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

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
FAN GROUP INC. HOURLY EMPLOYEES' PENSION PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 10/01/1983

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

1701 TERMINAL ROAD, SUITE B
NILES, MI 49120

2b Employer Identification Number (EIN) 38-2841944

2c Sponsor's telephone number 269-683-1150

2d Business code (see instructions) 333410

3a Plan administrator's name and address [ ] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address
FAN GROUP INC.
1701 TERMINAL ROAD, SUITE B
NILES, MI 49120

3b Administrator's EIN 38-2841944

3c Administrator's telephone number 269-683-1150

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

4b EIN

4c PN

5a Total number of participants at the beginning of the plan year	**5a**	71
b Total number of participants at the end of the plan year	**5b**	69
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	**5c**	

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

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

If you answered "No" to either 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.	10/07/2013	JOHN E. TINSLEY
	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

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	1671921	1895914
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	1671921	1895914
8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: (1) Employers	8a(1)	152990	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	215158	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		368148
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	140425	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f	3730	
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		144155
i Net income (loss) (subtract line 8h from line 8c)	8i		223993
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:
1B 1G 3H

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		125000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) — [X] Yes [ ] 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? — [ ] Yes [X] 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?		☐ 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)

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

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
FAN GROUP INC. HOURLY EMPLOYEES' PENSION PLAN

B Three-digit plan number (PN) ▶ 002

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

D Employer Identification Number (EIN)
38-2841944

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

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

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2012

2 Assets:

a Market value	**2a**	1671211
b Actuarial value	**2b**	1694365

3 Funding target/participant count breakdown:

		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	**3a**	44	1339119
b For terminated vested participants	**3b**	27	596476
c For active participants:			
(1) Non-vested benefits	**3c(1)**		0
(2) Vested benefits	**3c(2)**		0
(3) Total active	**3c(3)**	0	0
d Total	**3d**	71	1935595

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**	6.92 %
6 Target normal cost	**6**	4000

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	10/07/2013 Date
JEFFREY C. ROSE Type or print name of actuary	11-03579 Most recent enrollment number
BUCK CONSULTANTS, LLC. Firm name	260-426-7800 Telephone number (including area code)
110 WEST BERRY STREET, SUITE 1300 FORT WAYNE, IN 46802-2317 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)	150700	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)	150700	0
10	Interest on line 9 using prior year's actual return of 0.65%	980	0
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 5.84% except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	151680	0

Part III Funding Percentages

14	Funding target attainment percentage	14	79.70 %
15	Adjusted funding target attainment percentage	15	79.70 %
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	70.80 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
06/13/2012	34711	0			
09/20/2012	54056	0			
10/01/2012	43436	0			
12/13/2012	20787	0			
		Totals ► 18(b)		152990	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	145549

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [ ] Yes [X] 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
0	0	0	0

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
5.54%	6.85%	7.52 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	60

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**	4000
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	392910	141542
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**	145542

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

36 Additional cash requirement (line 34 minus line 35)	**36**	145542
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	145549

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

a Total (excess, if any, of line 37 over line 36)	**38a**	7
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 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**	

Fan Group Inc. Hourly Employees' Pension Plan

EIN/PN: 38-2841944 / 002

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

Prescribed Funding Assumptions and Methods

Funding interest rates

Current Year:	Segment Rates with no lookback:	
	First Segment Rate	1.98%
	Second Segment Rate	5.07%
	Third Segment Rate	6.19%
	Effective Interest Rate	6.92%

In accordance with MAP-21, the first, second and third Segment Rates are constrained to a 90%-110% Corridor around the average Segment Rates for the 25-year period ending September 30, 2011, or **5.54%, 6.85%** and **7.52%**, respectively for minimum funding and benefit restrictions but not maximum tax-deductible purposes.

Prior Year:	Segment Rates with no lookback:	
	First Segment Rate	2.94%
	Second Segment Rate	5.82%
	Third Segment Rate	6.46%
	Effective Interest Rate	5.84%

Mortality

Mortality tables mandated by PPA as specified in IRS Regulation 1.430(h)(3)-1, applied on a static basis, using the blended annuitant/non-annuitant table applicable to small plans.

