# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

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:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

**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** If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

**D** Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
FILTRONA POROUS TECHNOLOGIES CORP. PENSION PLAN FOR HOURLY EMPLOYEES

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 01/01/1969

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

FILTRONA POROUS TECHNOLOGIES CORP.

1625 ASHTON PARK
COLONIAL HEIGHTS, VA 23834-0000

**2b** Employer Identification Number (EIN) 27-3138356

**2c** Sponsor's telephone number 804-524-4983

**2d** Business code (see instructions) 326100

**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 accompanying schedules, statements and attachments, 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. | 10/11/2013 | CYNTHIA M. KELLEY |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/11/2013 | JACK NASHETTE |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

| | | |
|---|---|---|
| **3a** Plan administrator's name and address [X] 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: | **4b** EIN | |
| **a** Sponsor's name | **4c** PN | |

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 414 |
| **6** | Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**). | | |
| **a** | Active participants | **6a** | 99 |
| **b** | Retired or separated participants receiving benefits | **6b** | 158 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 141 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 398 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 10 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 408 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics 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 Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [ ] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [ ] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | [X] | **R** (Retirement Plan Information) |
| **(2)** | [ ] | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | [X] | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | |
|---|---|---|
| **(1)** | [X] | **H** (Financial Information) |
| **(2)** | [ ] | **I** (Financial Information – Small Plan) |
| **(3)** | [ ] | **A** (Insurance Information) |
| **(4)** | [X] | **C** (Service Provider Information) |
| **(5)** | [X] | **D** (DFE/Participating Plan Information) |
| **(6)** | [ ] | **G** (Financial Transaction Schedules) |

# 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
FILTRONA POROUS TECHNOLOGIES CORP. PENSION PLAN FOR HOURLY EMPLOYEES

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
FILTRONA POROUS TECHNOLOGIES CORP.

**D** Employer Identification Number (EIN)
27-3138356

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

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

## Part I Basic Information

| | | | | |
|---|---|---|---|---|
| 1 | Enter the valuation date: Month 01 Day 01 Year 2012 | | | |
| 2 | Assets: | | | |
| | a Market value | 2a | | 21566608 |
| | b Actuarial value | 2b | | 21970101 |
| 3 | Funding target/participant count breakdown: | | (1) Number of participants | (2) Funding Target |
| | a For retired participants and beneficiaries receiving payment | 3a | 163 | 16205959 |
| | b For terminated vested participants | 3b | 140 | 2405149 |
| | c For active participants: | | | |
| | (1) Non-vested benefits | 3c(1) | | 261957 |
| | (2) Vested benefits | 3c(2) | | 6101313 |
| | (3) Total active | 3c(3) | 111 | 6363270 |
| | d Total | 3d | 414 | 24974378 |
| 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 | | 7.02 % |
| 6 | Target normal cost | 6 | | 383645 |

**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**

| | |
|---|---|
| | 10/03/2013 |
| Signature of actuary | Date |
| MARGARET C. SONDUCK | 11-07439 |
| Type or print name of actuary | Most recent enrollment number |
| HEWITT ASSOCIATES LLC | 202-429-8554 |
| Firm name | Telephone number (including area code) |
| 1120 20TH STREET, NW<br>SUITE 600<br>WASHINGTON, DC 20036 | |
| 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) | 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 1.29% | | |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 915 |
| | b Interest on (a) using prior year's effective interest rate of 6.27% except as otherwise provided (see instructions) | | 57 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 972 |
| | 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 | 87.97 % |
| 15 | Adjusted funding target attainment percentage | 15 | 87.97 % |
| 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 | 75.21 % |
| 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 |
|---|---|---|---|---|---|
| 04/10/2012 | 456000 | | | | |
| 07/10/2012 | 456000 | | | | |
| 10/09/2012 | 456000 | | | | |
| 04/10/2013 | 663000 | | | | |
| 07/09/2013 | 553000 | | | | |
| 09/10/2013 | 552000 | | | | |
| | | | Totals ► 18(b) | 3136000 | 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 | 2919969 |

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? [X] 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: | 2nd segment: | 3rd segment: | |
|---|---|---|---|
| 5.54% | 6.85% | 7.52 % | ☐ 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** | 383645 |
| **b** Excess assets, if applicable, but not greater than line 31a | **31b** | 0 |

**32** Amortization installments:

| | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 3004277 | 1033818 |
| **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** | 1417463 |

| | 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** | 1417463 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | **37** | 2919969 |

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

| | | |
|---|---|---|
| **a** Total (excess, if any, of line 37 over line 36) | **38a** | 1502506 |
| **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 C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2012**<br>**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

**A** Name of plan
FILTRONA POROUS TECHNOLOGIES CORP. PENSION PLAN FOR HOURLY EMPLOYEES

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
FILTRONA POROUS TECHNOLOGIES CORP.

**D** Employer Identification Number (EIN)
27-3138356

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

MORGAN STANLEY SMITH BARNEY HLD LLC

26-4310632

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 26 50 | INVESTMENT ADV | 0 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

FIRST STATE TRUST COMPANY

13-3124172

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 21 50 | TRUSTEE | 125032 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

HEWITT ASSOCIATES LLC

1120 20TH STREET, NW
SUITE 600
WASHINGTON, DC 20036

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 11 | SERVICE PROVIDER | 35264 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

**a** Name: CHRISTOPHER E. FLOHR

**b** EIN: 27-3138356

**c** Position: ENROLLED ACTUARY

**d** Address: 1120 20TH STREET, NW
SUITE 600
WASHINGTON, DC 20036

**e** Telephone: 202-223-0673

Explanation: AS A RESULT OF AN INTERNAL CHANGE IN ASSIGNMENTS AT AON HEWITT, THE ENROLLED ACTUARY HAS CHANGED FROM CHRISTOPHER E. FLOHR (11-06359) TO MARGARET C. SONDUCK (11-07439).

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

# DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

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

**A** Name of plan
FILTRONA POROUS TECHNOLOGIES CORP. PENSION PLAN FOR HOURLY EMPLOYEES

**B** Three-digit plan number (PN) ▶ 002

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
FILTRONA POROUS TECHNOLOGIES CORP.

**D** Employer Identification Number (EIN)
27-3138356

## Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: BOND INDEX FUND

**b** Name of sponsor of entity listed in (a): FIRST STATE TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 13-3124172-012 | C | 5186674 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: EMERGING MARKETS INDEX FUND

**b** Name of sponsor of entity listed in (a): FIRST STATE TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 13-3124172-000 | C | 1498569 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: EQUITY INDEX FUND

**b** Name of sponsor of entity listed in (a): FIRST STATE TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 13-3124172-007 | C | 5850723 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: INTERNATIONAL INDEX FUND

**b** Name of sponsor of entity listed in (a): FIRST STATE TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 13-3124172-009 | C | 1252708 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP EQUITY INDEX

**b** Name of sponsor of entity listed in (a): FIRST STATE TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 13-3124172-023 | C | 1226175 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP INDEX FUND

**b** Name of sponsor of entity listed in (a): FIRST STATE TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 13-3124172-010 | C | 1673665 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

## Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

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

**A** Name of plan
FILTRONA POROUS TECHNOLOGIES CORP. PENSION PLAN FOR HOURLY EMPLOYEES

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
FILTRONA POROUS TECHNOLOGIES CORP.

**D** Employer Identification Number (EIN)
27-3138356

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 688000 | 1768000 |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 421375 | 109025 |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | 0 | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | | |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 14687225 | 16688515 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 5782133 | 6474726 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | | |
| **(2)** Employer real property | 1d(2) | | |
| **e** Buildings and other property used in plan operation | 1e | | |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 21578733 | 25040266 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | 29725 | |
| **h** Operating payables | 1h | | |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | 116166 |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 29725 | 116166 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 21549008 | 24924100 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| Income | | (a) Amount | (b) Total |
|---|---|---|---|
| **a Contributions:** | | | |
| **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 3136000 | |
| **(B)** Participants | 2a(1)(B) | | |
| **(C)** Others (including rollovers) | 2a(1)(C) | | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 3136000 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 40 | |
| **(B)** U.S. Government securities | 2b(1)(B) | | |
| **(C)** Corporate debt instruments | 2b(1)(C) | | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| **(E)** Participant loans | 2b(1)(E) | | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 40 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| **(B)** Common stock | 2b(2)(B) | | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 220356 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 220356 |
| **(3)** Rents | 2b(3) | | |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 6935413 | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 6770131 | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 165282 |
| **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| **(B)** Other | 2b(5)(B) | | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 1751307 |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 127757 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 5400742 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 1778912 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 1778912 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: **(1)** Professional fees | 2i(1) | 246738 | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 246738 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 2025650 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 3375092 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: KEITER **(2)** EIN: 54-1631262

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

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? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 5000000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| g | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| h | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| i | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| j | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | X | | |
| k | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ **Yes** ☒ **No** **Amount:**

**5b** 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.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |

## Part V Trust Information (optional)

| **6a** Name of trust | **6b** Trust's EIN |
|---|---|
| | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

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

**A** Name of plan
FILTRONA POROUS TECHNOLOGIES CORP. PENSION PLAN FOR HOURLY EMPLOYEES

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
FILTRONA POROUS TECHNOLOGIES CORP.

