

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; text-align: center; padding: 5px; 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:	☒ a single-employer plan	☐ a multiple-employer plan (not multiemployer)	☐ a one-participant plan
B This return/report is:	☐ the first return/report	☐ the final return/report	
	☐ an amended return/report	☐ a short plan year return/report (less than 12 months)	
C Check box if filing under:	☒ Form 5558	☐ automatic extension	☐ DFVC program
	☐ special extension (enter description)		

Part II Basic Plan Information —enter all requested information			
1a Name of plan <u>ECKART PENSION PLAN FOR HOURLY EMPLOYEES</u>	1b Three-digit plan number (PN) ►	<u>010</u>	
	1c Effective date of plan	<u>11/01/1997</u>	
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>ECKART AMERICA CORPORATION</u> <u>P.O. BOX 747</u> <u>830 EAST ERIE STREET</u> <u>PAINESVILLE, OH 44077-0747</u>	2b Employer Identification Number (EIN)	<u>31-1563138</u>	
	2c Sponsor's telephone number	<u>440-954-7600</u>	
	2d Business code (see instructions)	<u>331400</u>	
3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ 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. a Sponsor's name	4b EIN		
	4c PN		
5a Total number of participants at the beginning of the plan year	5a	<u>89</u>	
b Total number of participants at the end of the plan year	5b	<u>89</u>	
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	5c		
6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)	☒ Yes ☐ No		
b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)	☒ Yes ☐ No		

If you answered "No" to either 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.	10/09/2013	MARK WALLACE
	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	2501100
b	Total plan liabilities	7b	2800743
c	Net plan assets (subtract line 7b from line 7a)	7c	2501100
8	Income, Expenses, and Transfers for this Plan Year		
		(a) Amount	(b) Total
a	Contributions received or receivable from:		
	(1) Employers	8a(1)	229543
	(2) Participants	8a(2)	
	(3) Others (including rollovers)	8a(3)	
b	Other income (loss)	8b	276497
c	Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c	506040
d	Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	146620
e	Certain deemed and/or corrective distributions (see instructions)	8e	
f	Administrative service providers (salaries, fees, commissions)	8f	59777
g	Other expenses	8g	
h	Total expenses (add lines 8d, 8e, 8f, and 8g)	8h	206397
i	Net income (loss) (subtract line 8h from line 8c)	8i	299643
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 1I
b	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions				
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	250110
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)	☒ 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 ☒ 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)

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>ECKART PENSION PLAN FOR HOURLY EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>010</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ECKART AMERICA CORPORATION</u>	D Employer Identification Number (EIN) <u>31-1563138</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2012</u>	
2 Assets:	
a Market value	2a <u>2500018</u>
b Actuarial value	2b <u>2621232</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>25</u> <u>1465543</u>
b For terminated vested participants.....	3b <u>26</u> <u>349503</u>
c For active participants:	
(1) Non-vested benefits.....	3c(1) <u>167185</u>
(2) Vested benefits.....	3c(2) <u>1291826</u>
(3) Total active	3c(3) <u>38</u> <u>1459011</u>
d Total	3d <u>89</u> <u>3274057</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>5.59 %</u>
6 Target normal cost.....	6 <u>56054</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>09/30/2013</u>
	Signature of actuary	Date
<u>LAWRENCE E. SCHERER</u>		<u>11-06389</u>
	Type or print name of actuary	Most recent enrollment number
<u>MERCER</u>		<u>216-830-8000</u>
	Firm name	Telephone number (including area code)
<u>200 PUBLIC SQUARE</u> <u>SUITE 900</u> <u>CLEVELAND, OH 44114-2312</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)	0	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)	0	0
10	Interest on line 9 using prior year's actual return of <u>-3.31</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		27551
b	Interest on (a) using prior year's effective interest rate of <u>6.30</u> % except as otherwise provided (see instructions)		1736
c	Total available at beginning of current plan year to add to prefunding balance		29287
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)	0	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	80.06 %
15	Adjusted funding target attainment percentage	15	80.06 %
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	80.08 %
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
04/12/2012	49700				
07/13/2012	49443				
10/12/2012	49700				
01/15/2013	49700				
08/29/2013	31000				
			Totals ►	18(b)	229543 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	219927
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
0		0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 2.06%	2nd segment: 5.25%	3rd segment: 6.32 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is 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	56054	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	652825	163693	
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	219747	
	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	219747	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	219927	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	180	
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		

**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

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

ECKART PENSION PLAN FOR HOURLY EMPLOYEES

B Three-digit
plan number (PN) ▶

010

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

ECKART AMERICA CORPORATION

D Employer Identification Number (EIN)

