitant	IRS 2011 Static Mortality	IRS 2010 Static Mortality
Non-annuitant	IRS 2011 Static Mortality	IRS 2010 Static Mortality

Actuarial cost method

Unit Credit Method. The Funding Target is the present value of accrued benefits and based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected administrative and investment expenses to be paid from plan assets during the year.

Non-Prescribed Funding Assumptions and Methods**Salary increase assumption:**

4.0% per year increase to normal retirement date.

Social Security

Current Social Security Wage Base is projected to Normal Retirement Date assuming a 3% annual growth rate.

SANDUSKY INTERNATIONAL, INC. SALARIED EMPLOYEES' RETIREMENT BENEFIT PLAN**EIN/PN: 34-4346430 / 003****ATTACHMENT TO 2011 SCHEDULE SB, PART V – STATEMENT OF ACTUARIAL ASSUMPTIONS AND MEHTODS****Frequency of optional payment forms**

Benefits are assumed to be paid in a lump sum at retirement.

Marital percentage

100% of participants are assumed to be married. Husbands are assumed to be 3 years older than their wives.

Retirement rates

Age	Assumption
55	2%
56	2%
57	2%
58	2%
59	2%
60	5%
61	10%
62	25%
63	15%
64	15%
65 and older	100%

Withdrawal rates

Based on experience. Sample rates as follows:

<u>Attained Age</u>	<u>Withdrawal Rate</u>
25	.053
40	.035
55	.000

Asset valuation method

The Valuation Assets are valued at market value.

SANDUSKY INTERNATIONAL, INC. SALARIED EMPLOYEES' RETIREMENT BENEFIT PLAN
EIN/PN: 34-4346430 / 003
ATTACHMENT TO 2010 SCHEDULE SB, LINE 32 – SCHEDULE OF SHORTFALL AMORTIZATION BASES

Shortfall Amortization Summary

Date Established	Initial Amount	Remaining Installments	Shortfall Amortization Installment	Present Value of Remaining Installments as of January 1, 2011
January 1, 2009	\$ 314,107	5	\$ 55,738	\$ 259,115
January 1, 2010	\$ 539,881	6	\$ 90,858	\$ 489,290
January 1, 2011	<u>\$ 164,585</u>	7	<u>\$ 27,079</u>	<u>\$ 164,585</u>
Total charge			\$ 173,675	\$ 912,990

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	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
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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 Sandusky International Inc. Salaried Employees' Retirement Benefit	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Sandusky International, Inc.	D Employer Identification Number (EIN) 34-4346430	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2011</u>			
2 Assets:			
a Market value	2a	1,802,510	
b Actuarial value	2b	1,802,510	
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	2	169,671
b For terminated vested participants.....	3b	22	431,973
c For active participants:			
(1) Non-vested benefits.....	3c(1)		9,007
(2) Vested benefits.....	3c(2)		2,104,849
(3) Total active.....	3c(3)	29	2,113,856
d Total.....	3d	53	2,715,500
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	6.00 %	
6 Target normal cost	6	11,000	

Statement by Enrolled Actuary

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

SIGN HERE	 Signature of actuary	<u>10/12/2012</u> Date
Donald Bungenstock Type or print name of actuary		<u>11-05702</u> Most recent enrollment number
Buck Consultants, LLC Firm name		<u>(513) 784-0005</u> Telephone number (including area code)
720 E Pete Rose Way Suite 300 Cincinnati OH 45202 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).....	51,799	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	51,799	0
9 Amount remaining (line 7 minus line 8).....	0	0
10 Interest on line 9 using prior year's actual return of <u>13.07</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38 from prior year)		6,227
b Interest on (a) using prior year's effective rate of <u>6.46</u> % except as otherwise provided (see instructions).....		402
c Total available at beginning of current plan year to add to prefunding balance.....		6,629
d Portion of (c) to be added to prefunding balance.....		
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).....	0	0

Part III Funding percentages

14 Funding target attainment percentage	14	66.37 %
15 Adjusted funding target attainment percentage	15	66.37 %
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	60.00 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	66.37 %

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
04/12/2011	65,000				
07/12/2011	65,000				
10/12/2011	65,000				
12/12/2011	65,000				
Totals •			18(b)	260,000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required 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 250,634