**D** Employer Identification Number (EIN)
27-3138356

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... 1 | 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): _____ _____

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. ..... 3 | 0

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ Yes ☐ No ☒ N/A

**If the plan is a defined benefit plan, go to line 8.**

5 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 ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... 6a

b Enter the amount contributed by the employer to the plan for this plan year ..... 6b

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... 6c

**If you completed line 6c, skip lines 8 and 9.**

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ Yes ☐ No ☐ N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ Yes ☐ No ☒ N/A

## Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ Increase ☐ Decrease ☒ Both ☐ No

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ Yes ☐ No

11 a Does the ESOP hold any preferred stock? ..... ☐ Yes ☐ No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ Yes ☐ No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ Yes ☐ No

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | | |
|---|---|---|---|
| **a** | The current year | **14a** | |
| **b** | The plan year immediately preceding the current plan year | **14b** | |
| **c** | The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | | |
|---|---|---|---|
| **a** | The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** | The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | | |
|---|---|---|---|
| **a** | Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** | If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

# FILTRONA POROUS TECHNOLOGIES CORP
# PENSION PLAN FOR HOURLY EMPLOYEES

## Financial Statements

**December 31, 2012 and 2011**

Keiter
Your Opportunity Advisors

Certified Public
Accountants & Consultants
4401 Dominion Boulevard, 2nd Floor
Glen Allen, VA 23060

www.keitercpa.com

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**

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Keiter
Your Opportunity Advisors

## REPORT OF INDEPENDENT ACCOUNTANTS

To the Plan Administrator of the
Filtrona Porous Technologies Corp Pension Plan for Hourly Employees
Colonial Heights, Virginia

### Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Filtrona Porous Technologies Corp Pension Plan for Hourly Employees (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 11, which was certified by First State Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee of the plan holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee of the Plan as of December 31, 2012 and 2011 and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Certified Public
Accountants & Consultants
4401 Dominion Boulevard, 2nd Floor
Glen Allen, VA 23060
T:804.747.0000 F:804.747.3632

www.keitercpa.com

**Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

**Other Matter**

The supplemental schedules, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) and Schedule H, Line 4j – Schedule of Reportable Transactions as of and for the year ended December 31, 2012, are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

October 10, 2013
Glen Allen, Virginia

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**

Statements of Net Assets Available for Benefits
December 31, 2012 and 2011

| Assets | 2012 | 2011 |
|---|---|---|
| Investments, at fair value | $ 23,272,266 | $ 20,890,733 |
| Contributions receivable: | | |
| Employer | 1,768,000 | 688,000 |
| Total assets | 25,040,266 | 21,578,733 |
| Liabilities and Net Assets Available for Benefits | | |
| Accrued expenses | 116,166 | 29,725 |
| Net assets available for benefits | $ 24,924,100 | $ 21,549,008 |

See accompanying notes to financial statements.

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**

Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2012 and 2011

| | 2012 | 2011 |
|---|---|---|
| Additions to net assets attributed to: | | |
| Investment income: | | |
| Interest and dividends | $ 220,396 | $ 164,655 |
| Net appreciation in fair value of investments | 2,044,346 | 210,354 |
| Total investment income | 2,264,742 | 375,009 |
| Employer contributions | 3,136,000 | 1,912,000 |
| Total additions | 5,400,742 | 2,287,009 |
| Deductions from net assets attributed to: | | |
| Benefits paid to participants or beneficiaries | 1,778,912 | 1,717,743 |
| Administrative expenses | 246,738 | 237,764 |
| Total deductions | 2,025,650 | 1,955,507 |
| Net increase | 3,375,092 | 331,502 |
| Net assets available for benefits: | | |
| Beginning of year | 21,549,008 | 21,217,506 |
| End of year | $ 24,924,100 | $ 21,549,008 |

See accompanying notes to financial statements.

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**

Notes to Financial Statements

## 1. Description of Plan:

The following description of the Filtrona Porous Technologies Corp Pension Plan for Hourly Employees (the "Plan") provides only general information. Participants should refer to the Plan agreement or summary plan description for a more complete description of the Plan's provisions. Effective January 1, 2011, the Plan, formally named Filtrona Richmond, Inc. Pension Plan for Hourly Employees, was renamed the Filtrona Porous Technologies Corp Pension Plan for Hourly Employees.

**General:** The Plan is a defined benefit pension plan covering those employees of Filtrona Porous Technologies Corp (the "Company") who meet the eligibility requirements as stated in the Plan. Effective June 1, 2007 the Plan was closed to new entrants. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

**Pension Benefits:** Hourly employees working under a union contract, with five or more years of service as defined by the Plan, are entitled to annual pension benefits beginning at normal retirement age (65), equal to the monthly benefit multiplier multiplied by the years of credited service. Credited service is the uninterrupted service from the most recent hire date to the day the employee leaves the employer. The Plan permits early retirement from ages 55 to 64 for employees who have completed ten years of service. Participants can elect to receive their benefits in one of four options: a single, lump-sum distribution if the participant's accrued pension benefit is $5,000 or less; annuity payments over the lifetime of the participant; annuity payments over the lifetime of the participant and one or more designated beneficiaries; annuity payments over a certain period not extending beyond the joint life and last survivor expectancy of the participant and one or more designated beneficiaries.

**Death Benefits:** If a participant dies prior to termination of employment but after completing five years of vesting service, the surviving spouse of the deceased participant shall be entitled to a death benefit in the form of survivor's pension benefit. If the participant dies prior to becoming eligible for an early retirement pension benefit, the amount of the survivor's pension benefit shall be equal to fifty percent of the participant's deferred vested retirement pension benefit as of the date of death, reduced for early retirement to the earliest retirement age and reduced for election of a joint and fifty percent of the contingent survivor option in favor of the spouse at the earliest retirement age.

**Disability Benefits:** If a participant becomes disabled prior to the normal retirement date but after completing five years of vesting service, the participant shall be entitled to a retirement pension benefit equal to seven-eighths of a normal retirement benefit based on credited years of service following the expiration of six months after disability arises. Disability benefits continue until the participant reaches age 65, at which point the participant would receive their normal retirement benefit.

## 2. Summary of Significant Accounting Policies:

The following are the significant accounting policies followed by the Plan:

**Basis of Accounting:** The financial statements of the Plan are prepared under the accrual basis of accounting.

**Investment Valuation and Income Recognition:** As further discussed in Note 7, the Plan records investments at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

**Payment of Benefits:** Benefits are recorded when paid.

**Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of Plan assets available for benefits and changes therein and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates. The Plan uses an actuary to determine the actuarial present value of accumulated plan benefits. Changes in the actuarial assumptions used could significantly change the amount of the actuarial present value of accumulated plan benefits reported in the accompanying financial statements.

**Method of Funding:** For 2012 and 2011, the actuarial cost method used in the valuation by the Plan's actuary is the Standard Unit Credit method of funding.

**Subsequent Events:** Management has evaluated subsequent events through October 10, 2013, the date the financial statements were available to be issued, and has determined that there are no subsequent events to be reported in the accompanying financial statements.

## 3. Contributions:

The Company's funding policy is designed to fund the Plan's normal costs on a current basis and to fund, over a period not in excess of 30 years, the unfunded past service liability, such that all participants' benefits will be fully provided for by the time they retire. The Company's contributions of $3,136,000 for 2012 and $1,912,000 for 2011, meet the minimum funding requirements of ERISA.

## 4. Plan Termination:

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

a. Annuity benefits for former participants or their beneficiaries who have been receiving for at least three years, or those participants eligible to retire for that three-year period who would have been receiving benefits if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is further limited to the lowest benefit that would be payable under the provisions in effect at any time during the five years preceding Plan termination.

b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (the "PBGC"), a U.S. governmental agency, up to the applicable limitations (discussed below).

c. All other vested benefits (that is, vested benefits not insured by the PBGC).

d. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan would be guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2012 and 2011, that ceiling, which is adjusted periodically, was $4,653 and $4,500 per month, respectively. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

**4. Plan Termination, Continued:**

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and level of benefits guaranteed by the PBGC.

**5. Actuarial Present Value of Accumulated Plan Benefits:**

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service participants have rendered. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated participants or their beneficiaries, (b) beneficiaries of participants who have died, and (c) present participants or their beneficiaries. The accumulated plan benefits for participants are based on demographic assumptions and an assumed interest rate. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to participant service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an actuary from Aon Hewitt and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts of interest) and the probability of payment (by means of decrements such as for death, disability, termination, or retirement) between the valuation date and the expected date of payment. Projected years of service are used only to determine eligibility for a benefit in the future. Valuation results are based on the ultimate monthly benefit multiplier of $49 per year of service.

In accordance with ASC 960, the Company has chosen to present the actuarial present value of accumulated plan benefits and assumptions as of the beginning of the plan years, January 1.

Significant actuarial assumptions used in the valuations as of January 1, 2012 and 2011 were:

Assumed rate of return on investments: 6.57% compounded annually for 2012 and 6.76% for 2011.

Discount rate: 7.10% for the present value of accumulated benefits in 2012 and 7.80% for 2011.

Mortality: For 2012 and 2011, the Static Mortality Table Blended for Annuitants and Non-Annuitants.

**5. Actuarial Present Value of Accumulated Plan Benefits, Continued:**

Disabled mortality: For 2012 and 2011, the Static Mortality Table Blended for Annuitants and Non-Annuitants.

Surviving spouse benefit: It is assumed that 100% of males and 100% of females for 2012 and that 80% of males and 50% of females for 2011 have an eligible spouse, and that males are three years older than their spouses.

Retirement: Annual retirement rates are according to the following table:

| Age | Annual Retirement Rate |
|---|---|
| 55-57 | 2% |
| 58 | 3% |
| 59 | 4% |
| 60-61 | 9% |
| 62 | 25% |
| 63-64 | 12% |
| 65+ | 100% |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The accumulated plan benefits information as of January 1, 2012 and 2011 are as follows:

| | 2012 | 2011 |
|---|---|---|
| Actuarial present value of accumulated plan benefits: | | |
| Vested benefits: | | |
| Participants currently receiving payments | $ 15,856,479 | $ 15,442,312 |
| Vested terminations and transfers | 2,518,841 | 2,109,082 |
| Other participants | 6,152,406 | 4,992,666 |
| | 24,527,726 | 22,544,060 |
| Nonvested benefits | 250,423 | 209,515 |
| Total actuarial present value of accumulated plan benefits | $ 24,778,149 | $ 22,753,575 |

**5. Actuarial Present Value of Accumulated Plan Benefits, Continued:**

The change in the actuarial present value of accumulated plan benefits for the years ended January 1, 2012 and 2011 consists of the following:

| | 2012 | 2011 |
|---|---|---|
| Actuarial present value of accumulated plan benefits, January 1, 2011 and 2010 | $ 22,753,575 | $ 22,490,102 |
| Increase (decrease) during the year attributable to: | | |
| Change in assumptions | 1,721,166 | 37,900 |
| Interest due to the decrease in the discount period | 1,708,998 | 1,687,888 |
| Benefits paid | (1,718,955) | (1,733,564) |
| Other | 313,365 | 271,249 |
| Net increase | 2,024,574 | 263,473 |
| Actuarial present value of accumulated plan benefits, January 1, 2012 and 2011 | $ 24,778,149 | $ 22,753,575 |

**6. Investments:**

Investments that represent 5% or more of the Plan's net assets at December 31 are as follows:

| | 2012 | 2011 |
|---|---|---|
| Ishares Corporate Bond Fund | $ 1,895,690 | $ 1,647,722 |
| First State Trust Company Bond Index Fund | 5,186,674 | 3,834,598 |
| First State Trust Company Equity Index Fund | 5,850,723 | 5,496,528 |
| First State Trust Company Emerging Markets Index | 1,498,569 | 1,215,962 |
| First State Trust Company Mid-Cap Equity Index | 1,226,175 | 1,125,970 |
| First State Trust Company International Index Fund | 1,252,708 | - * |
| First State Trust Company Small Cap Index Fund | 1,673,665 | 1,583,949 |
| Alerian MLP Fund | - * | 1,080,001 |

* Represents less than 5% of Plan assets at December 31.