31-1563138

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 1 Day 1 Year 2012**2** Assets:

a Market value	2a	2,500,018
b Actuarial value	2b	2,621,232

3 Funding target/participant count breakdown:

(1) Number of participants

(2) Funding Target

a For retired participants and beneficiaries receiving payment	3a	25	1,465,543
b For terminated vested participants	3b	26	349,503
c For active participants:			
(1) Non-vested benefits	3c(1)		167,185
(2) Vested benefits	3c(2)		1,291,826
(3) Total active	3c(3)	38	1,459,011
d Total	3d	89	3,274,057

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

5.59 %

6 Target normal cost

56,054

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**Lawrence E. Scherer WES

Signature of actuary

9/30/13

Date

LAWRENCE E. SCHERER

Type or print name of actuary

11-06389

Most recent enrollment number

MERCER

Firm name

(216) 830-8000

Telephone number (including area code)

200 PUBLIC SQUARE
SUITE 900
CLEVELAND

OH 44114-2312

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 V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 2.06 %	2nd segment: 5.25 %	3rd segment: 6.32 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions)	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is 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	56,054	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment.....	652,825		163,693
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	219,747	
	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	219,747	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	219,927	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	180	
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		

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

A: For participants with less than 30 years of service:

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	0.0%	10,000	0	0
56	0.0%	10,000	0	0
57	0.0%	10,000	0	0
58	0.0%	10,000	0	0
59	0.0%	10,000	0	0
60	0.0%	10,000	0	0
61	0.0%	10,000	0	0
62	24.6%	10,000	2,460	152,520
63	26.5%	7,540	1,998	125,880
64	29.0%	5,542	1,607	102,858
65	100.0%	3,935	3,935	225,759
Total			10,000	637,017
Average				63.70

The weighted average retirement age is the total for column E divided by the total for column D, rounded to the nearest integral age. It should be noted that while only integral values are shown in the table, the full content of each cell, including decimal portions, is used in the calculations.

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

B: For participants with at least 30 years of service:

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	15.0%	10,000	1,500	82,500
56	15.0%	8,500	1,275	71,400
57	15.0%	7,225	1,084	61,774
58	15.0%	6,141	921	53,429
59	15.0%	5,220	783	46,198
60	15.0%	4,437	666	39,933
61	15.0%	3,771	566	34,509
62	24.6%	3,206	789	48,894
63	26.5%	2,417	641	40,354
64	29.0%	1,777	515	32,974
65	100.0%	1,261	1,261	81,990
Total			10,000	593,956
Average				59.40

The weighted average retirement age is the total for column E divided by the total for column D, rounded to the nearest integral age. It should be noted that while only integral values are shown in the table, the full content of each cell, including decimal portions, is used in the calculations.

(A) Category	(B) Number of Employees	(C) Average Retirement Age (ARA)	(D) Number of employees x ARA (B) x (C)
A	31	63.7	1,974.7
B	7	59.4	415.8
Total	38		2,390.5
Average			62.91

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Assumptions****Discount rate sponsor elections**

• Segment rates or full yield curve	Segment
• Look-back months	4
• First 5 years	2.06%
• Next 15 years	5.25%
• Over 20 years	6.32%

Mortality sponsor elections

• Healthy participants	2012 PPA separate static annuitant and nonannuitant mortality tables.
• Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995
• Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits

Other economic assumptions

• Salary increases	Not applicable
• Social Security wage base	Not applicable
• Inflation	2.50% per year
• Expected investment return	8.00% per year for years 2009 through 2011. 7.75% for 2012.
• Expenses	\$56,054 (assumed to be equal to actual 2011 administrative expenses) added to current year normal cost.

Demographic assumptions

Withdrawal	50% of the SOA small plan table rates. See table of sample rates. For employees with less than three years of service on the valuation date, the incidence of withdrawal in a particular year is determined by applying a multiplier to the ultimate withdrawal rate above. The multiplier applied is based on the years of past service of the particular employee and is as follows:
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Years of Past Service	Multiplier Applied to Ultimate Withdrawal Rate
0-1	2.5
1-2	2.0
2-3	1.5

Disability incidence	The assumed incidence of disability is based on rates from the 1985 pension disability table (class 3) for males and females. 100% of participants becoming disabled are assumed to be eligible for Social Security disability benefits. See table of sample rates.
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Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Retirement age

Attained age	Percentage	
	< 30 years of service	>= 30 years of service
Under 55	0%	15%
55	0%	15%
56	0%	15%
57	0%	15%
58	0%	15%
59	0%	15%
60	0%	15%
61	0%	15%
62	24.6%	24.6%
63	26.5%	26.5%
64	29.0%	29.0%
65 and above	100%	100%

Benefit commencement age for

- Future vested deferred 62
- Current vested deferred 62

Spouse assumptions

	<u>Male participants</u>	<u>Female participants</u>
• Percentage married	85%	85%
• Spouse age difference	3 years younger	3 years older

