

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>08/01/2011</u> and ending <u>07/31/2012</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>GRAND LODGE OF KENTUCKY FREE AND ACCEPTED MASONS PENSION PLAN</u>	1b	Three-digit plan number (PN) <u>001</u>
		1c	Effective date of plan <u>01/01/1978</u>
2a	Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>GRAND LODGE OF KENTUCKY FREE AND ACCEPTED MASONS</u> <u>300 MASONIC HOME DRIVE</u> <u>MASONIC HOME, KY 40041-9999</u>	2b	Employer Identification Number (EIN) <u>61-0207400</u>
		2c	Sponsor's telephone number <u>502-893-0192</u>
		2d	Business code (see instructions) <u>813000</u>
3a	Plan administrator's name and address (if same as plan sponsor, enter "Same") <u>GRAND LODGE OF KENTUCKY FREE AND ACCEPTED MASONS</u> <u>300 MASONIC HOME DRIVE</u> <u>MASONIC HOME, KY 40041-9999</u>	3b	Administrator's EIN <u>61-0207400</u>
		3c	Administrator's telephone number <u>502-893-0192</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>9</u>
b	Total number of participants at the end of the plan year.....	5b	<u>9</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 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	516040	547459
b Total plan liabilities.....	7b		
c Net plan assets (subtract line 7b from line 7a).....	7c	516040	547459
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	36712	
(2) Participants	8a(2)		
(3) Others (including rollovers).....	8a(3)		
b Other income (loss).....	8b	20235	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		56947
d Benefits paid (including direct rollovers and insurance premiums to provide benefits).....	8d	20405	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f	5123	
g Other expenses.....	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g).....	8h		25528
i Net income (loss) (subtract line 8h from line 8c).....	8i		31419
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 3D

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		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?		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.	02/25/2013	JOSEPH R. CONWAY
	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 08/01/2011 and ending 07/31/2012

▶ **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 GRAND LODGE OF KENTUCKY FREE AND ACCEPTED MASONS PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF GRAND LODGE OF KENTUCKY FREE AND ACCEPTED MASONS	D Employer Identification Number (EIN) 61-0207400
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 08 Day 01 Year 2011	
2 Assets:	
a Market value	2a 515824
b Actuarial value	2b 482483
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment	3a (1) Number of participants 2 (2) Funding Target 92158
b For terminated vested participants	3b 1 80509
c For active participants:	
(1) Non-vested benefits	3c(1) 2756
(2) Vested benefits	3c(2) 342723
(3) Total active	3c(3) 6 345479
d Total	3d 9 518146
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 5.69 %
6 Target normal cost	6 23310

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		02/15/2013
Signature of actuary		Date
KENNETH F. HOHMAN		11-03101
Type or print name of actuary		Most recent enrollment number
BRYAN PENDLETON SWATS & MCALLISTER		502-244-7828
Firm name		Telephone number (including area code)
11807 BRINLEY AVENUE, SUITE 101 LOUISVILLE, KY 40243-1090		
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)	42775	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	42775	0
10	Interest on line 9 using prior year's actual return of <u>15.98</u> %	6835	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		3
b	Interest on (a) using prior year's effective rate of <u>6.39</u> % except as otherwise provided (see instructions)		0
c	Total available at beginning of current plan year to add to prefunding balance.....		3
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).....	49610	0

Part III		Funding percentages	
14	Funding target attainment percentage.....	14	83.54 %
15	Adjusted funding target attainment percentage.....	15	83.54 %
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	105.42 %
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	
11/10/2011	4178		
02/07/2012	4178		
05/10/2012	4178		
08/10/2012	4178		
12/20/2012	20000		
Totals ►		18(b)	36712
		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 34649
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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: 2.11%	2nd segment: 5.31%	3rd segment: 6.32%	<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 checked="" type="checkbox"/> Yes <input type="checkbox"/> 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	23310	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	85273	13529	
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	36839	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	2190	0	2190
36 Additional cash requirement (line 34 minus line 35)	36	34649	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	34649	
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	<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		

Schedule SB, Line 19 – Discounted Employer Contributions
Plan Name: Grand Lodge of Kentucky Free and Accepted Masons Pension Plan