Actuarial cost method

The Funding Target is the present value of accrued benefits 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 plan related expenses to be paid from plan assets during the year.

Fan Group Inc. Hourly Employees' Pension Plan

EIN/PN: 38-2841944 / 002

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (Continued)

Non-Prescribed Funding Assumptions and Methods

Expenses

Expected plan related expenses of $4,000 were added to the Target Normal Cost.

Frequency of optional payment forms

Payment Form	Single	Married
Life Only	100.00%	30.00%
50% Joint and Survivor	0.00%	40.00%
100% Joint and Survivor	0.00%	30.00%
Total	100.00%	100.00%

Marital percentage

90% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

Retirement rates

Terminated vested participants are assumed to commence benefits at age 60.

Disability rates

None assumed.

Withdrawal rates[1]

None assumed.

Asset valuation method

The Actuarial Value of Assets is Market Value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the of the gain/(loss) in the prior two years, respectively. The gain/(loss) for each period is determined as the actual return on Market Value during the period less the expected return on Market Value based on an assumed earnings rate but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of Market Value, including discounted receivable contributions.

The expected return on plan assets is 6.50% per annum, limited by PPA to the applicable Third Segment Rate as follows:

2011 measurement period: 6.46%
2010 measurement period: 6.76%

[1] For active participants not eligible for retirement.

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

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
FAN GROUP INC. HOURLY EMPLOYEES' PENSION PLAN

B Three-digit plan number (PN) ▶ 002

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

D Employer Identification Number (EIN)
38-2841944

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

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

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2012

2 Assets:

a Market value	2a	1671211
b Actuarial value	2b	1694365

3 Funding target/participant count breakdown:

		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	44	1339119
b For terminated vested participants	3b	27	596476
c For active participants:			
(1) Non-vested benefits	3c(1)		0
(2) Vested benefits	3c(2)		0
(3) Total active	3c(3)	0	0
d Total	3d	71	1935595

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	6.92%
6 Target normal cost	6	4000

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 Jeffrey C. Rose JCR

Signature of actuary

10/07/2013

Date

JEFFREY C. ROSE

Type or print name of actuary

1103579

Most recent enrollment number

BUCK CONSULTANTS, LLC.

Firm name

260-426-7800

Telephone number (including area code)

110 WEST BERRY STREET, SUITE 1300

FORT WAYNE IN 46802-2317

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)	150700	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)	150700	0
10	Interest on line 9 using prior year's actual return of 0.65%	980	0
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 5.84% except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	151680	0

Part III Funding Percentages

14	Funding target attainment percentage	14	79.70%
15	Adjusted funding target attainment percentage	15	79.70%
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	70.80%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
06/13/2012	34711	0			
09/20/2012	54056	0			
10/01/2012	43436	0			
12/13/2012	20787	0			
			Totals ► 18(b)	152990	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	145549

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [ ] Yes [X] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
5.54%	6.85%	7.52%	

b Applicable month (enter code)	21b	0
22 Weighted average retirement age	22	60

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	4000
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	392910	141542
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	145542

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

36 Additional cash requirement (line 34 minus line 35)	36	145542
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	145549

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

a Total (excess, if any, of line 37 over line 36)	38a	7
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 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	

Fan Group Inc. Hourly Employees' Pension Plan

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Schedule SB, line 22 – Description of Weighted Average Retirement Age

The plan is frozen and there are currently no active participants. Terminated vested participants are assumed to commence benefits at age 60. Therefore, the weighted average retirement age is 60.

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Schedule SB, Part V – Summary of Plan Provisions

Effective Date

October 1, 1983; revised and restated October 1, 1989; last amended and restated January 1, 2009.

Plan Year

Prior to January 1, 1991, October 1 through September 30. Effective January 1, 1991, and thereafter, January 1 through December 31.

Eligibility

All employees covered by the collective bargaining agreement between ABB Garden City Fan and the United Steelworkers of America Local 8086, are eligible to participate after the completion of one year of eligibility service. An eligibility year of service is the first twelve months of employment or plan year in which an employee works 1,000 hours.

The entry date is the first day of each month.

