

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 <div style="border: 1px solid black; padding: 5px; text-align: center; font-weight: bold; font-size: 1.2em;">2012</div> This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>			
A	This return/report is for:	<input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a multiple-employer plan (not multiemployer) <input type="checkbox"/> a one-participant plan	
B	This return/report is:	<input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report <input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)	
C	Check box if filing under:	<input type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> DFVC program <input type="checkbox"/> special extension (enter description)	

Part II Basic Plan Information —enter all requested information			
1a	Name of plan <u>PENSION PLAN FOR EMPLOYEES OF SONA I DEGANN MD, PC</u>	1b	Three-digit plan number (PN) ▶ <u>002</u>
		1c	Effective date of plan <u>01/01/1993</u>
2a	Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>SONA I DEGANN, MD PC</u> <u>57 EAST 74TH STREET</u> <u>NEW YORK, NY 10021</u>	2b	Employer Identification Number (EIN) <u>13-3573304</u>
		2c	Sponsor's telephone number <u>212-249-0900</u>
		2d	Business code (see instructions) <u>621111</u>
3a	Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address	3b	Administrator's EIN
		3c	Administrator's telephone number
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>5</u>
b	Total number of participants at the end of the plan year	5b	<u>5</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.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

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

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.	01/15/2013	A.DAVID DEGANN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	01/15/2013	A.DAVID DEGANN
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
Preparer's name (including firm name, if applicable) and address; include room or suite number (optional)			Preparer's telephone number (optional)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	1122075	1225348
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	1122075	1225348
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	0	
(2) Participants	8a(2)	0	
(3) Others (including rollovers)	8a(3)	0	
b Other income (loss)	8b	103273	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		103273
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	0	
e Certain deemed and/or corrective distributions (see instructions)	8e	0	
f Administrative service providers (salaries, fees, commissions)	8f	7771	
g Other expenses	8g	0	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		7771
i Net income (loss) (subtract line 8h from line 8c)	8i		95502
j Transfers to (from) the plan (see instructions)	8j	0	

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: 11
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		100000
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		X	
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) and line 11a below)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
11a	Enter the amount from Schedule SB line 39	11a	0
12	Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ..	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(If "Yes," complete line 12a or lines 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?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a 0
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)

Part VIII Trust Information (optional)

14a Name of trust	14b Trust's EIN

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 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **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>PENSION PLAN FOR EMPLOYEES OF SONA I DEGANN MD, PC</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>SONA I DEGANN, MD PC</u>	D Employer Identification Number (EIN) <u>13-3573304</u>
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2012</u>	
2 Assets:	
a Market value	2a <u>1122075</u>
b Actuarial value	2b <u>1122075</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>0</u>
b For terminated vested participants.....	3b <u>1</u>
c For active participants:	
(1) Non-vested benefits.....	3c(1) <u>0</u>
(2) Vested benefits.....	3c(2) <u>1012793</u>
(3) Total active	3c(3) <u>1012793</u>
d Total	3d <u>1114089</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	<input type="checkbox"/>
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>5.42 %</u>
6 Target normal cost.....	6 <u>0</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>CURT EVANS</u>	<u>01/14/2013</u>
Signature of actuary	Date
<u>EVANS BENEFIT CONSULTING</u>	<u>11-05239</u>
Type or print name of actuary	Most recent enrollment number
<u>1688 BRIAN JONES WAY</u>	<u>610-882-2137</u>
BETHLEHEM, PA 18015	Telephone number (including area code)
<u></u>	
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) 2012
v. 120126

Part II		Beginning of Year Carryover Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	121292	96997
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	58379	0
9	Amount remaining (line 7 minus line 8)	62913	96997
10	Interest on line 9 using prior year's actual return of <u>-0.93%</u>	-585	-902
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		0
b	Interest on (a) using prior year's effective interest rate of <u>6.07%</u> 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	62328	96095
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	100.71 %
15	Adjusted funding target attainment percentage	15	100.71 %
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	114.19 %
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)
		Totals ▶	18(b)
			18(c)

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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c	If line 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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 1.98%	2nd segment: 5.07%	3rd segment: 6.19%	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
27 If the plan is subject to 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	0	
b Excess assets, if applicable, but not greater than line 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	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
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		
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 an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	<input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years		
b Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

Plan Sponsor: Sona I. Degann, M.D., P.C.
Plan Name: Pension Plan for Employees of Sona I. Degann, M.D., P.C.
EIN: 13-3573304
Plan Number: 002

Schedule SB Part V: Actuarial Assumptions and Methods

In valuing the liabilities and determining the contribution requirements for a defined benefit pension plan, it is desirable to take into consideration every reasonably predictable future contingency which will have an effect on the ultimate cost of the plan. The actuary does this by making assumptions regarding the incidence and occurrence of those future events and trends upon which the payment and amount of benefits is contingent.