PLAN YEAR: 2011
EIN/PN: 61-0207400/001

Effective Interest Rate: 5.69%

Date of Contribution	Amount	Days After 8/1/2011	Discounted to 8/1/2011
11/10/2011	4,178.00	101	4,114.68
2/7/2012	4,178.00	190	4,059.68
5/10/2012	4,178.00	283	4,002.99
8/10/2012	4,178.00	375	3,947.69
12/20/2012	20,000.00	507	18,524.10
Total	\$36,712.00		\$34,649.14

Summary of Actuarial Assumptions

(Sample Values per 1,000 Lives)

	AGE			
	25	40	55	60
<u>Mortality Rates</u>				
IRS Generational Mortality Tables with Pre and Post Commencement Rates				
Males (pre-commencement)	0.38	1.08	3.03	4.88
Females (pre-commencement)	0.21	0.71	2.53	3.93
Males (post-commencement)	0.38	1.08	5.91	8.20
Females (post-commencement)	0.21	0.71	3.53	6.20
With projected mortality improvements after year 2000 under Projection Scale AA (male and female scales)				

Withdrawal Rates

Estimated Experience (1st Year Select)	342.40	316.90	250.60	219.40
Estimated Experience (2nd Year Select)	140.20	133.30	116.20	105.90
Estimated Experience (Ultimate)	86.40	51.30	34.50	31.30

Disablement Rates

Experience of Railroad Retirement System	1.00	2.40	21.30	10.80
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Salary Scale

5% per annum increases to age 65

Rate of Retirement

100% at age 65.

Rate of Investment Return

	Segment 1 (0 to 5 Years)	Segment 2 (5 to 20 Years)	Segment 3 (More than 20 Years)
Funding Target	2.11% per annum	5.31% per annum	6.32% per annum
Effective Interest Rate	5.69% per annum	5.69% per annum	5.69% per annum
PBGC Premium Funding Target	2.11% per annum	5.31% per annum	6.32% per annum
Plan Termination Value	2.21% per annum	4.84% per annum	5.91% per annum
FASB 35	7.25% per annum	7.25% per annum	7.25% per annum

Actuarial Valuation Method

Unit Credit

Asset Valuation Method

Market value adjusted for any accruals and further adjusted for weighted gains and losses during the prior 2 years. Weighted gains and losses for each plan year reflect interest at the applicable third segment rate. The resulting value shall not be more than 110% or less than 90% of market value.

Form of Payment

Single Life Annuity

Provision for Expenses

Replacement of previous plan year's administrative expenses

Other Assumptions

Marital status at benefit commencement -- 90% married with female spouses 4 years younger than male spouses.

Top-Heavy status -- not top-heavy.

Current Code section 401(a)(17) compensation limitation -- \$245,000.

Current Code section 415(b) annual benefit limitation -- \$195,000.

Cost-of-Living escalation for Code section 401(a)(17) and 415(b) -- none.

Changes in Assumptions From Prior Actuarial Valuation

	<u>Previous</u>	<u>Current</u>
Funding Target Interest Rates	Three Segment Yield Curve 3.92%, 6.40% & 6.61%	Three Segment Yield Curve 2.11%, 5.31% & 6.32%
<i>Reason: In recognition of interest rate environment as measured by methodology set forth in Code §430(h)(2).</i>		

This summary is not a Summary Plan Description or a plan document. You should not rely solely on this summary in making a determination of eligibility for the plan or its benefits.

Summary of Provisions of the Plan

Effective Date and Plan Year

The plan was established effective January 1, 1978, with the latest plan restatement effective August 1, 2002. The plan year ends on each July 31, which coincides with the Employer's fiscal year.

Eligibility

Each employee other than a collective bargaining employee is eligible to become a participant in the plan on the August 1 immediately following the completion of one year of service in which the employee works 1,000 hours.

Service

Service credited for vesting purposes means the number of plan years in which the participant completes at least 1,000 hours of service, subject to certain break in service rules. A year of service is credited for benefit purposes for each year the employee completes 500 hours of service, or is employed on the last day of the plan year.

Compensation

A participant's compensation, for purposes of the plan, shall mean his "W-2" compensation, including bonuses and overtime pay, paid during the plan year. Annual compensation is limited as required in Internal Revenue Code Sec. 401(a)(17).

Normal Retirement

Condition

The normal retirement date of a participant is the first day of the calendar month coincident with or next following his attainment of age 65.

Benefit

The normal retirement benefit, 1/12th of which is payable monthly for life, is equal to the sum of the following:

- 3.50% of average earnings multiplied by service not in excess of 5 years, plus
- 2.50% of average earnings multiplied by service after 5 years, but not in excess of 20 years.