Normal Retirement Benefit

$24.50 multiplied by the number of years of credited benefit service, less any benefit payable under the Wheelabrator-Frye, Inc. Hourly Employees' Retirement Plan for funding purposes. The ultimate multiplier level of $24.50 is effective for terminations on or after August 1, 2003.

Benefit service is determined as a plan year in which the employee works 1,000 hours. Benefit service for the short plan year October 1, 1990 through December 31, 1990 is based on the ratio of hours worked to 1,000 and rounded to the nearest tenth. A partial year is not credited. Benefit service excludes service prior to January 1, 1977. Benefit service includes service with a predecessor employer.

Normal Annuity Form

The retirement benefit is payable monthly during the life of the unmarried retired participant; for a married participant, the retirement benefit is paid in the form of a qualified joint and survivor annuity without any actuarial adjustment. Optional forms of benefit are the actuarial equivalent of the normal form.

Normal Retirement Date

The first day of the calendar month coincident with or next following the participant's normal retirement age of 65.

Early Retirement Benefit (active participants)

Eligibility

Attained age 55 and 10 years of credited service.

Benefit

The accrued benefit reduced by 1/12 of 5% for each month that actual retirement precedes the normal retirement date.

Postponed Retirement Benefit

The benefit continues to accrue until actual retirement.

Schedule SB, Part V – Summary of Plan Provisions (Continued)

Qualified Preretirement Death Benefit

Eligibility

The participant and spouse had been married at the date of the participant's death and the participant had become eligible for vested benefits.

Benefit

Qualified joint and 50% survivor annuity subsidized by the plan, payable at the participant's earliest retirement date or at the date of death, if later.

Disability Benefit

Eligibility

An active participant who is receiving disability payments under the Federal Social Security Act and who is not receiving benefits under the employer's long-term disability program.

Severance Date

The second anniversary of the date the participant was first absent as a result of becoming disabled.

Benefit

The actuarial equivalent of the accrued benefit as of the severance date, payable until death. In lieu of this disability pension, the participant may elect an early retirement benefit, if eligible for early retirement, based on the accrued benefit as of the date the disability occurred.

Benefit for participants not eligible for disability under the plan

The accrued benefit as of the date the disability occurred, payable at the normal retirement date.

Accrued Benefit

The benefit based on credited benefit service completed by a participant as of any given date.

Normal Retirement Age

Age 65.

Termination Benefit (Vesting)

100% after completion of five vesting years of service with no vesting prior to that time.

Vesting years of service exclude years during which the participant is credited with fewer than 1,000 hours of service.

Benefit

The vested accrued benefit is payable at the normal retirement date or the vested accrued benefit, reduced by 6% for each year benefits commence prior to normal retirement, is payable as early as age 55 if the service requirement for the early retirement benefit was met as of the termination date.

Employee Contributions

None.

Schedule SB, Part V – Summary of Plan Provisions (Continued)

Actuarial Equivalent

The determination of actuarially equivalent benefits is based on mortality rates in accordance with the UP-1984 Mortality Table and an interest rate of 7.0%.

For determination of single sum payments, available for all benefits with value not greater than $5,000, the applicable interest rate announced in October preceding the plan year in which the distribution occurs and the applicable mortality table are used.

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Schedule SB, line 32 - Schedule of Amortization Bases

Type of Base	Present Value of Remaining Installments as of January 1, 2012	Date Established	Remaining Installments	Shortfall Amortization Installment
Shortfall	($189,733)	1/1/2012	7	($32,202)
Shortfall	$232,005	1/1/2011	6	$44,446
Shortfall	($152,084)	1/1/2010	5	($33,782)
Shortfall	$168,205	1/1/2009	4	$45,511
Shortfall	$334,517	1/1/2008	3	$117,569

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Schedule SB, line 24 – Change in Actuarial Assumptions

- An explicit expense assumption was included in the amount of $4,000 to reflect payment of administrative and investment expenses from assets.
- The age at which terminated vested participants are assumed to commence their retirement benefit was changed from age 65 to age 60 in order to better reflect actual retirement experience.
- Optional forms of benefit payment were explicitly recognized to better reflect plan experience.