**6. Investments, Continued:**

The Plan's investments appreciated (depreciated) in fair value as follows:

| | 2012 | 2011 |
|---|---|---|
| Mutual funds | $ 147,726 | $ 361,957 |
| Common/collective trust funds | 1,896,620 | (151,603) |
| Net appreciation in fair value of investments | $ 2,044,346 | $ 210,354 |

**7. Fair Value Measurements:**

The Financial Accounting Standards Board ("FASB") has issued guidance for measurement and disclosure of fair value and establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 — Quoted prices for similar instruments in active and inactive markets; and model driven valuations with significant inputs and drivers derived from observable active markets.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for investments carried or disclosed at fair value:

***Money market funds:*** Valued at cost, which approximates fair value.

***Mutual funds:*** Valued at the net asset value ("NAV") of shares held by the Plan at year end.

***Common/collective trusts:*** Unit value calculated based on the net assets or observable NAV of the underlying pool of securities or investments.

As of December 31, 2012 and 2011, the funds have no unfunded commitments and can be redeemed immediately upon notice with no other redemption restrictions.

**7. Fair Value Measurements, Continued:**

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Certain prior year investment fair values have been reclassified between Level 1 and Level 2 to conform to the current year presentation.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2012:

| | Assets at Fair Value | | |
|---|---|---|---|
| | Level 1 | Level 2 | Total |
| Assets: | | | |
| Money market funds | $ - | $ 109,026 | $ 109,026 |
| Mutual funds: | | | |
| Fixed income funds | - | 3,075,192 | 3,075,192 |
| Blend funds | 1,147,786 | - | 1,147,786 |
| Growth funds | 2,251,748 | - | 2,251,748 |
| Common/collective trust funds: | | | |
| Fixed income funds | - | 5,186,674 | 5,186,674 |
| Blend funds | - | 1,498,569 | 1,498,569 |
| Index funds | - | 10,003,271 | 10,003,271 |
| Total assets at fair value | $ 3,399,534 | $ 19,872,732 | $ 23,272,266 |

**7. Fair Value Measurements, Continued:**

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011:

| | Assets at Fair Value | | |
|---|---|---|---|
| | Level 1 | Level 2 | Total |
| Assets: | | | |
| Money market funds | $ - | $ 421,374 | $ 421,374 |
| Mutual funds: | | | |
| Fixed income funds | - | 2,663,741 | 2,663,741 |
| Blend funds | 1,075,838 | - | 1,075,838 |
| Growth funds | 2,042,554 | - | 2,042,554 |
| Common/collective trust funds: | | | |
| Fixed income funds | - | 4,209,790 | 4,209,790 |
| Blend funds | - | 1,215,962 | 1,215,962 |
| Index funds | - | 9,261,474 | 9,261,474 |
| Total assets at fair value | $ 3,118,392 | $ 17,772,341 | $ 20,890,733 |

**8. Related Party Transactions:**

At December 31, 2012 and 2011, several Plan investments are shares of common collective trust funds managed by affiliates of First State Trust Company, the trustee of the Plan, and therefore are considered to be party-in-interest transactions for which statutory exemption exists under the Department of Labor Regulations. Fees paid by the Plan to the trustee amounted to $29,551 for 2012 and $116,713 for 2011.

**9. Income Tax Status:**

The Internal Revenue Service has determined and informed the Company by a letter dated November 9, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter; however, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Management has evaluated the effects of accounting guidance related to uncertain income tax positions and has concluded that the Plan had no significant financial statement exposure to uncertain income tax positions at December 31, 2012 and 2011.

## 10. Risks and Uncertainties:

The Plan provides for investment in various investment securities. Investments are exposed to various risks such as interest rates, market and credit. Due to the level of risk associated with certain investment securities, and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks could materially affect participants' account balances and the amounts reported in the financial statements.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and participant demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

## 11. Financial Information Certified by the Trustee:

Information regarding the following, as of and for the years ended December 31, 2012 and 2011, included in the Plan's financial statements and supplemental schedules, was prepared by First State Trust Company, the trustee of the Plan, which has certified that it is complete and accurate:

- Investments, at fair value
- Investment income
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

# SUPPLEMENTAL INFORMATION

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**
**EIN: 27-3138356 Plan: 002**

Schedule H, Line 4i — Schedule of Assets (Held at End of Year)
December 31, 2012

| (a) | (b) Identity of issuer, borrower, lessor or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | First State Trust Company - Money Market Fund | Money market fund | $ 109,026 | $ 109,026 |
| | Barclays TIPS Bond Fund | Mutual fund | 1,057,386 | 1,179,502 |
| | SPDR Gold Trust Mutual Fund | Mutual fund | 855,003 | 1,108,436 |
| | Alerian MLP Fund | Mutual fund | 1,117,641 | 1,143,312 |
| | Ishares Corporate Bond Fund | Mutual fund | 1,753,386 | 1,895,690 |
| | Utilities Select Sector Fund | Mutual fund | 1,104,812 | 1,147,786 |
| * | First State Trust Company - Bond Index Fund | Common/collective trust fund | 4,624,929 | 5,186,674 |
| * | First State Trust Company - Equity Index Fund | Common/collective trust fund | 4,235,756 | 5,850,723 |
| * | First State Trust Company - Emerging Markets Index | Common/collective trust fund | 1,267,394 | 1,498,569 |
| * | First State Trust Company - Mid-Cap Equity Index Fund | Common/collective trust fund | 919,961 | 1,226,175 |
| * | First State Trust Company - International Index Fund | Common/collective trust fund | 1,087,140 | 1,252,708 |
| * | First State Trust Company - Small Cap Index Fund | Common/collective trust fund | 1,205,093 | 1,673,665 |
| | | | $ 19,337,527 | $ 23,272,266 |

* Indicates a party-in-interest to the Plan.

See report of independent accountants.

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**
**EIN: 27-3138356 Plan: 002**

Schedule H, Line 4j — Schedule of Reportable Transactions
For the Year Ended December 31, 2012

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
|---|---|---|---|---|---|---|---|---|---|
| | Identity of party involved | Description of securities | Purchase price | Selling price | Lease rental | Expense incurred with transaction | Cost of asset | Current value of asset on transaction date | Net gain or (loss) |
| | Northern Institutional Diversified Assets | Money Market | $ 2,553,171 | N/A | N/A | N/A | $ 2,553,171 | $2,553,171 | N/A |
| | Northern Institutional Diversified Assets | Money Market | N/A | $2,572,439 | N/A | N/A | $ 2,572,439 | $2,572,439 | $ - |
| * | First State Trust Company - Money Market Fund | Money Market | N/A | $1,418,212 | N/A | N/A | $ 1,418,212 | $1,418,212 | $ - |
| * | First State Trust Company - Bond Index Fund | Common/ collective trust | $ 1,407,129 | N/A | N/A | N/A | $ 1,407,129 | $1,407,129 | N/A |

* Indicates a party-in-interest to the Plan.

See report of independent accountants.

# 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

Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees

**B** Three-digit plan number (PN) ▶ 002

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

Filtrona Porous Techologies Corp.

**D** Employer Identification Number (EIN)

27-3138356

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

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

## Part I Basic Information

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

**2** Assets:

| | | |
|---|---|---|
| **a** Market value | 2a | 21,566,608 |
| **b** Actuarial value | 2b | 21,970,101 |

**3** Funding target/participant count breakdown:

| | | (1) Number of participants | (2) Funding Target |
|---|---|---|---|
| **a** For retired participants and beneficiaries receiving payment | 3a | 163 | 16,205,959 |
| **b** For terminated vested participants | 3b | 140 | 2,405,149 |
| **c** For active participants: | | | |
| (1) Non-vested benefits | 3c(1) | | 261,957 |
| (2) Vested benefits | 3c(2) | | 6,101,313 |
| (3) Total active | 3c(3) | 111 | 6,363,270 |
| **d** Total | 3d | 414 | 24,974,378 |

**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 | 7.02 % |
| **6** Target normal cost | 6 | 383,645 |

**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** Margaret C. Sonduck MSA — Signature of actuary — 10/03/2013 — Date

Margaret C. Sonduck — Type or print name of actuary — 11-07439 — Most recent enrollment number

Hewitt Associates LLC — Firm name — (202) 429-8554 — Telephone number (including area code)

1120 20th Street, NW
Suite 600
Washington DC 20036
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) | 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 1.29 % | | |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 915 |
| | b Interest on (a) using prior year's effective interest rate of 6.27 % except as otherwise provided (see instructions) | | 57 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 972 |
| | 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 | 87.97 % |
| 15 | Adjusted funding target attainment percentage | 15 | 87.97 % |
| 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 | 75.21 % |
| 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 |
|---|---|---|---|---|---|
| 04/10/2012 | 456,000 | | | | |
| 07/10/2012 | 456,000 | | | | |
| 10/09/2012 | 456,000 | | | | |
| 04/10/2013 | 663,000 | | | | |
| 07/09/2013 | 553,000 | | | | |
| 09/10/2013 | 552,000 | | | | |
| | | | Totals ▶ 18(b) | 3,136,000 | 18(c) 0 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| | a Contributions allocated toward unpaid minimum required contributions from prior years. | 19a | 0 |
| | b Contributions made to avoid restrictions adjusted to valuation date | 19b | 0 |
| | c Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 2,919,969 |