Form of payment

	<u>Single life</u>	<u>50% J&S</u>
• Active retirements	15%	85%
• Future vested deferred	100%	0%
• Future disabilities	100%	0%
• Future deaths	0%	100%
• Current vested deferred	100%	0%

Unpredictable contingent event assumptions

Likelihood of event is de minimis.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods***Table of Sample Rates*****Withdrawal****Attained**

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	12.15%	13.20%
30	7.75%	9.75%
40	4.70%	6.05%
50	2.80%	3.65%
55	2.10%	2.80%

Actuarial Methods***Asset Methods***

The asset valuation method is an average of the adjusted market value for each month during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all participants as of the valuation date.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

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

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, Part V — Summary of Plan Provisions**Plan Provisions*****Benefits Included or Excluded***

Unless noted below, all benefits provided by the plan, as restated and amended through December 22, 2009, are included in this valuation.

- **Most recent plan amendments included:** The last amendment dated December 22, 2009 is included because it was adopted by the valuation date and is effective by the end of the plan year.
- **Plan amendments excluded:** None
- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** This valuation does not value the plan's unpredictable contingent event benefits, which are summarized herein, because the likelihood of an event is de minimis.
- **Late retirement increases:**
 - *Active participants:* There are currently no active participants over normal retirement age. 100% of active participants are assumed to retire at age 65.
 - *Deferred vested participants:* There are currently no deferred vested participants over normal retirement age.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Sections 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Part V — Summary of Plan Provisions***Summary of Major Plan Provisions***

Effective date and plan year	Original plan: November 1, 1997 Restated plan: January 1, 2008 Plan year: Calendar Year
Status of the plan	The plan is currently frozen to new entrants and plan accruals were frozen as of July 15, 2006, except for Employees covered by the Labor Agreement with the Plumbers and Pipefitters Union. Currently, no active employees are accruing benefits.
Significant events that occurred during the year	None

Definitions

• Sponsoring employer	ECKART America Corporation
• Covered employees	For all groups except the Pipefitters Union, participation was frozen as follows: <ul style="list-style-type: none"> • Steelworkers and Machinists - members hired after June 1, 2006 • Electricians - members hired after June 5, 2006
• Participation	Age 21 with 1 year of service.
• Vesting service	The total number of the calendar quarters in each of which the Employee shall have received any wages from the Company. All participants who were in a bargaining unit covered by a Labor Agreement with the Steelworkers or Machinists as of June 1, 2006 or IBEW Unions as of June 5, 2006 shall be deemed to be 100% vested in their accrued benefit as of July 15, 2006.
• Credited service	The total number of the calendar quarters in each of which the individual is in a bargaining unit covered by any Labor Agreement which incorporates the Plan by reference but does not freeze the pension accrual. Service for benefit calculation purposes shall cease as of July 15, 2006 for all Employees, except for Employees covered by the Labor Agreement with the Plumbers and Pipefitters Union.

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement			
• Eligibility	Eligible at age 65 or, if later, fifth anniversary of first day of plan year in which the Employee became a participant.		
• Benefit	The monthly benefit shall equal an amount determined by multiplying the applicable Pension Factor (as determined below) by years of credited service.		
	Pipefitters Retirement Class (Wage Grade)	All Groups Pension Factor (through 5/31/06)	Pension Factor (effective 6/1/06)
	A (1-4)	\$40.75	\$43.75
	B (5-8)	42.05	45.05
	C (9-12)	43.40	46.40
	D (13-16)	44.75	47.75
	E (17-20)	46.05	49.05
	F (21-24)	47.40	50.40
	G (25 & above)	48.75	51.75
	Regular payments are deferred for three months.		
	Benefits (multiplier and wage grade) are frozen effective July 16, 2006 for all groups except the Pipefitters Union.		
60/10 Retirement			
• Eligibility	A participant who has attained age 60 with at least 10 credited years of service is eligible.		
• Benefit	The full accrued benefit as determined above is payable at age 62, with 94% or 88% payable at ages 61 or 60, respectively.		
	Regular payments are deferred for three months.		

Schedule SB, Part V — Summary of Plan Provisions**30-Year Retirement**

- **Eligibility** A participant with at least 30 years of continuous service is eligible.
- **Benefit** The full accrued benefit as determined above is payable.
Also, a supplemental pension benefit is payable if the participant retires on or after November 1, 1997 between the ages of 55 and 62. The monthly benefit amount is based on the participant's Retirement Class/Wage Grade at retirement in accordance with the following table:

Retirement class (wage grade)	Graded minimum monthly benefit
A (1-4)	\$1,070
B (5-8)	1,100
C (9-12)	1,130
D (13-16)	1,160
E (17-20)	1,190
F (21-24)	1,220
G (25 & above)	1,250

This additional benefit supplement is determined by subtracting the monthly amount of the full Basic Benefit from the applicable graded minimum monthly benefit amount as shown in the above table. The supplemental amount payable in a calendar year is reduced by one-half of any earned income over \$10,000 received for the year.