Federal law requires that assumptions upon which plan funding is based must represent the actuary's best estimate of anticipated future experience in light of all the pertinent circumstances surrounding the particular plan situation. The law also requires that each assumption must be "reasonable" and the assumptions must be "reasonable" in the aggregate.

In order to establish appropriate assumptions with respect to your plan, we analyzed the experience of your population for prior years, and as a result of this information and our own predictive data and resources, we have selected the underlying assumptions upon which your pension valuations and funding are based. These are discussed in detail later in this section.

In addition to assumptions, the second element of the valuation which forms the basis of current contributions is the "actuarial cost method." The cost method is simply a payment schedule designed to insure that sufficient funds are accumulated over time to meet the benefit obligations of the plan.

Plan Sponsor: Sona I. Degann, M.D., P.C.
Plan Name: Pension Plan for Employees of Sona I. Degann, M.D., P.C.
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Schedule SB Part V: Actuarial Assumptions and Methods

Cost Method

The Pension Protection Act of 2006 requires use of the Unit Credit Cost Method.

Asset Valuation Method

The actuarial value of assets is determined by using Market Value of plan assets.

Valuation Procedures

All active employees who have met the Plan's eligibility requirements as of the valuation date are included in the calculations. Former employees or their survivors who are receiving or entitled to receive an immediate or deferred benefit under the provisions of the Plan are also included. No liability is held for non-vested, inactive employees who have a break in service, or for employees who have quit or been terminated, even if a break in service had not occurred as of the valuation date.

Dates of Calculations

The valuation date is January 1, 2012.

Source of Data

Data is as of the valuation date and is supplied to us by the Employer.

We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break in service. These employees may have participation requirements different from other new employees.

Financial information was supplied to us by the Trustee.

Although, we believe these to be accurate and complete, the data and financial information have not been audited by us.

Employee Contributions

Employee contributions are neither required nor permitted. The entire cost of the plan is paid by the Employer.

Expenses

Operational and administrative expenses of the plan are paid by the Employer.

Plan Sponsor: Sona I. Degann, M.D., P.C.
Plan Name: Pension Plan for Employees of Sona I. Degann, M.D., P.C.
EIN: 13-3573304
Plan Number: 002

Schedule SB Part V: Actuarial Assumptions and Methods

Interest and Other Rate Assumptions

Below is a summary of interest and inflation rates used for the January 1, 2012 valuation.

Interest Rates	Assumption
(1) Funding	
(a) Target Liability	Three-Segmented Yield Curve for the Month of January on the Valuation Date
(b) PPA Effective Rate	5.42%

Statutory Assumptions

Below is a summary of statutory assumptions used for the January 1, 2012 valuation.

Statutory Assumptions	2012 Limit
(1) Maximum Benefit Limit	\$200,000
(2) Compensation Limit	\$250,000

Plan Sponsor: Sona I. Degann, M.D., P.C.
Plan Name: Pension Plan for Employees of Sona I. Degann, M.D., P.C.
EIN: 13-3573304
Plan Number: 002

Schedule SB Part V: Actuarial Assumptions and Methods

Decrement Assumptions

Below is a summary of decrements used in this valuation.

Mortality Decrements	Description
(1) Funding	
Actives (postretirement)	RP-2000 IRS PPA @ 2012 Non-Annuitant / Annuitant Tables for Males and Females
Non-Disabled Inactives	RP-2000 Healthy Annuitant Tables
Disabled Inactives	Curr. Liab Disabled < 1/1/95
	Curr. Liab Disabled > 1/1/95

Marital Demographics

In order compute liabilities for surviving spouse pensions certain assumptions must be made regarding the number of participants who are married and the age difference between husband and wife.

Termination of Employment

We have assumed no turnover prior to retirement.

Age at Retirement

Your plan specifies a normal retirement age of the later of 65 or the fifth anniversary of participation.

We have elected to assume all participants will retire at their normal retirement age.

Plan Sponsor: Sona I. Degann, M.D., P.C.
Plan Name: Pension Plan for Employees of Sona I. Degann, M.D., P.C.
EIN: 13-3573304
Plan Number: 002

Schedule SB Part V: Summary of Plan Provisions

The following summary describes principal plan provisions assumed in calculating the cost of your pension plan.