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? [X] 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 | 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 | 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 | 383,645 |
| **b** Excess assets, if applicable, but not greater than line 31a | 31b | 0 |

| **32** Amortization installments: | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 3,004,277 | 1,033,818 |
| **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 | 1,417,463 |

| | 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 | 1,417,463 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | 37 | 2,919,969 |
| **38** Present value of excess contributions for current year (see instructions) | | |
| **a** Total (excess, if any, of line 37 over line 36) | 38a | 1,502,506 |
| **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 Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2012

| Date | Amount | Interest Rate | Days to Discount to 1/1/2012 | Interest Adjusted Contribution |
|---|---|---|---|---|
| April 10, 2012 | $ 456,000 | 7.02% | 100 | $ 447,625 |
| July 10, 2012 | 456,000 | 7.02% | 191 | 440,137 |
| October 9, 2012 | 456,000 | 7.02% | 282 | 432,775 |
| April 10, 2013 | 663,000 | 7.02% | 465 | 608,245 |
| July 9, 2013 | 553,000 | 7.02% | 555 | 498,936 |
| September 10, 2013 | 552,000 | 7.02% | 618 | 492,251 |
| Total Contribution | $ 3,136,000 | | | $ 2,919,969 |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

| (a) Age | (b) Rate | (c) Weight | (d) Product (a) × (b) × (c) |
|---|---|---|---|
| 55.5 | 2.00% | 1.0000 | 1.11 |
| 56.5 | 2.00% | 0.9800 | 1.11 |
| 57.5 | 2.00% | 0.9604 | 1.10 |
| 58.5 | 3.00% | 0.9412 | 1.65 |
| 59.5 | 4.00% | 0.9130 | 2.17 |
| 60.5 | 9.00% | 0.8764 | 4.77 |
| 61.5 | 9.00% | 0.7976 | 4.41 |
| 62.5 | 25.00% | 0.7258 | 11.34 |
| 63.5 | 12.00% | 0.5443 | 4.15 |
| 64.5 | 12.00% | 0.4790 | 3.71 |
| 65 | 100.00% | 0.4215 | 27.40 |
| | | Weighted Average | 62.92 |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

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

| | |
|---|---|
| Interest Rates for Minimum Funding Purposes | Based on segment rates with a four-month lookback (as of September 2011), each adjusted as needed to fall within the 25-year average interest rate corridor under MAP-21 |
| 1st Segment Rate | 5.54% |
| 2nd Segment Rate | 6.85% |
| 3rd Segment Rate | 7.52% |
| Interest Rates for Maximum Tax Purposes | Based on segment rates with a four-month lookback (as of September 2011), without regard to the MAP-21 interest rate corridor |
| 1st Segment Rate | 2.06% |
| 2nd Segment Rate | 5.25% |
| 3rd Segment Rate | 6.32% |
| Optional payment form election percentage | It is assumed that 100% of participants elect a life annuity.<br><br>For At-risk purposes, a life annuity is assumed to be the most valuable benefit form for females. A Joint and 66-2/3% Survivor Annuity is assumed to be most valuable for males. |
| Retirement age | |
| Active participants | See Table 1 |
| Terminated vested participants | Age 65 |
| At-risk assumptions | For at-risk calculations, participants who are eligible to retire within the next 10 years are assumed to retire immediately upon eligibility. |
| Mortality Rates | |
| Healthy and Disabled | 2012 static mortality table blended for annuitants and non-annuitants per §1.430(h)(3)-1(e) |
| Withdrawal Rates | See Table 2 |
| Disability rates | None |

| | |
|---|---|
| Decrement Timing | Middle of year decrements, with 100% retirement occurring at beginning of year |
| Surviving Spouse Benefit | It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are three years older than their spouses. |
| Benefit Limits | Projected benefits are limited by the current IRC section 415 maximum benefit of $200,000. |
| Valuation of Plan Assets | Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.<br><br>A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii). |
| Expected Return on Assets | |
| 2010 Plan Year | 7.80%, limited to 6.76% |
| 2011 Plan Year | 7.10%, limited to 6.57% |
| Trust Expenses Included in Target Normal Cost | Prior year administrative expenses rounded to the nearest $1,000. |
| Actuarial Method | Standard unit credit cost method |
| Valuation Date | January 1, 2012 |

Table 1

**Retirement Rates**

| Age | Rate |
|---|---|
| 55 | 2.00% |
| 56 | 2.00% |
| 57 | 2.00% |
| 58 | 3.00% |
| 59 | 4.00% |
| 60 | 9.00% |
| 61 | 9.00% |
| 62 | 25.00% |
| 63 | 12.00% |
| 64 | 12.00% |
| 65+ | 100.00% |

Table 2

**Withdrawal Rates**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 15 | 0.00% | 45 | 1.00% |
| 16 | 7.50% | 46 | 0.80% |
| 17 | 7.25% | 47 | 0.60% |
| 18 | 7.00% | 48 | 0.40% |
| 19 | 6.75% | 49 | 0.20% |
| 20 | 6.50% | 50+ | 0.00% |
| 21 | 6.25% | | |
| 22 | 6.00% | | |
| 23 | 5.75% | | |
| 24 | 5.50% | | |
| 25 | 5.25% | | |
| 26 | 5.00% | | |
| 27 | 4.75% | | |
| 28 | 4.50% | | |
| 29 | 4.25% | | |
| 30 | 4.00% | | |
| 31 | 3.80% | | |
| 32 | 3.60% | | |
| 33 | 3.40% | | |
| 34 | 3.20% | | |
| 35 | 3.00% | | |
| 36 | 2.80% | | |
| 37 | 2.60% | | |
| 38 | 2.40% | | |
| 39 | 2.20% | | |
| 40 | 2.00% | | |
| 41 | 1.80% | | |
| 42 | 1.60% | | |
| 43 | 1.40% | | |
| 44 | 1.20% | | |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, Part V—Summary of Plan Provisions

| | |
|---|---|
| Effective Date | January 13, 1969 as amended and restated effective January 1, 2009. |
| Eligibility | Covered employees (those covered under collective bargaining agreements between Local 321-T or Local 10, and AFC Company) are eligible immediately. The Plan was closed to new participants as of June 1, 2007. |
| Normal Retirement Eligibility | Age 65. |
| Monthly Benefit | Monthly Unit shown below times Credited Service. |

| Date of Termination | Unit of Monthly Income |
|---|---|
| Later than: | |
| 12/31/1989 | $21 |
| 12/31/1990 | $23 |
| 12/31/1991 | $25 |
| 12/31/1992 | $27 |
| 12/31/1993 | $28 |
| 12/31/1994 | $29 |
| 12/31/1995 | $31 |
| 12/31/1996 | $32 |
| 12/31/1997 | $33 |
| 12/31/1998 | $37 |
| 12/31/1999 | $38 |
| 12/31/2000 | $39 |
| 12/31/2001 | $44 |
| 12/31/2004 | $49 |

| | |
|---|---|
| Postponed Retirement Eligibility | After age 65. |
| Monthly Benefit | Greater of Actuarial Equivalent of Normal Retirement Benefit or benefit based on Credited Service as of date of termination. |

Early Retirement

Eligibility — Age 55 with 10 years of Vesting Service.

Benefit — Normal Retirement Benefit reduced in accordance with following table:

| Age | Reduction Factor | Age | Reduction Factor |
|---|---|---|---|
| 64 | .97 | 59 | .80 |
| 63 | .94 | 58 | .75 |
| 62 | .91 | 57 | .70 |
| 61 | .88 | 56 | .65 |
| 60 | .85 | 55 | .60 |

Disability Retirement

Eligibility — Five years of Vesting Service and total inability to perform work, which entitles the employee to a disability benefit under the Social Security Act.

Benefit — 7/8ths of the benefit calculated under the Normal Retirement formula. Benefit ceases upon the earlier of Normal or Early Retirement or death. Normal or Early Retirement Benefits are then payable. Credited service is as of the date of disability.

Vested Benefits

Eligibility — Five years of Vesting Service.

Benefit — Normal Retirement Benefit based on Credited Service as of date of termination. Benefit is payable at age 65. Employees with 10 or more years of Vesting Service may commence their benefits at age 55 or later with an Early Retirement Reduction Factor applied (factors equal to Early Retirement Factors).

Preretirement Surviving Spouse Benefit

Eligibility — Five years of Vesting Service, or eligible for retirement.

Benefit — Fifty percent of the benefit that the participant would have received had he terminated employment on the date of his death and retired with a Joint and 50% Survivor option on his Earliest Retirement Date.

| | |
|---|---|
| Postretirement Death Eligibility | Retiree with benefit in payment status. |
| Benefit | The remaining portion of the benefit will be distributed in the form in which the participant's interest was being paid prior to participant's death. |
| Credited Service | Service is measured from date of employment. For periods prior to January 1, 1976 service is credited based on the old plan in effect on that date. After December 31, 1975, service is credited each year according to the following table: |

| Hours | Credited Service |
|---|---|
| Under 520 | 0.00 |
| 520-959 | 0.25 |
| 960-1,399 | 0.50 |
| 1,400-1,839 | 0.75 |
| 1,840 and above | 1.00 |

| | |
|---|---|
| Vesting Service | Full year credited for each year in which at least 1,000 hours worked. One fourth of a year credited for years in which at least 520, but less than 1,000 hours worked. |
| Normal Form of Pension Married participants | Actuarially reduced Joint and 50% Survivor Annuity. |
| Other participants | Life Annuity. |
| Optional Forms of Pension | Life Annuity, Joint and 50% Survivor Annuity, Joint and 66-2/3% Survivor Annuity, and Ten Year Certain and Life Annuity. |
| Payment of Small Amounts | Non-elective lump sum payment if the Actuarial Equivalent single sum of the benefit does not exceed $5,000. |
| Actuarial Equivalent | For other than lump sum calculations: 1983 Group Annuity Mortality table (50% female) with 7.5% interest.<br><br>For lump sum calculations: IRC Section 417(e) mortality table for 2012 and interest based on 3 segment yield curve. |
| Plan Year | Calendar year. |

| | |
|---|---|
| Contributions | The employer shall make all contributions to the plan; no employee contributions are required. |

## Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

As a result of an internal change in assignments at Aon Hewitt, the Enrolled Actuary has changed.