For all groups except the Pipefitters, the wage grade is frozen as of July 16, 2006. Furthermore, the Graded Minimum Monthly Benefit in the table will be subject to a pro rata reduction based on service accrued as of July 16, 2006 divided by 30.

At age 62, the additional benefit supplement stops. Thereafter, the monthly pension is equal to the Basic Benefit. Regular payments are deferred for three months.

Rule of 70/80 Retirement

Any participant who has not attained age 62 and who has at least 10 years of continuous service and (a) has attained age 55, and his combined age plus years of continuous service shall equal at least 70, or (b) whose combined age plus years of continuous service equals at least 80, is eligible if his service is broken because of layoff, physical disability, or shutdown of the plant.

The full accrued benefit, along with a \$400 monthly supplement, is payable until the participant attains age 62. Upon attainment of age 62 (or eligibility for Social Security disability benefits, if earlier), the \$400 monthly supplement stops and only the regular pension is payable.

Regular payments are deferred for three months.

Schedule SB, Part V — Summary of Plan Provisions

Rule of 65 Retirement	<p>Any participant who has not attained age 55 but who has completed at least 20 years of continuous service and whose age plus years of continuous service equals at least 65 is eligible if his service is broken because of a layoff or physical disability.</p> <p>The full accrued benefit, along with a \$400 monthly supplement, is payable until the participant attains age 62 (or until eligible for Social Security disability benefits, if earlier). The \$400 monthly supplement is reduced if the participant has earned income over \$5,500 per year. Upon attainment of age 62, the supplement stops and only the regular pension is payable.</p> <p>Regular payments are deferred for three months.</p>
55/10 Special Pension	<p>A participant with at least 10 but less than 30 years of service and age 55 but less than age 62 is eligible if the participant is laid off due to permanent shutdown of the plant or is off for 3 years due to layoff or illness. The full basic benefit is payable.</p> <p>Regular payments are deferred for three months.</p>
Deferred vested	
• Eligibility	Eligible after five years of continuous service.
• Benefit	The full basic benefit is payable at age 62. Benefits can begin as early as age 60, reduced by 1/2 of 1% for each month payments are made prior to age 62.
Disability	
• Eligibility	Any employee who is permanently incapacitated after 10 years of continuous service is eligible.
• Benefit	<p>The full basic benefit is payable immediately (to a minimum of \$400 per month), plus \$400 per month. The \$400 is payable until age 62 or, if earlier, when the participant becomes eligible for Social Security disability payments. Payments begin five months after the onset of disability.</p> <p>The \$400 minimum benefit is subject to a pro rata reduction based on the service earned as of July 16, 2006, divided by the total eligibility service (including service after July 16, 2006) at the date of disability retirement.</p>
Special Payment	<p>A participant who is, or would have been, entitled to receive a vacation in the year of retirement is eligible. The special payment is not applicable in the case of permanent disability or a deferred vested termination.</p> <p>The amount of this one-time payment equals ten weeks of vacation pay plus the number of weeks of unused vacation as of July 16, 2006. The value is determined based on the hourly rate as of July 16, 2006. For Pipefitters only, this calculation is based on the unused vacation and payrate as of retirement.</p> <p>This lump sum payment is in lieu of the regular pension for the first three months of retirement.</p>

Schedule SB, Part V — Summary of Plan Provisions

Surviving Spouse Coverage	<p>Upon the death of any actively employed participant who had been married for one year and had completed five years of continuous service, the surviving spouse will be eligible for a benefit.</p> <p>The surviving spouse receives 50% of the full basic benefit, without any reduction for being under age 62. In addition, if the participant dies while actively employed, was between the ages of 55 and 62 at the time of death, and had at least 30 years of service at the time of death, the surviving spouse will receive 50% of the 30-year retirement supplemental benefit.</p> <p>The benefit is payable immediately.</p>
UCEBs	<p>55/40 Retirement Eligibility:</p> <p>Participants who have at least forty (40) calendar quarters, but less than one hundred twenty (120) calendar quarters of Eligibility Service and have attained the age of 55 years, but have not attained age 62, and go on layoff due to Plant Shutdown or have been on layoff for 3 continuous years, may retire with an unreduced benefit, with service granted through date of retirement.</p> <p>Special Early Retirement Eligibility:</p> <p>Participants who have at least forty (40) calendar quarters of Eligibility Service and have not attained age 62, and (1) shall have attained the age of 55 years and whose age multiplied by four, added to the Employee's quarters of service, shall equal 280 or more; or (2) whose age multiplied by four, added to the Employee's quarters of service, shall equal 320 or more; and who have been absent from work for a period of less than two (2) years by reason of a displacement from his or her department resulting from a permanent shutdown of a plant, department or substantial portion thereof, shall be eligible to retire immediately, but based only on service to date of retirement.</p> <p>Rule of 65 Retirement Eligibility:</p> <p>A Participant who completes 20 years of Pension Service and has a combined age and Pension Service equal to 65 or more, and</p> <p>(A) has been absent from work for two (2) years by reason of layoff, sickness or accident and the Company has failed to offer the Employee suitable long-term employment; or</p> <p>(B) has been absent from work for less than two (2) years due to a layoff resulting from an energy related shutdown of a plant, department or substantial portion thereof and the Company has failed to offer the Employee suitable long-term employment, shall be eligible to retire immediately.</p>
Coordination with the Reynolds Plan	<p>All benefits set forth above will be reduced by the amounts payable from the Reynolds Metals Company Pension Plan for Hourly Employees.</p>