•

"Average earnings" is the average annual compensation of a participant for the five consecutive plan years which produce the highest average out of the final ten plan years of service.

Accrued Benefit

The accrued benefit is the monthly benefit with payments beginning at normal retirement that has been earned due to compensation and benefit service as of any determination date. The accrued benefit is payable for the life of the participant, and is computed in the same manner as for normal retirement, using the participant's average earnings and benefit service at the determination date.

Early Retirement

Condition

A participant may retire early after attainment of age 55 and completion of 10 years of service.

Benefit

The deferred benefit, to commence at the participant's normal retirement date, and payable for life, is equal to the participant's accrued benefit determined as of his early retirement date.

Upon written application to the pension committee, retirement benefits may commence immediately upon early retirement. In that event, the benefit determined above shall be actuarially reduced to take account of the period of time between the participant's actual retirement date and his normal retirement date.

Late Retirement

Condition

A participant may choose to postpone his retirement beyond his normal retirement date, in which event no benefit shall be payable until actual retirement.

Benefit

The benefit, payment of which commences the first day of the month following the participant's actual date of retirement, is computed in the same manner as the normal retirement benefit based upon service accrued and compensation earned through the date of retirement. This benefit shall not be less than the actuarially equivalent of the benefit the participant would have received at his normal retirement date.

Disability Retirement

Condition

In the event a participant has completed ten years of vesting service, and becomes totally and permanently disabled, as determined by the Social Security, he will be entitled to a disability benefit.

Benefit

The disability retirement benefit, which commences on the first day of the calendar month following twelve months of disability, is computed as the actuarial equivalent of the participant's accrued benefit determined as of the participant's date of termination of employment.

Death Before Retirement

Condition

In the event of the death of a participant after completing one year of service under the plan, and while either (i) actively employed by the employer, or (ii) on deferred vested status but prior to receiving any retirement benefits, a monthly survivorship benefit shall be payable to the participant's surviving spouse.

Benefit

The monthly benefit is payable on the first day of the calendar month following the participant's date of death or the earliest date the participant could have elected benefit payments to commence, whichever is later, and continuing for the lifetime of the surviving spouse. The benefit is equal to the benefit the participant would have received if the participant had terminated employment the day before his death (or on his actual date of termination if earlier), had lived to the benefit commencement date, and elected an immediate joint and 100% to survivor benefit.

Termination of Employment After 4 or More Years of Vesting Service

Condition

If a participant terminates his employment after completing 4 or more years of vesting service, he is entitled to a deferred vested benefit with payment commencing on his normal retirement date.

Benefit

The amount of the benefit is calculated as the product of a vesting percentage and the participant's accrued benefit determined as of his date of termination. A participant's vesting percentage can be determined from the following table:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
Less than 4	0%
4	40
5 or more	100

Other Termination of Employment

If employment is otherwise terminated before retirement, no benefits are provided under the plan.

Top-Heavy Status

If in any year the plan is determined to be top heavy, the following provisions will take effect:

- A minimum accrued benefit will be determined for each participant equal to 2% of the average earnings, multiplied by the participant's years of service during which the plan is top heavy, limited to 10 such years.
- Participants will become vested in their accrued benefits according to the following schedule:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
less than 2	0%
2	20%
3	40%
4	60%
5 or more	100%

Optional Modes of Benefit Payments

Subject to the applicable plan conditions, a participant may select an optional method of benefit payment, in lieu of the prescribed life income, which is actuarially equivalent thereto. The purpose of the optional method is to permit the guarantee of retirement income payments for a minimum period of time (i.e., 10 years) or to provide a continued life income to a surviving beneficiary after the death of a participant (i.e., 50%, 75%, or 100% joint and survivor).

However, if no option is elected and the participant and his spouse are married on the date his benefit commences, the monthly benefit will automatically be paid in the form of a 50% joint and survivor annuity.

If the single sum value of the participant's benefit is not greater than \$1,000, the single sum shall be paid in lieu of any other benefits due under the plan.

Actuarial Equivalence

Actuarial equivalent values shall be computed based on the 1983 Group Annuity Mortality Table for Males, and an interest rate equal to 7.50%. However, for purposes of determining single sum benefits, such benefit shall not be less than the amount based on the mortality and interest rates, defined under Code Section 417(e)(3), in effect for the June preceding the first day of the calendar year in which the benefit is to be paid.