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2012

Number of Participants

| Attained Age | Years of Credited Service | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | <1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40+ |
| <25 | | | | | | | | | | |
| 25-29 | | | | | | | | | | |
| 30-34 | | | 2 | 4 | 2 | | | | | |
| 35-39 | | | 3 | 5 | 2 | | | | | |
| 40-44 | | | 7 | 3 | 11 | | | | | |
| 45-49 | | | 5 | 4 | 5 | 1 | 1 | | | |
| 50-54 | | | 8 | 5 | 4 | 4 | 1 | 3 | | |
| 55-59 | | | 1 | | 1 | 2 | | 1 | 10 | |
| 60-64 | | | | 4 | 2 | | 1 | | 3 | 5 |
| 65-69 | | | | | | | | | | 1 |
| 70+ | | | | | | | | | | |

N-111

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 32—Schedule of Amortization Bases

| Type Of Base | Present Value of Installments | Valuation Date Established | Remaining Years in Amortization Period | Amortization Amount |
|---|---|---|---|---|
| Shortfall | $ 2,299,669 | January 1, 2008 | 3 | $ 808,240 |
| Shortfall | $ (480,285) | January 1, 2009 | 4 | $ (129,950) |
| Shortfall | $ 2,544,966 | January 1, 2010 | 5 | $ 565,307 |
| Shortfall | $ 963,817 | January 1, 2011 | 6 | $ 184,642 |
| Shortfall | $ (2,323,890) | January 1, 2012 | 7 | $ (394,421) |

# 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

Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees

**B** Three-digit plan number (PN) ▶ 002

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

Filtrona Porous Techologies Corp.

**D** Employer Identification Number (EIN)

27-3138356

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

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

## Part I Basic Information

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

**2** Assets:

| | | |
|---|---|---|
| **a** Market value | 2a | 21,566,608 |
| **b** Actuarial value | 2b | 21,970,101 |

**3** Funding target/participant count breakdown:

| | | (1) Number of participants | (2) Funding Target |
|---|---|---|---|
| **a** For retired participants and beneficiaries receiving payment | 3a | 163 | 16,205,959 |
| **b** For terminated vested participants | 3b | 140 | 2,405,149 |
| **c** For active participants: | | | |
| (1) Non-vested benefits | 3c(1) | | 261,957 |
| (2) Vested benefits | 3c(2) | | 6,101,313 |
| (3) Total active | 3c(3) | 111 | 6,363,270 |
| **d** Total | 3d | 414 | 24,974,378 |

**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 | 7.02 % |
| **6** Target normal cost | 6 | 383,645 |

**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** Margaret C. Sonduck MSA — Signature of actuary — 10/03/2013 — Date

Margaret C. Sonduck — Type or print name of actuary — 11-07439 — Most recent enrollment number

Hewitt Associates LLC — Firm name — (202) 429-8554 — Telephone number (including area code)

1120 20th Street, NW
Suite 600
Washington DC 20036
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) | 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 1.29 % | | |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 915 |
| | b Interest on (a) using prior year's effective interest rate of 6.27 % except as otherwise provided (see instructions) | | 57 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 972 |
| | 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 | 87.97 % |
| 15 | Adjusted funding target attainment percentage | 15 | 87.97 % |
| 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 | 75.21 % |
| 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 |
|---|---|---|---|---|---|
| 04/10/2012 | 456,000 | | | | |
| 07/10/2012 | 456,000 | | | | |
| 10/09/2012 | 456,000 | | | | |
| 04/10/2013 | 663,000 | | | | |
| 07/09/2013 | 553,000 | | | | |
| 09/10/2013 | 552,000 | | | | |
| | | | Totals ▶ 18(b) | 3,136,000 | 18(c) 0 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| | a Contributions allocated toward unpaid minimum required contributions from prior years. | 19a | 0 |
| | b Contributions made to avoid restrictions adjusted to valuation date | 19b | 0 |
| | c Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 2,919,969 |

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? [X] 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 | 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 | 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 | 383,645 |
| **b** Excess assets, if applicable, but not greater than line 31a | 31b | 0 |

| **32** Amortization installments: | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 3,004,277 | 1,033,818 |
| **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 | 1,417,463 |

| | 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 | 1,417,463 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | 37 | 2,919,969 |
| **38** Present value of excess contributions for current year (see instructions) | | |
| **a** Total (excess, if any, of line 37 over line 36) | 38a | 1,502,506 |
| **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 Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2012

| Date | Amount | Interest Rate | Days to Discount to 1/1/2012 | Interest Adjusted Contribution |
|---|---|---|---|---|
| April 10, 2012 | $ 456,000 | 7.02% | 100 | $ 447,625 |
| July 10, 2012 | 456,000 | 7.02% | 191 | 440,137 |
| October 9, 2012 | 456,000 | 7.02% | 282 | 432,775 |
| April 10, 2013 | 663,000 | 7.02% | 465 | 608,245 |
| July 9, 2013 | 553,000 | 7.02% | 555 | 498,936 |
| September 10, 2013 | 552,000 | 7.02% | 618 | 492,251 |
| Total Contribution | $ 3,136,000 | | | $ 2,919,969 |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

| (a) Age | (b) Rate | (c) Weight | (d) Product (a) × (b) × (c) |
|---|---|---|---|
| 55.5 | 2.00% | 1.0000 | 1.11 |
| 56.5 | 2.00% | 0.9800 | 1.11 |
| 57.5 | 2.00% | 0.9604 | 1.10 |
| 58.5 | 3.00% | 0.9412 | 1.65 |
| 59.5 | 4.00% | 0.9130 | 2.17 |
| 60.5 | 9.00% | 0.8764 | 4.77 |
| 61.5 | 9.00% | 0.7976 | 4.41 |
| 62.5 | 25.00% | 0.7258 | 11.34 |
| 63.5 | 12.00% | 0.5443 | 4.15 |
| 64.5 | 12.00% | 0.4790 | 3.71 |
| 65 | 100.00% | 0.4215 | 27.40 |
| | | Weighted Average | 62.92 |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

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

| | |
|---|---|
| Interest Rates for Minimum Funding Purposes | Based on segment rates with a four-month lookback (as of September 2011), each adjusted as needed to fall within the 25-year average interest rate corridor under MAP-21 |
| 1st Segment Rate | 5.54% |
| 2nd Segment Rate | 6.85% |
| 3rd Segment Rate | 7.52% |
| Interest Rates for Maximum Tax Purposes | Based on segment rates with a four-month lookback (as of September 2011), without regard to the MAP-21 interest rate corridor |
| 1st Segment Rate | 2.06% |
| 2nd Segment Rate | 5.25% |
| 3rd Segment Rate | 6.32% |
| Optional payment form election percentage | It is assumed that 100% of participants elect a life annuity.<br><br>For At-risk purposes, a life annuity is assumed to be the most valuable benefit form for females. A Joint and 66-2/3% Survivor Annuity is assumed to be most valuable for males. |
| Retirement age | |
| Active participants | See Table 1 |
| Terminated vested participants | Age 65 |
| At-risk assumptions | For at-risk calculations, participants who are eligible to retire within the next 10 years are assumed to retire immediately upon eligibility. |
| Mortality Rates | |
| Healthy and Disabled | 2012 static mortality table blended for annuitants and non-annuitants per §1.430(h)(3)-1(e) |
| Withdrawal Rates | See Table 2 |
| Disability rates | None |

| | |
|---|---|
| Decrement Timing | Middle of year decrements, with 100% retirement occurring at beginning of year |
| Surviving Spouse Benefit | It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are three years older than their spouses. |
| Benefit Limits | Projected benefits are limited by the current IRC section 415 maximum benefit of $200,000. |
| Valuation of Plan Assets | Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.<br><br>A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii). |
| Expected Return on Assets | |
| 2010 Plan Year | 7.80%, limited to 6.76% |
| 2011 Plan Year | 7.10%, limited to 6.57% |
| Trust Expenses Included in Target Normal Cost | Prior year administrative expenses rounded to the nearest $1,000. |
| Actuarial Method | Standard unit credit cost method |
| Valuation Date | January 1, 2012 |

Table 1

**Retirement Rates**

| Age | Rate |
|---|---|
| 55 | 2.00% |
| 56 | 2.00% |
| 57 | 2.00% |
| 58 | 3.00% |
| 59 | 4.00% |
| 60 | 9.00% |
| 61 | 9.00% |
| 62 | 25.00% |
| 63 | 12.00% |
| 64 | 12.00% |
| 65+ | 100.00% |

Table 2

**Withdrawal Rates**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 15 | 0.00% | 45 | 1.00% |
| 16 | 7.50% | 46 | 0.80% |
| 17 | 7.25% | 47 | 0.60% |
| 18 | 7.00% | 48 | 0.40% |
| 19 | 6.75% | 49 | 0.20% |
| 20 | 6.50% | 50+ | 0.00% |
| 21 | 6.25% | | |
| 22 | 6.00% | | |
| 23 | 5.75% | | |
| 24 | 5.50% | | |
| 25 | 5.25% | | |
| 26 | 5.00% | | |
| 27 | 4.75% | | |
| 28 | 4.50% | | |
| 29 | 4.25% | | |
| 30 | 4.00% | | |
| 31 | 3.80% | | |
| 32 | 3.60% | | |
| 33 | 3.40% | | |
| 34 | 3.20% | | |
| 35 | 3.00% | | |
| 36 | 2.80% | | |
| 37 | 2.60% | | |
| 38 | 2.40% | | |
| 39 | 2.20% | | |
| 40 | 2.00% | | |
| 41 | 1.80% | | |
| 42 | 1.60% | | |
| 43 | 1.40% | | |
| 44 | 1.20% | | |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, Part V—Summary of Plan Provisions

| | |
|---|---|
| Effective Date | January 13, 1969 as amended and restated effective January 1, 2009. |
| Eligibility | Covered employees (those covered under collective bargaining agreements between Local 321-T or Local 10, and AFC Company) are eligible immediately. The Plan was closed to new participants as of June 1, 2007. |
| Normal Retirement Eligibility | Age 65. |
| Monthly Benefit | Monthly Unit shown below times Credited Service. |

| Date of Termination | Unit of Monthly Income |
|---|---|
| Later than: | |
| 12/31/1989 | $21 |
| 12/31/1990 | $23 |
| 12/31/1991 | $25 |
| 12/31/1992 | $27 |
| 12/31/1993 | $28 |
| 12/31/1994 | $29 |
| 12/31/1995 | $31 |
| 12/31/1996 | $32 |
| 12/31/1997 | $33 |
| 12/31/1998 | $37 |
| 12/31/1999 | $38 |
| 12/31/2000 | $39 |
| 12/31/2001 | $44 |
| 12/31/2004 | $49 |

| | |
|---|---|
| Postponed Retirement Eligibility | After age 65. |
| Monthly Benefit | Greater of Actuarial Equivalent of Normal Retirement Benefit or benefit based on Credited Service as of date of termination. |

Early Retirement

Eligibility — Age 55 with 10 years of Vesting Service.