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
• Automatic form for unmarried participants	Unless otherwise elected, any benefit payable under the Plan shall be paid on a straight-life basis.
• Automatic form for married participants	Unless otherwise elected, any benefit payable under the Plan shall be paid on a 50% Joint and Contingent Annuitant Annuity basis.
• Optional forms	An employee commencing benefits may elect to have his lifetime benefit payable on a 50% or 75% Joint and Contingent Annuitant Annuity basis. The 50% Joint and Contingent Annuitant Annuity basis is the lifetime form reduced by 5%. The 75% Joint and Contingent Annuitant Annuity basis is the actuarial equivalent of the lifetime form.
• Actuarial Equivalence	Benefits other than lump sum payments: mortality table defined in Revenue Ruling 2001-62 with an interest rate of 7.5% per annum. Present value determinations: PPA mortality and interest rates equal to the 3-tiered minimum present value segment rates for the month of November which immediately proceeds the first day of the plan year in which the payment is made.
Miscellaneous	
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012, the limit is \$200,000.

Plan Provision Changes Since Prior Valuation

Maximum benefit amounts under IRS rules were updated from 2011 to 2012.

Schedule SB, Line 24 — Change in Actuarial Assumptions

- The expense component of normal cost decreased from \$60,801 to \$56,054 to reflect our expectations for the current plan year.
- The expected investment return was changed from 8.00% to 7.75% for 2012 to better reflect future anticipated experience.

Schedule SB, Line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											
25–29											
30–34			1								1
35–39			2								2
40–44		2	4								6
45–49		2	3		2						7
50–54		3	2		1						6
55–59		1	2	2	2		3	1			11
60–64			1		1			3			5
65–69											
70 & up											
Total		8	15	2	6		3	4			38

In each cell, the number is the count of active participants for each age/service combination.
Average pay is not shown for plans with less than 1,000 active participants.

Schedule SB, Line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2012 Installment
2008	\$	426,685	3	\$ 145,138
2009		(283,247)	4	(72,992)
2010		125,990	5	26,236
2011		218,731	6	39,224
2012		164,666	7	26,087
Total	\$	652,825		\$ 163,693

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

A: For participants with less than 30 years of service:

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	0.0%	10,000	0	0
56	0.0%	10,000	0	0
57	0.0%	10,000	0	0
58	0.0%	10,000	0	0
59	0.0%	10,000	0	0
60	0.0%	10,000	0	0
61	0.0%	10,000	0	0
62	24.6%	10,000	2,460	152,520
63	26.5%	7,540	1,998	125,880
64	29.0%	5,542	1,607	102,858
65	100.0%	3,935	3,935	225,759
Total			10,000	637,017
Average				63.70

The weighted average retirement age is the total for column E divided by the total for column D, rounded to the nearest integral age. It should be noted that while only integral values are shown in the table, the full content of each cell, including decimal portions, is used in the calculations.

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

B: For participants with at least 30 years of service:

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	15.0%	10,000	1,500	82,500
56	15.0%	8,500	1,275	71,400
57	15.0%	7,225	1,084	61,774
58	15.0%	6,141	921	53,429
59	15.0%	5,220	783	46,198
60	15.0%	4,437	666	39,933
61	15.0%	3,771	566	34,509
62	24.6%	3,206	789	48,894
63	26.5%	2,417	641	40,354
64	29.0%	1,777	515	32,974
65	100.0%	1,261	1,261	81,990
Total			10,000	593,956
Average				59.40

The weighted average retirement age is the total for column E divided by the total for column D, rounded to the nearest integral age. It should be noted that while only integral values are shown in the table, the full content of each cell, including decimal portions, is used in the calculations.