Contributions to the Plan

The employer contributes actuarially determined amounts to finance the plan benefits. No contributions by participating employees are required.

Investment of Plan Funds

The assets of the pension plan will be invested by the trustee in accordance with the terms of the trust agreement.

Schedule SB, line 32 - Schedule of Amortization Bases
Plan Name: Grand Lodge of Kentucky Free and Accepted Masons Pension Plan

PLAN YEAR: 2011
EIN/PN: 61-0207400/001

Amortization Charge Bases

<u>Description</u>	<u>Year Established</u>	<u>Original Amount</u>	<u>Period Remaining</u>	<u>Current Balance</u>	<u>Minimum Payment</u>
Shortfall Amortization Base	2011	\$ 85,273	7	\$ 85,273	\$ 13,529
Total Charges				\$ 85,273	\$ 13,529

Amortization Credit Bases

<u>Description</u>	<u>Year Established</u>	<u>Original Amount</u>	<u>Period Remaining</u>	<u>Current Balance</u>	<u>Minimum Payment</u>
None				\$ 0	\$ 0
Total Credits				\$ 0	\$ 0
Total Shortfall Amortization Charge				\$ 85,273	\$ 13,529

Schedule SB, line 26 – Schedule of Active Participant Data
Plan Name: Grand Lodge of Kentucky Free and Accepted Masons Pension Plan

PLAN YEAR: 2011
EIN/PN: 61-0207400/001

AGE GROUP		YEARS OF SERVICE									
		Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - UP
1 - 24	Number	0	0	0	0	0	0	0	0	0	0
	Avg Benefit*	0	0	0	0	0	0	0	0	0	0
25 - 29	Number	0	0	0	0	0	0	0	0	0	0
	Avg Benefit*	0	0	0	0	0	0	0	0	0	0
30 - 34	Number	0	1	0	1	0	0	0	0	0	0
	Avg Benefit*	0	N/A	0	N/A	0	0	0	0	0	0
35 - 39	Number	0	0	0	0	0	0	0	0	0	0
	Avg Benefit*	0	0	0	0	0	0	0	0	0	0
40 - 44	Number	0	0	0	0	1	0	0	0	0	0
	Avg Benefit*	0	0	0	0	N/A	0	0	0	0	0
45 - 49	Number	0	0	0	0	0	0	0	0	0	0
	Avg Benefit*	0	0	0	0	0	0	0	0	0	0
50 - 54	Number	0	0	0	0	0	0	0	0	0	0
	Avg Benefit*	0	0	0	0	0	0	0	0	0	0
55 - 59	Number	0	0	0	0	0	1	0	0	0	0
	Avg Benefit*	0	0	0	0	0	N/A	0	0	0	0
60 - 64	Number	0	0	0	0	0	0	0	0	0	0
	Avg Benefit*	0	0	0	0	0	0	0	0	0	0
65 - 69	Number	0	0	0	0	0	0	0	0	0	0
	Avg Benefit*	0	0	0	0	0	0	0	0	0	0
70 - UP	Number	0	0	0	0	0	1	0	1	0	0
	Avg Benefit*	0	0	0	0	0	N/A	0	N/A	0	0

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment 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 08/01/2011 and ending 07/31/2012

▶ **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.

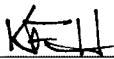
A Name of plan GRAND LODGE OF KENTUCKY F. & A.M. PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF GRAND LODGE OF KENTUCKY FREE AND ACCEPTED MASONS	D Employer Identification Number (EIN) 61-0207400
E Type of plan: <input checked="" type="checkbox"/> 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>8</u> Day <u>1</u> Year <u>2011</u>		
2 Assets:		
a Market value	2a	515,824
b Actuarial value	2b	482,483
3 Funding target/participant count breakdown:		
	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	2 92,158
b For terminated vested participants	3b	1 80,509
c For active participants:		
(1) Non-vested benefits.....	3c(1)	2,756
(2) Vested benefits	3c(2)	342,723
(3) Total active.....	3c(3)	6 345,479
d Total.....	3d	9 518,146
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	5.69 %
6 Target normal cost	6	23,310

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

KENNETH F. HOHMAN

Type or print name of actuary

BRYAN PENDLETON SWATS & MCALLISTER

11807 BRINLEY AVENUE, SUITE 101

LOUISVILLE

KY 40243-1090

Address of the firm

Feb. 15, 2013

Date

11-03101

Most recent enrollment number

(502) 244-7828

Telephone number (including area code)

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