Benefit — Normal Retirement Benefit reduced in accordance with following table:

| Age | Reduction Factor | Age | Reduction Factor |
|---|---|---|---|
| 64 | .97 | 59 | .80 |
| 63 | .94 | 58 | .75 |
| 62 | .91 | 57 | .70 |
| 61 | .88 | 56 | .65 |
| 60 | .85 | 55 | .60 |

Disability Retirement

Eligibility — Five years of Vesting Service and total inability to perform work, which entitles the employee to a disability benefit under the Social Security Act.

Benefit — 7/8ths of the benefit calculated under the Normal Retirement formula. Benefit ceases upon the earlier of Normal or Early Retirement or death. Normal or Early Retirement Benefits are then payable. Credited service is as of the date of disability.

Vested Benefits

Eligibility — Five years of Vesting Service.

Benefit — Normal Retirement Benefit based on Credited Service as of date of termination. Benefit is payable at age 65. Employees with 10 or more years of Vesting Service may commence their benefits at age 55 or later with an Early Retirement Reduction Factor applied (factors equal to Early Retirement Factors).

Preretirement Surviving Spouse Benefit

Eligibility — Five years of Vesting Service, or eligible for retirement.

Benefit — Fifty percent of the benefit that the participant would have received had he terminated employment on the date of his death and retired with a Joint and 50% Survivor option on his Earliest Retirement Date.

| | |
|---|---|
| Postretirement Death Eligibility | Retiree with benefit in payment status. |
| Benefit | The remaining portion of the benefit will be distributed in the form in which the participant's interest was being paid prior to participant's death. |
| Credited Service | Service is measured from date of employment. For periods prior to January 1, 1976 service is credited based on the old plan in effect on that date. After December 31, 1975, service is credited each year according to the following table: |

| Hours | Credited Service |
|---|---|
| Under 520 | 0.00 |
| 520-959 | 0.25 |
| 960-1,399 | 0.50 |
| 1,400-1,839 | 0.75 |
| 1,840 and above | 1.00 |

| | |
|---|---|
| Vesting Service | Full year credited for each year in which at least 1,000 hours worked. One fourth of a year credited for years in which at least 520, but less than 1,000 hours worked. |
| Normal Form of Pension Married participants | Actuarially reduced Joint and 50% Survivor Annuity. |
| Other participants | Life Annuity. |
| Optional Forms of Pension | Life Annuity, Joint and 50% Survivor Annuity, Joint and 66-2/3% Survivor Annuity, and Ten Year Certain and Life Annuity. |
| Payment of Small Amounts | Non-elective lump sum payment if the Actuarial Equivalent single sum of the benefit does not exceed $5,000. |
| Actuarial Equivalent | For other than lump sum calculations: 1983 Group Annuity Mortality table (50% female) with 7.5% interest.<br><br>For lump sum calculations: IRC Section 417(e) mortality table for 2012 and interest based on 3 segment yield curve. |
| Plan Year | Calendar year. |

| | |
|---|---|
| Contributions | The employer shall make all contributions to the plan; no employee contributions are required. |

## Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

As a result of an internal change in assignments at Aon Hewitt, the Enrolled Actuary has changed.

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2012

Number of Participants

| Attained Age | Years of Credited Service | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | <1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40+ |
| <25 | | | | | | | | | | |
| 25-29 | | | | | | | | | | |
| 30-34 | | | 2 | 4 | 2 | | | | | |
| 35-39 | | | 3 | 5 | 2 | | | | | |
| 40-44 | | | 7 | 3 | 11 | | | | | |
| 45-49 | | | 5 | 4 | 5 | 1 | 1 | | | |
| 50-54 | | | 8 | 5 | 4 | 4 | 1 | 3 | | |
| 55-59 | | | 1 | | 1 | 2 | | 1 | 10 | |
| 60-64 | | | | 4 | 2 | | 1 | | 3 | 5 |
| 65-69 | | | | | | | | | | 1 |
| 70+ | | | | | | | | | | |

N-111

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 32—Schedule of Amortization Bases

| Type Of Base | Present Value of Installments | Valuation Date Established | Remaining Years in Amortization Period | Amortization Amount |
|---|---|---|---|---|
| Shortfall | $ 2,299,669 | January 1, 2008 | 3 | $ 808,240 |
| Shortfall | $ (480,285) | January 1, 2009 | 4 | $ (129,950) |
| Shortfall | $ 2,544,966 | January 1, 2010 | 5 | $ 565,307 |
| Shortfall | $ 963,817 | January 1, 2011 | 6 | $ 184,642 |
| Shortfall | $ (2,323,890) | January 1, 2012 | 7 | $ (394,421) |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2012

| Date | Amount | Interest Rate | Days to Discount to 1/1/2012 | Interest Adjusted Contribution |
|---|---|---|---|---|
| April 10, 2012 | $ 456,000 | 7.02% | 100 | $ 447,625 |
| July 10, 2012 | 456,000 | 7.02% | 191 | 440,137 |
| October 9, 2012 | 456,000 | 7.02% | 282 | 432,775 |
| April 10, 2013 | 663,000 | 7.02% | 465 | 608,245 |
| July 9, 2013 | 553,000 | 7.02% | 555 | 498,936 |
| September 10, 2013 | 552,000 | 7.02% | 618 | 492,251 |
| Total Contribution | $ 3,136,000 | | | $ 2,919,969 |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

| (a) Age | (b) Rate | (c) Weight | (d) Product (a) × (b) × (c) |
|---|---|---|---|
| 55.5 | 2.00% | 1.0000 | 1.11 |
| 56.5 | 2.00% | 0.9800 | 1.11 |
| 57.5 | 2.00% | 0.9604 | 1.10 |
| 58.5 | 3.00% | 0.9412 | 1.65 |
| 59.5 | 4.00% | 0.9130 | 2.17 |
| 60.5 | 9.00% | 0.8764 | 4.77 |
| 61.5 | 9.00% | 0.7976 | 4.41 |
| 62.5 | 25.00% | 0.7258 | 11.34 |
| 63.5 | 12.00% | 0.5443 | 4.15 |
| 64.5 | 12.00% | 0.4790 | 3.71 |
| 65 | 100.00% | 0.4215 | 27.40 |
| | | Weighted Average | 62.92 |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2012

Number of Participants

| Attained Age | Years of Credited Service | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | <1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40+ |
| <25 | | | | | | | | | | |
| 25-29 | | | | | | | | | | |
| 30-34 | | | 2 | 4 | 2 | | | | | |
| 35-39 | | | 3 | 5 | 2 | | | | | |
| 40-44 | | | 7 | 3 | 11 | | | | | |
| 45-49 | | | 5 | 4 | 5 | 1 | 1 | | | |
| 50-54 | | | 8 | 5 | 4 | 4 | 1 | 3 | | |
| 55-59 | | | 1 | | 1 | 2 | | 1 | 10 | |
| 60-64 | | | | 4 | 2 | | 1 | | 3 | 5 |
| 65-69 | | | | | | | | | | 1 |
| 70+ | | | | | | | | | | |

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# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, line 32—Schedule of Amortization Bases

| Type Of Base | Present Value of Installments | Valuation Date Established | Remaining Years in Amortization Period | Amortization Amount |
|---|---|---|---|---|
| Shortfall | $ 2,299,669 | January 1, 2008 | 3 | $ 808,240 |
| Shortfall | $ (480,285) | January 1, 2009 | 4 | $ (129,950) |
| Shortfall | $ 2,544,966 | January 1, 2010 | 5 | $ 565,307 |
| Shortfall | $ 963,817 | January 1, 2011 | 6 | $ 184,642 |
| Shortfall | $ (2,323,890) | January 1, 2012 | 7 | $ (394,421) |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

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

| | |
|---|---|
| Interest Rates for Minimum Funding Purposes | Based on segment rates with a four-month lookback (as of September 2011), each adjusted as needed to fall within the 25-year average interest rate corridor under MAP-21 |
| 1st Segment Rate | 5.54% |
| 2nd Segment Rate | 6.85% |
| 3rd Segment Rate | 7.52% |
| Interest Rates for Maximum Tax Purposes | Based on segment rates with a four-month lookback (as of September 2011), without regard to the MAP-21 interest rate corridor |
| 1st Segment Rate | 2.06% |
| 2nd Segment Rate | 5.25% |
| 3rd Segment Rate | 6.32% |
| Optional payment form election percentage | It is assumed that 100% of participants elect a life annuity.<br><br>For At-risk purposes, a life annuity is assumed to be the most valuable benefit form for females. A Joint and 66-2/3% Survivor Annuity is assumed to be most valuable for males. |
| Retirement age | |
| Active participants | See Table 1 |
| Terminated vested participants | Age 65 |
| At-risk assumptions | For at-risk calculations, participants who are eligible to retire within the next 10 years are assumed to retire immediately upon eligibility. |
| Mortality Rates | |
| Healthy and Disabled | 2012 static mortality table blended for annuitants and non-annuitants per §1.430(h)(3)-1(e) |
| Withdrawal Rates | See Table 2 |
| Disability rates | None |

| | |
|---|---|
| Decrement Timing | Middle of year decrements, with 100% retirement occurring at beginning of year |
| Surviving Spouse Benefit | It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are three years older than their spouses. |
| Benefit Limits | Projected benefits are limited by the current IRC section 415 maximum benefit of $200,000. |
| Valuation of Plan Assets | Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.<br><br>A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii). |
| Expected Return on Assets | |
| 2010 Plan Year | 7.80%, limited to 6.76% |
| 2011 Plan Year | 7.10%, limited to 6.57% |
| Trust Expenses Included in Target Normal Cost | Prior year administrative expenses rounded to the nearest $1,000. |
| Actuarial Method | Standard unit credit cost method |
| Valuation Date | January 1, 2012 |