General Information

Plan Name:	Pension Plan for Employees of Sona I. Degann, M.D., P.C.
Original Effective Date:	January 1, 1993
Plan Year:	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st
Employer ID Number:	13-3573304
Plan Administrator's ID Number:	13-3573304
Plan Number:	002
Plan Type:	Defined Benefit Pension Plan
Plan Administrator:	Administrative Committee

Eligibility to Participate

An employee shall become a participant on the January 1 or July 1 coincident with or next following the date on which he both attains age twenty-one (21) and completes one (1) hour of Service.

Contributions

Retirement benefits under this Plan are funded entirely by the Employer. Employee contributions are neither required nor allowed. Each year, the Employer contributes such amounts as are determined by the Plan's actuary to be necessary to meet the continuing obligations of the Plan and the requirements of Federal law.

Plan Sponsor: Sona I. Degann, M.D., P.C.
Plan Name: Pension Plan for Employees of Sona I. Degann, M.D., P.C.
EIN: 13-3573304
Plan Number: 002

Schedule SB Part V: Summary of Plan Provisions

Principal Benefit Provisions

(a) Compensation

Basic cash remuneration paid to an employee during the plan year, including salary, bonuses, overtime, incentive pay, commissions and contributions made to a qualified cash or deferred arrangement under Section 401(k) during a plan year.

(b) Year of Credited Service

A plan year during which an employee completes at least 1,000 Hours of Service.

(c) Employer

Sona I. Degann, M.D., P.C.

Eligibility for Retirement

(a) Normal Retirement Age

The later of:

- (i) the date a participant attains age sixty-five (65); and
- (ii) the fifth (5th) anniversary of the date as of which the participant commenced plan participation.

(b) Normal Retirement Date

The first of the month coinciding with or next following the participant's Normal Retirement Age.

Plan Sponsor: Sona I. Degann, M.D., P.C.
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Schedule SB Part V: Summary of Plan Provisions

Benefits

(a) Normal Retirement Benefit

A specified percentage of Compensation for each participant for each year of Credited Service.

(b) The normal form of Pension for all married participants is a Joint & 100% Survivor Pension; for single participants, a Life Pension.

(c) Vested Benefits

A Participant shall be 100 percent vested upon completion of five years of Vesting Service.

(d) Death Benefits

(i) Surviving Spouse Benefit for Married Participants

An actuarially reduced benefit actuarially equivalent to what the spouse would have received if the participant died on his Normal Retirement Date and chose the 100% Joint and Survivorship form of his accrued benefit.

(ii) Single Sum Benefit

The single sum actuarial equivalent of the accrued benefit payable at Normal Retirement Date less the value of the surviving spouse benefit, if any.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>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 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

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 ▶ **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 SONA I DEGANN MD, PC	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SONA I DEGANN, MD PC	D Employer Identification Number (EIN) 13-3573304	

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>2012</u>		
2	Assets:		
	a Market value	2a	1122075
	b Actuarial value	2b	1122075
3	Funding target/participant count breakdown:	(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	0
	b For terminated vested participants	3b	101296
	c For active participants:		
	(1) Non-vested benefits	3c(1)	0
	(2) Vested benefits	3c(2)	1012793
	(3) Total active	3c(3)	1012793
	d Total	3d	1114089
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	5.42 %
6	Target normal cost	6	0

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	01/14/2013 Date
	CURT EVANS Type or print name of actuary	11-05239 Most recent enrollment number
	EVANS BENEFIT CONSULTING Firm name	610-882-2137 Telephone number (including area code)
	1688 BRIAN JONES WAY BETHLEHEM, PA 18015 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 Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	121292	96997
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	58379	0
9 Amount remaining (line 7 minus line 8)	62913	96997
10 Interest on line 9 using prior year's actual return of <u>-0.93%</u>	-585	-902
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b Interest on (a) using prior year's effective interest rate of <u>6.07%</u> 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	62328	96095
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	100.71 %
15 Adjusted funding target attainment percentage	15	100.71 %
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	114.19 %
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)		18(c)

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? ☐ Yes ☒ No**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No**c** If line 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:
1.98%2nd segment:
5.07%3rd segment:
6.19 %☐ N/A, full yield curve used**b** Applicable month (enter code).....**21b**

0

22 Weighted average retirement age**22**

65

23 Mortality table(s) (see instructions)☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....☐

Yes

☒

No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....☐

Yes

☒

No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....☐

Yes

☒

No

27 If the plan is subject to 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**

0

b Excess assets, if applicable, but not greater than line 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**

0

Carryover balance

Prefunding balance

Total balance

35 Balances elected for use to offset funding requirement.....

0

0

0

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****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 an election was made to use PRA 2010 funding relief for this plan:**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**