(A) Category	(B) Number of Employees	(C) Average Retirement Age (ARA)	(D) Number of employees x ARA (B) x (C)
A	31	63.7	1,974.7
B	7	59.4	415.8
Total	38		2,390.5
Average			62.91

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Assumptions****Discount rate sponsor elections**

• Segment rates or full yield curve	Segment
• Look-back months	4
• First 5 years	2.06%
• Next 15 years	5.25%
• Over 20 years	6.32%

Mortality sponsor elections

• Healthy participants	2012 PPA separate static annuitant and nonannuitant mortality tables.
• Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995
• Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits

Other economic assumptions

• Salary increases	Not applicable
• Social Security wage base	Not applicable
• Inflation	2.50% per year
• Expected investment return	8.00% per year for years 2009 through 2011. 7.75% for 2012.
• Expenses	\$56,054 (assumed to be equal to actual 2011 administrative expenses) added to current year normal cost.

Demographic assumptions

Withdrawal	50% of the SOA small plan table rates. See table of sample rates. For employees with less than three years of service on the valuation date, the incidence of withdrawal in a particular year is determined by applying a multiplier to the ultimate withdrawal rate above. The multiplier applied is based on the years of past service of the particular employee and is as follows:
------------	---

Years of Past Service	Multiplier Applied to Ultimate Withdrawal Rate
0-1	2.5
1-2	2.0
2-3	1.5

Disability incidence	The assumed incidence of disability is based on rates from the 1985 pension disability table (class 3) for males and females. 100% of participants becoming disabled are assumed to be eligible for Social Security disability benefits. See table of sample rates.
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Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Retirement age

Attained age	Percentage	
	< 30 years of service	>= 30 years of service
Under 55	0%	15%
55	0%	15%
56	0%	15%
57	0%	15%
58	0%	15%
59	0%	15%
60	0%	15%
61	0%	15%
62	24.6%	24.6%
63	26.5%	26.5%
64	29.0%	29.0%
65 and above	100%	100%

Benefit commencement age for

- Future vested deferred 62
- Current vested deferred 62

Spouse assumptions

	<u>Male participants</u>	<u>Female participants</u>
• Percentage married	85%	85%
• Spouse age difference	3 years younger	3 years older

Form of payment

	<u>Single life</u>	<u>50% J&S</u>
• Active retirements	15%	85%
• Future vested deferred	100%	0%
• Future disabilities	100%	0%
• Future deaths	0%	100%
• Current vested deferred	100%	0%

Unpredictable contingent event assumptions

Likelihood of event is de minimis.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods***Table of Sample Rates*****Withdrawal****Attained**

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	12.15%	13.20%
30	7.75%	9.75%
40	4.70%	6.05%
50	2.80%	3.65%
55	2.10%	2.80%

Actuarial Methods***Asset Methods***

The asset valuation method is an average of the adjusted market value for each month during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all participants as of the valuation date.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

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

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, Part V — Summary of Plan Provisions**Plan Provisions*****Benefits Included or Excluded***

Unless noted below, all benefits provided by the plan, as restated and amended through December 22, 2009, are included in this valuation.

- **Most recent plan amendments included:** The last amendment dated December 22, 2009 is included because it was adopted by the valuation date and is effective by the end of the plan year.
- **Plan amendments excluded:** None
- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** This valuation does not value the plan's unpredictable contingent event benefits, which are summarized herein, because the likelihood of an event is de minimis.
- **Late retirement increases:**
 - *Active participants:* There are currently no active participants over normal retirement age. 100% of active participants are assumed to retire at age 65.
 - *Deferred vested participants:* There are currently no deferred vested participants over normal retirement age.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Sections 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Part V — Summary of Plan Provisions**Summary of Major Plan Provisions**

Effective date and plan year	Original plan: November 1, 1997 Restated plan: January 1, 2008 Plan year: Calendar Year
Status of the plan	The plan is currently frozen to new entrants and plan accruals were frozen as of July 15, 2006, except for Employees covered by the Labor Agreement with the Plumbers and Pipefitters Union. Currently, no active employees are accruing benefits.
Significant events that occurred during the year	None

Definitions

• Sponsoring employer	ECKART America Corporation
• Covered employees	For all groups except the Pipefitters Union, participation was frozen as follows: <ul style="list-style-type: none"> • Steelworkers and Machinists - members hired after June 1, 2006 • Electricians - members hired after June 5, 2006
• Participation	Age 21 with 1 year of service.
• Vesting service	The total number of the calendar quarters in each of which the Employee shall have received any wages from the Company. All participants who were in a bargaining unit covered by a Labor Agreement with the Steelworkers or Machinists as of June 1, 2006 or IBEW Unions as of June 5, 2006 shall be deemed to be 100% vested in their accrued benefit as of July 15, 2006.
• Credited service	The total number of the calendar quarters in each of which the individual is in a bargaining unit covered by any Labor Agreement which incorporates the Plan by reference but does not freeze the pension accrual. Service for benefit calculation purposes shall cease as of July 15, 2006 for all Employees, except for Employees covered by the Labor Agreement with the Plumbers and Pipefitters Union.