Table 1

**Retirement Rates**

| Age | Rate |
|---|---|
| 55 | 2.00% |
| 56 | 2.00% |
| 57 | 2.00% |
| 58 | 3.00% |
| 59 | 4.00% |
| 60 | 9.00% |
| 61 | 9.00% |
| 62 | 25.00% |
| 63 | 12.00% |
| 64 | 12.00% |
| 65+ | 100.00% |

Table 2

**Withdrawal Rates**

| Age | Rate | Age | Rate |
|---|---|---|---|
| 15 | 0.00% | 45 | 1.00% |
| 16 | 7.50% | 46 | 0.80% |
| 17 | 7.25% | 47 | 0.60% |
| 18 | 7.00% | 48 | 0.40% |
| 19 | 6.75% | 49 | 0.20% |
| 20 | 6.50% | 50+ | 0.00% |
| 21 | 6.25% | | |
| 22 | 6.00% | | |
| 23 | 5.75% | | |
| 24 | 5.50% | | |
| 25 | 5.25% | | |
| 26 | 5.00% | | |
| 27 | 4.75% | | |
| 28 | 4.50% | | |
| 29 | 4.25% | | |
| 30 | 4.00% | | |
| 31 | 3.80% | | |
| 32 | 3.60% | | |
| 33 | 3.40% | | |
| 34 | 3.20% | | |
| 35 | 3.00% | | |
| 36 | 2.80% | | |
| 37 | 2.60% | | |
| 38 | 2.40% | | |
| 39 | 2.20% | | |
| 40 | 2.00% | | |
| 41 | 1.80% | | |
| 42 | 1.60% | | |
| 43 | 1.40% | | |
| 44 | 1.20% | | |

# Schedule SB Attachment (Form 5500)—2012 Plan Year
# Filtrona Porous Technologies Corp. Pension Plan for Hourly Employees
# EIN: 27-3138356 PN: 002

## Schedule SB, Part V—Summary of Plan Provisions

| | |
|---|---|
| Effective Date | January 13, 1969 as amended and restated effective January 1, 2009. |
| Eligibility | Covered employees (those covered under collective bargaining agreements between Local 321-T or Local 10, and AFC Company) are eligible immediately. The Plan was closed to new participants as of June 1, 2007. |
| Normal Retirement | |
| Eligibility | Age 65. |
| Monthly Benefit | Monthly Unit shown below times Credited Service. |

| Date of Termination | Unit of Monthly Income |
|---|---|
| Later than: | |
| 12/31/1989 | $21 |
| 12/31/1990 | $23 |
| 12/31/1991 | $25 |
| 12/31/1992 | $27 |
| 12/31/1993 | $28 |
| 12/31/1994 | $29 |
| 12/31/1995 | $31 |
| 12/31/1996 | $32 |
| 12/31/1997 | $33 |
| 12/31/1998 | $37 |
| 12/31/1999 | $38 |
| 12/31/2000 | $39 |
| 12/31/2001 | $44 |
| 12/31/2004 | $49 |

| | |
|---|---|
| Postponed Retirement | |
| Eligibility | After age 65. |
| Monthly Benefit | Greater of Actuarial Equivalent of Normal Retirement Benefit or benefit based on Credited Service as of date of termination. |

Early Retirement

Eligibility — Age 55 with 10 years of Vesting Service.

Benefit — Normal Retirement Benefit reduced in accordance with following table:

| Age | Reduction Factor | Age | Reduction Factor |
|---|---|---|---|
| 64 | .97 | 59 | .80 |
| 63 | .94 | 58 | .75 |
| 62 | .91 | 57 | .70 |
| 61 | .88 | 56 | .65 |
| 60 | .85 | 55 | .60 |

Disability Retirement

Eligibility — Five years of Vesting Service and total inability to perform work, which entitles the employee to a disability benefit under the Social Security Act.

Benefit — 7/8ths of the benefit calculated under the Normal Retirement formula. Benefit ceases upon the earlier of Normal or Early Retirement or death. Normal or Early Retirement Benefits are then payable. Credited service is as of the date of disability.

Vested Benefits

Eligibility — Five years of Vesting Service.

Benefit — Normal Retirement Benefit based on Credited Service as of date of termination. Benefit is payable at age 65. Employees with 10 or more years of Vesting Service may commence their benefits at age 55 or later with an Early Retirement Reduction Factor applied (factors equal to Early Retirement Factors).

Preretirement Surviving Spouse Benefit

Eligibility — Five years of Vesting Service, or eligible for retirement.

Benefit — Fifty percent of the benefit that the participant would have received had he terminated employment on the date of his death and retired with a Joint and 50% Survivor option on his Earliest Retirement Date.

| | |
|---|---|
| Postretirement Death Eligibility | Retiree with benefit in payment status. |
| Benefit | The remaining portion of the benefit will be distributed in the form in which the participant's interest was being paid prior to participant's death. |
| Credited Service | Service is measured from date of employment. For periods prior to January 1, 1976 service is credited based on the old plan in effect on that date. After December 31, 1975, service is credited each year according to the following table: |

| Hours | Credited Service |
|---|---|
| Under 520 | 0.00 |
| 520-959 | 0.25 |
| 960-1,399 | 0.50 |
| 1,400-1,839 | 0.75 |
| 1,840 and above | 1.00 |

| | |
|---|---|
| Vesting Service | Full year credited for each year in which at least 1,000 hours worked. One fourth of a year credited for years in which at least 520, but less than 1,000 hours worked. |
| Normal Form of Pension Married participants | Actuarially reduced Joint and 50% Survivor Annuity. |
| Other participants | Life Annuity. |
| Optional Forms of Pension | Life Annuity, Joint and 50% Survivor Annuity, Joint and 66-2/3% Survivor Annuity, and Ten Year Certain and Life Annuity. |
| Payment of Small Amounts | Non-elective lump sum payment if the Actuarial Equivalent single sum of the benefit does not exceed $5,000. |
| Actuarial Equivalent | For other than lump sum calculations: 1983 Group Annuity Mortality table (50% female) with 7.5% interest.<br><br>For lump sum calculations: IRC Section 417(e) mortality table for 2012 and interest based on 3 segment yield curve. |
| Plan Year | Calendar year. |

| | |
|---|---|
| Contributions | The employer shall make all contributions to the plan; no employee contributions are required. |

## Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

As a result of an internal change in assignments at Aon Hewitt, the Enrolled Actuary has changed.

# FILTRONA POROUS TECHNOLOGIES CORP
# PENSION PLAN FOR HOURLY EMPLOYEES

## Financial Statements

**December 31, 2012 and 2011**

Keiter
Your Opportunity Advisors

Certified Public
Accountants & Consultants
4401 Dominion Boulevard, 2nd Floor
Glen Allen, VA 23060

www.keitercpa.com

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**

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Keiter
Your Opportunity Advisors

## REPORT OF INDEPENDENT ACCOUNTANTS

To the Plan Administrator of the
Filtrona Porous Technologies Corp Pension Plan for Hourly Employees
Colonial Heights, Virginia

### Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Filtrona Porous Technologies Corp Pension Plan for Hourly Employees (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 11, which was certified by First State Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee of the plan holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee of the Plan as of December 31, 2012 and 2011 and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Certified Public
Accountants & Consultants
4401 Dominion Boulevard, 2nd Floor
Glen Allen, VA 23060
T:804.747.0000 F:804.747.3632

www.keitercpa.com

**Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

**Other Matter**

The supplemental schedules, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) and Schedule H, Line 4j – Schedule of Reportable Transactions as of and for the year ended December 31, 2012, are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

October 10, 2013
Glen Allen, Virginia

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**

Statements of Net Assets Available for Benefits
December 31, 2012 and 2011

| Assets | 2012 | 2011 |
|---|---|---|
| Investments, at fair value | $ 23,272,266 | $ 20,890,733 |
| Contributions receivable: | | |
| Employer | 1,768,000 | 688,000 |
| Total assets | 25,040,266 | 21,578,733 |
| Liabilities and Net Assets Available for Benefits | | |
| Accrued expenses | 116,166 | 29,725 |
| Net assets available for benefits | $ 24,924,100 | $ 21,549,008 |

See accompanying notes to financial statements.

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**

Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2012 and 2011

| | 2012 | 2011 |
|---|---|---|
| Additions to net assets attributed to: | | |
| Investment income: | | |
| Interest and dividends | $ 220,396 | $ 164,655 |
| Net appreciation in fair value of investments | 2,044,346 | 210,354 |
| Total investment income | 2,264,742 | 375,009 |
| Employer contributions | 3,136,000 | 1,912,000 |
| Total additions | 5,400,742 | 2,287,009 |
| Deductions from net assets attributed to: | | |
| Benefits paid to participants or beneficiaries | 1,778,912 | 1,717,743 |
| Administrative expenses | 246,738 | 237,764 |
| Total deductions | 2,025,650 | 1,955,507 |
| Net increase | 3,375,092 | 331,502 |
| Net assets available for benefits: | | |
| Beginning of year | 21,549,008 | 21,217,506 |
| End of year | $ 24,924,100 | $ 21,549,008 |

See accompanying notes to financial statements.

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**

Notes to Financial Statements

## 1. Description of Plan:

The following description of the Filtrona Porous Technologies Corp Pension Plan for Hourly Employees (the "Plan") provides only general information. Participants should refer to the Plan agreement or summary plan description for a more complete description of the Plan's provisions. Effective January 1, 2011, the Plan, formally named Filtrona Richmond, Inc. Pension Plan for Hourly Employees, was renamed the Filtrona Porous Technologies Corp Pension Plan for Hourly Employees.