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

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

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

21 Discount rate:			
a Segment rates:	1st segment: 3.78 %	2nd segment: 6.31 %	3rd segment: 6.57 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
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	11,000										
b Excess assets, if applicable, but not greater than 31a	31b	0										
32 Amortization installments:	<table border="1"> <thead> <tr> <th></th> <th>Outstanding Balance</th> <th>Installment</th> </tr> </thead> <tbody> <tr> <td>a Net shortfall amortization installment.....</td> <td>912,990</td> <td>173,675</td> </tr> <tr> <td>b Waiver amortization installment.....</td> <td>0</td> <td>0</td> </tr> </tbody> </table>				Outstanding Balance	Installment	a Net shortfall amortization installment.....	912,990	173,675	b Waiver amortization installment.....	0	0
	Outstanding Balance	Installment										
a Net shortfall amortization installment.....	912,990	173,675										
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	184,675										
		Carryover balance	Prefunding balance									
35 Balances elected for use to offset funding requirement			0									
36 Additional cash requirement (line 34 minus line 35)	36	184,675										
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	250,634										
38 Present value of excess contributions for current year (see instructions)												
a Total (excess, if any, of line 37 over line 36)	38a	65,959										
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0										
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		

SANDUSKY INTERNATIONAL, INC. SALARIED EMPLOYEES' RETIREMENT BENEFIT PLAN
EIN/PN: 34-4346430 / 003
ATTACHMENT TO 2011 SCHEDULE SB, PART V – STATEMENT OF PLAN PROVISIONS

Effective Date: Latest Restatement: January 1, 1997

Plan Year: The 12 month period ending December 31st.

Participation Requirements: An Employee hired before January 1, 2003 shall become a Participant on the Entry Date following completion of 1,000 hours of service during an Anniversary Year, measured from his date of hire, provided he has attained age 21. No employee hired after 2002 is eligible for plan participation.

Entry Date: January 1st or July 1st.

Normal Retirement Date: The later of a Participant's 65th birthday, or the fifth anniversary of plan participation.

Monthly Retirement Income: A monthly benefit payable as of the first of the month following Normal Retirement Date, payable in the Normal Form, equal to the greater of (a) or (b) where:

- (a) 0.6% of Final Average Monthly Earnings multiplied by total years of Credited Service, plus 0.6% of Final Average Monthly Earnings in excess of Social Security Covered Compensation multiplied by years of Credited Service with a maximum 35 years; and,
- (b) the accrued benefit at December 31, 1988 under the plan as it existed at that time.

The plan was frozen effective October 31, 2010.

Normal Form of Benefit: Monthly income commencing on a Participant's retirement date and payable for life.

Automatic Form of Benefit (for married participants): Actuarially equivalent reduced Joint and 50% to Surviving Spouse if married at commencement of benefits, unless otherwise other election is made.

Final Average Monthly Earnings: Highest average of Base Monthly Earnings during sixty consecutive months. Base Earnings means compensation excluding bonuses, overtime payments, commissions and extra compensation paid during a calendar year.

Credited Service: One year of Benefit Accrual and Vesting Service for each Anniversary year during which an Employee completes 1,000 hours of service.

Social Security Covered Compensation: For each Participant, the average of the Social Security Taxable Wage Base in effect for each calendar year (the amount of earnings subject to Social Security taxes each year) during the 35-year period ending with the year during which such Participant will reach Social Security Retirement Age. Social Security Covered Compensation is expressed on a monthly basis.

Accrued Benefit: The projected Monthly Retirement Income at Normal Retirement Date, based on Final Average Monthly Earnings and Credited Service at the date of computation.

Vesting: A percentage of accrued benefits.

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
Less than 5	0%
5 or more	100%

SANDUSKY INTERNATIONAL, INC. SALARIED EMPLOYEES' RETIREMENT BENEFIT PLAN
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ATTACHMENT TO 2011 SCHEDULE SB, PART V – STATEMENT OF PLAN PROVISIONS

Deferred Retirement Benefit: Monthly income equal to the greater of (a) the Participant's Accrued Benefit at actual retirement, or (b) the actuarial equivalent of the actuarial reserve of the Monthly Retirement Income to which he or she was entitled as of the later of his Normal Retirement Date or the close of the prior plan year plus interest compounded annually.

Eligibility for Early Retirement: Rule of 70, that is, the sum of age and years of service equals at least 70.

Early Retirement Benefit: Accrued benefit payable at age 65, reduced for immediate commencement by 1/156 for each of the first 36 months prior to age 65, by 1/312 for each of the next 60 months and actuarially thereafter for each month that payments begin early.

Eligibility for Pre-Retirement Death Benefit: 5 years of vesting service.

Pre-Retirement Death Benefit: A Participant's spouse shall receive 50% of the monthly benefit the deceased would have received under the Joint and 50% Survivor Annuity as of the date of his death, with this benefit commencing on the earliest date the deceased could have retired. If a vested Participant dies while still an active Employee, his beneficiary will receive a lump sum death benefit equal to the present value of the Participant's accrued benefit reduced by the spousal benefit mentioned in the above paragraph.