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement			
• Eligibility	Eligible at age 65 or, if later, fifth anniversary of first day of plan year in which the Employee became a participant.		
• Benefit	The monthly benefit shall equal an amount determined by multiplying the applicable Pension Factor (as determined below) by years of credited service.		
	Pipefitters Retirement Class (Wage Grade)	All Groups Pension Factor (through 5/31/06)	Pension Factor (effective 6/1/06)
	A (1-4)	\$40.75	\$43.75
	B (5-8)	42.05	45.05
	C (9-12)	43.40	46.40
	D (13-16)	44.75	47.75
	E (17-20)	46.05	49.05
	F (21-24)	47.40	50.40
	G (25 & above)	48.75	51.75
	Regular payments are deferred for three months.		
	Benefits (multiplier and wage grade) are frozen effective July 16, 2006 for all groups except the Pipefitters Union.		
60/10 Retirement			
• Eligibility	A participant who has attained age 60 with at least 10 credited years of service is eligible.		
• Benefit	The full accrued benefit as determined above is payable at age 62, with 94% or 88% payable at ages 61 or 60, respectively.		
	Regular payments are deferred for three months.		

Schedule SB, Part V — Summary of Plan Provisions**30-Year Retirement**

- **Eligibility** A participant with at least 30 years of continuous service is eligible.
- **Benefit** The full accrued benefit as determined above is payable.
Also, a supplemental pension benefit is payable if the participant retires on or after November 1, 1997 between the ages of 55 and 62. The monthly benefit amount is based on the participant's Retirement Class/Wage Grade at retirement in accordance with the following table:

Retirement class (wage grade)	Graded minimum monthly benefit
A (1-4)	\$1,070
B (5-8)	1,100
C (9-12)	1,130
D (13-16)	1,160
E (17-20)	1,190
F (21-24)	1,220
G (25 & above)	1,250

This additional benefit supplement is determined by subtracting the monthly amount of the full Basic Benefit from the applicable graded minimum monthly benefit amount as shown in the above table. The supplemental amount payable in a calendar year is reduced by one-half of any earned income over \$10,000 received for the year.

For all groups except the Pipefitters, the wage grade is frozen as of July 16, 2006. Furthermore, the Graded Minimum Monthly Benefit in the table will be subject to a pro rata reduction based on service accrued as of July 16, 2006 divided by 30.

At age 62, the additional benefit supplement stops. Thereafter, the monthly pension is equal to the Basic Benefit. Regular payments are deferred for three months.

Rule of 70/80 Retirement

Any participant who has not attained age 62 and who has at least 10 years of continuous service and (a) has attained age 55, and his combined age plus years of continuous service shall equal at least 70, or (b) whose combined age plus years of continuous service equals at least 80, is eligible if his service is broken because of layoff, physical disability, or shutdown of the plant.

The full accrued benefit, along with a \$400 monthly supplement, is payable until the participant attains age 62. Upon attainment of age 62 (or eligibility for Social Security disability benefits, if earlier), the \$400 monthly supplement stops and only the regular pension is payable.

Regular payments are deferred for three months.

Schedule SB, Part V — Summary of Plan Provisions

Rule of 65 Retirement	<p>Any participant who has not attained age 55 but who has completed at least 20 years of continuous service and whose age plus years of continuous service equals at least 65 is eligible if his service is broken because of a layoff or physical disability.</p> <p>The full accrued benefit, along with a \$400 monthly supplement, is payable until the participant attains age 62 (or until eligible for Social Security disability benefits, if earlier). The \$400 monthly supplement is reduced if the participant has earned income over \$5,500 per year. Upon attainment of age 62, the supplement stops and only the regular pension is payable.</p> <p>Regular payments are deferred for three months.</p>
55/10 Special Pension	<p>A participant with at least 10 but less than 30 years of service and age 55 but less than age 62 is eligible if the participant is laid off due to permanent shutdown of the plant or is off for 3 years due to layoff or illness. The full basic benefit is payable.</p> <p>Regular payments are deferred for three months.</p>
Deferred vested	
• Eligibility	Eligible after five years of continuous service.
• Benefit	The full basic benefit is payable at age 62. Benefits can begin as early as age 60, reduced by 1/2 of 1% for each month payments are made prior to age 62.
Disability	
• Eligibility	Any employee who is permanently incapacitated after 10 years of continuous service is eligible.
• Benefit	<p>The full basic benefit is payable immediately (to a minimum of \$400 per month), plus \$400 per month. The \$400 is payable until age 62 or, if earlier, when the participant becomes eligible for Social Security disability payments. Payments begin five months after the onset of disability.</p> <p>The \$400 minimum benefit is subject to a pro rata reduction based on the service earned as of July 16, 2006, divided by the total eligibility service (including service after July 16, 2006) at the date of disability retirement.</p>
Special Payment	<p>A participant who is, or would have been, entitled to receive a vacation in the year of retirement is eligible. The special payment is not applicable in the case of permanent disability or a deferred vested termination.</p> <p>The amount of this one-time payment equals ten weeks of vacation pay plus the number of weeks of unused vacation as of July 16, 2006. The value is determined based on the hourly rate as of July 16, 2006. For Pipefitters only, this calculation is based on the unused vacation and payrate as of retirement.</p> <p>This lump sum payment is in lieu of the regular pension for the first three months of retirement.</p>

Schedule SB, Part V — Summary of Plan Provisions

Surviving Spouse Coverage	<p>Upon the death of any actively employed participant who had been married for one year and had completed five years of continuous service, the surviving spouse will be eligible for a benefit.</p> <p>The surviving spouse receives 50% of the full basic benefit, without any reduction for being under age 62. In addition, if the participant dies while actively employed, was between the ages of 55 and 62 at the time of death, and had at least 30 years of service at the time of death, the surviving spouse will receive 50% of the 30-year retirement supplemental benefit.</p> <p>The benefit is payable immediately.</p>
UCEBs	<p>55/40 Retirement Eligibility:</p> <p>Participants who have at least forty (40) calendar quarters, but less than one hundred twenty (120) calendar quarters of Eligibility Service and have attained the age of 55 years, but have not attained age 62, and go on layoff due to Plant Shutdown or have been on layoff for 3 continuous years, may retire with an unreduced benefit, with service granted through date of retirement.</p> <p>Special Early Retirement Eligibility:</p> <p>Participants who have at least forty (40) calendar quarters of Eligibility Service and have not attained age 62, and (1) shall have attained the age of 55 years and whose age multiplied by four, added to the Employee's quarters of service, shall equal 280 or more; or (2) whose age multiplied by four, added to the Employee's quarters of service, shall equal 320 or more; and who have been absent from work for a period of less than two (2) years by reason of a displacement from his or her department resulting from a permanent shutdown of a plant, department or substantial portion thereof, shall be eligible to retire immediately, but based only on service to date of retirement.</p> <p>Rule of 65 Retirement Eligibility:</p> <p>A Participant who completes 20 years of Pension Service and has a combined age and Pension Service equal to 65 or more, and</p> <p>(A) has been absent from work for two (2) years by reason of layoff, sickness or accident and the Company has failed to offer the Employee suitable long-term employment; or</p> <p>(B) has been absent from work for less than two (2) years due to a layoff resulting from an energy related shutdown of a plant, department or substantial portion thereof and the Company has failed to offer the Employee suitable long-term employment, shall be eligible to retire immediately.</p>
Coordination with the Reynolds Plan	<p>All benefits set forth above will be reduced by the amounts payable from the Reynolds Metals Company Pension Plan for Hourly Employees.</p>

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
• Automatic form for unmarried participants	Unless otherwise elected, any benefit payable under the Plan shall be paid on a straight-life basis.
• Automatic form for married participants	Unless otherwise elected, any benefit payable under the Plan shall be paid on a 50% Joint and Contingent Annuitant Annuity basis.
• Optional forms	An employee commencing benefits may elect to have his lifetime benefit payable on a 50% or 75% Joint and Contingent Annuitant Annuity basis. The 50% Joint and Contingent Annuitant Annuity basis is the lifetime form reduced by 5%. The 75% Joint and Contingent Annuitant Annuity basis is the actuarial equivalent of the lifetime form.
• Actuarial Equivalence	Benefits other than lump sum payments: mortality table defined in Revenue Ruling 2001-62 with an interest rate of 7.5% per annum. Present value determinations: PPA mortality and interest rates equal to the 3-tiered minimum present value segment rates for the month of November which immediately proceeds the first day of the plan year in which the payment is made.
Miscellaneous	
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012, the limit is \$200,000.

Plan Provision Changes Since Prior Valuation

Maximum benefit amounts under IRS rules were updated from 2011 to 2012.

Schedule SB, Line 24 — Change in Actuarial Assumptions

- The expense component of normal cost decreased from \$60,801 to \$56,054 to reflect our expectations for the current plan year.
- The expected investment return was changed from 8.00% to 7.75% for 2012 to better reflect future anticipated experience.

Schedule SB, Line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											
25–29											
30–34			1								1
35–39			2								2
40–44		2	4								6
45–49		2	3		2						7
50–54		3	2		1						6
55–59		1	2	2	2		3	1			11
60–64			1		1			3			5
65–69											
70 & up											
Total		8	15	2	6		3	4			38

In each cell, the number is the count of active participants for each age/service combination. Average pay is not shown for plans with less than 1,000 active participants.

Schedule SB, Line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases					
Year established		Outstanding balance	Years remaining	2012 Installment	
2008	\$	426,685	3	\$	145,138
2009		(283,247)	4		(72,992)
2010		125,990	5		26,236
2011		218,731	6		39,224
2012		164,666	7		26,087
Total	\$	652,825		\$	163,693