**General:** The Plan is a defined benefit pension plan covering those employees of Filtrona Porous Technologies Corp (the "Company") who meet the eligibility requirements as stated in the Plan. Effective June 1, 2007 the Plan was closed to new entrants. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

**Pension Benefits:** Hourly employees working under a union contract, with five or more years of service as defined by the Plan, are entitled to annual pension benefits beginning at normal retirement age (65), equal to the monthly benefit multiplier multiplied by the years of credited service. Credited service is the uninterrupted service from the most recent hire date to the day the employee leaves the employer. The Plan permits early retirement from ages 55 to 64 for employees who have completed ten years of service. Participants can elect to receive their benefits in one of four options: a single, lump-sum distribution if the participant's accrued pension benefit is $5,000 or less; annuity payments over the lifetime of the participant; annuity payments over the lifetime of the participant and one or more designated beneficiaries; annuity payments over a certain period not extending beyond the joint life and last survivor expectancy of the participant and one or more designated beneficiaries.

**Death Benefits:** If a participant dies prior to termination of employment but after completing five years of vesting service, the surviving spouse of the deceased participant shall be entitled to a death benefit in the form of survivor's pension benefit. If the participant dies prior to becoming eligible for an early retirement pension benefit, the amount of the survivor's pension benefit shall be equal to fifty percent of the participant's deferred vested retirement pension benefit as of the date of death, reduced for early retirement to the earliest retirement age and reduced for election of a joint and fifty percent of the contingent survivor option in favor of the spouse at the earliest retirement age.

**Disability Benefits:** If a participant becomes disabled prior to the normal retirement date but after completing five years of vesting service, the participant shall be entitled to a retirement pension benefit equal to seven-eighths of a normal retirement benefit based on credited years of service following the expiration of six months after disability arises. Disability benefits continue until the participant reaches age 65, at which point the participant would receive their normal retirement benefit.

## 2. Summary of Significant Accounting Policies:

The following are the significant accounting policies followed by the Plan:

**Basis of Accounting:** The financial statements of the Plan are prepared under the accrual basis of accounting.

**Investment Valuation and Income Recognition:** As further discussed in Note 7, the Plan records investments at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

**Payment of Benefits:** Benefits are recorded when paid.

**Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of Plan assets available for benefits and changes therein and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates. The Plan uses an actuary to determine the actuarial present value of accumulated plan benefits. Changes in the actuarial assumptions used could significantly change the amount of the actuarial present value of accumulated plan benefits reported in the accompanying financial statements.

**Method of Funding:** For 2012 and 2011, the actuarial cost method used in the valuation by the Plan's actuary is the Standard Unit Credit method of funding.

**Subsequent Events:** Management has evaluated subsequent events through October 10, 2013, the date the financial statements were available to be issued, and has determined that there are no subsequent events to be reported in the accompanying financial statements.

## 3. Contributions:

The Company's funding policy is designed to fund the Plan's normal costs on a current basis and to fund, over a period not in excess of 30 years, the unfunded past service liability, such that all participants' benefits will be fully provided for by the time they retire. The Company's contributions of $3,136,000 for 2012 and $1,912,000 for 2011, meet the minimum funding requirements of ERISA.

## 4. Plan Termination:

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

a. Annuity benefits for former participants or their beneficiaries who have been receiving for at least three years, or those participants eligible to retire for that three-year period who would have been receiving benefits if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is further limited to the lowest benefit that would be payable under the provisions in effect at any time during the five years preceding Plan termination.

b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (the "PBGC"), a U.S. governmental agency, up to the applicable limitations (discussed below).

c. All other vested benefits (that is, vested benefits not insured by the PBGC).

d. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan would be guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2012 and 2011, that ceiling, which is adjusted periodically, was $4,653 and $4,500 per month, respectively. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

**4. Plan Termination, Continued:**

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and level of benefits guaranteed by the PBGC.

**5. Actuarial Present Value of Accumulated Plan Benefits:**

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service participants have rendered. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated participants or their beneficiaries, (b) beneficiaries of participants who have died, and (c) present participants or their beneficiaries. The accumulated plan benefits for participants are based on demographic assumptions and an assumed interest rate. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to participant service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an actuary from Aon Hewitt and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts of interest) and the probability of payment (by means of decrements such as for death, disability, termination, or retirement) between the valuation date and the expected date of payment. Projected years of service are used only to determine eligibility for a benefit in the future. Valuation results are based on the ultimate monthly benefit multiplier of $49 per year of service.

In accordance with ASC 960, the Company has chosen to present the actuarial present value of accumulated plan benefits and assumptions as of the beginning of the plan years, January 1.

Significant actuarial assumptions used in the valuations as of January 1, 2012 and 2011 were:

Assumed rate of return on investments: 6.57% compounded annually for 2012 and 6.76% for 2011.

Discount rate: 7.10% for the present value of accumulated benefits in 2012 and 7.80% for 2011.

Mortality: For 2012 and 2011, the Static Mortality Table Blended for Annuitants and Non-Annuitants.

**5. Actuarial Present Value of Accumulated Plan Benefits, Continued:**

Disabled mortality: For 2012 and 2011, the Static Mortality Table Blended for Annuitants and Non-Annuitants.

Surviving spouse benefit: It is assumed that 100% of males and 100% of females for 2012 and that 80% of males and 50% of females for 2011 have an eligible spouse, and that males are three years older than their spouses.

Retirement: Annual retirement rates are according to the following table:

| Age | Annual Retirement Rate |
|---|---|
| 55-57 | 2% |
| 58 | 3% |
| 59 | 4% |
| 60-61 | 9% |
| 62 | 25% |
| 63-64 | 12% |
| 65+ | 100% |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The accumulated plan benefits information as of January 1, 2012 and 2011 are as follows:

| | 2012 | 2011 |
|---|---|---|
| Actuarial present value of accumulated plan benefits: | | |
| Vested benefits: | | |
| Participants currently receiving payments | $ 15,856,479 | $ 15,442,312 |
| Vested terminations and transfers | 2,518,841 | 2,109,082 |
| Other participants | 6,152,406 | 4,992,666 |
| | 24,527,726 | 22,544,060 |
| Nonvested benefits | 250,423 | 209,515 |
| Total actuarial present value of accumulated plan benefits | $ 24,778,149 | $ 22,753,575 |

**5. Actuarial Present Value of Accumulated Plan Benefits, Continued:**

The change in the actuarial present value of accumulated plan benefits for the years ended January 1, 2012 and 2011 consists of the following:

| | 2012 | 2011 |
|---|---|---|
| Actuarial present value of accumulated plan benefits, January 1, 2011 and 2010 | $ 22,753,575 | $ 22,490,102 |
| Increase (decrease) during the year attributable to: | | |
| Change in assumptions | 1,721,166 | 37,900 |
| Interest due to the decrease in the discount period | 1,708,998 | 1,687,888 |
| Benefits paid | (1,718,955) | (1,733,564) |
| Other | 313,365 | 271,249 |
| Net increase | 2,024,574 | 263,473 |
| Actuarial present value of accumulated plan benefits, January 1, 2012 and 2011 | $ 24,778,149 | $ 22,753,575 |

**6. Investments:**

Investments that represent 5% or more of the Plan's net assets at December 31 are as follows:

| | 2012 | 2011 |
|---|---|---|
| Ishares Corporate Bond Fund | $ 1,895,690 | $ 1,647,722 |
| First State Trust Company Bond Index Fund | 5,186,674 | 3,834,598 |
| First State Trust Company Equity Index Fund | 5,850,723 | 5,496,528 |
| First State Trust Company Emerging Markets Index | 1,498,569 | 1,215,962 |
| First State Trust Company Mid-Cap Equity Index | 1,226,175 | 1,125,970 |
| First State Trust Company International Index Fund | 1,252,708 | - * |
| First State Trust Company Small Cap Index Fund | 1,673,665 | 1,583,949 |
| Alerian MLP Fund | - * | 1,080,001 |

* Represents less than 5% of Plan assets at December 31.

**6. Investments, Continued:**

The Plan's investments appreciated (depreciated) in fair value as follows:

| | 2012 | 2011 |
|---|---|---|
| Mutual funds | $ 147,726 | $ 361,957 |
| Common/collective trust funds | 1,896,620 | (151,603) |
| Net appreciation in fair value of investments | $ 2,044,346 | $ 210,354 |

**7. Fair Value Measurements:**

The Financial Accounting Standards Board ("FASB") has issued guidance for measurement and disclosure of fair value and establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 — Quoted prices for similar instruments in active and inactive markets; and model driven valuations with significant inputs and drivers derived from observable active markets.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for investments carried or disclosed at fair value:

***Money market funds:*** Valued at cost, which approximates fair value.

***Mutual funds:*** Valued at the net asset value ("NAV") of shares held by the Plan at year end.

***Common/collective trusts:*** Unit value calculated based on the net assets or observable NAV of the underlying pool of securities or investments.

As of December 31, 2012 and 2011, the funds have no unfunded commitments and can be redeemed immediately upon notice with no other redemption restrictions.

**7. Fair Value Measurements, Continued:**

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Certain prior year investment fair values have been reclassified between Level 1 and Level 2 to conform to the current year presentation.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2012:

| | Assets at Fair Value | | |
|---|---|---|---|
| | Level 1 | Level 2 | Total |
| Assets: | | | |
| Money market funds | $ - | $ 109,026 | $ 109,026 |
| Mutual funds: | | | |
| Fixed income funds | - | 3,075,192 | 3,075,192 |
| Blend funds | 1,147,786 | - | 1,147,786 |
| Growth funds | 2,251,748 | - | 2,251,748 |
| Common/collective trust funds: | | | |
| Fixed income funds | - | 5,186,674 | 5,186,674 |
| Blend funds | - | 1,498,569 | 1,498,569 |
| Index funds | - | 10,003,271 | 10,003,271 |
| Total assets at fair value | $ 3,399,534 | $ 19,872,732 | $ 23,272,266 |

**7. Fair Value Measurements, Continued:**

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011:

| | Assets at Fair Value | | |
|---|---|---|---|
| | Level 1 | Level 2 | Total |
| Assets: | | | |
| Money market funds | $ - | $ 421,374 | $ 421,374 |
| Mutual funds: | | | |
| Fixed income funds | - | 2,663,741 | 2,663,741 |
| Blend funds | 1,075,838 | - | 1,075,838 |
| Growth funds | 2,042,554 | - | 2,042,554 |
| Common/collective trust funds: | | | |
| Fixed income funds | - | 4,209,790 | 4,209,790 |
| Blend funds | - | 1,215,962 | 1,215,962 |
| Index funds | - | 9,261,474 | 9,261,474 |
| Total assets at fair value | $ 3,118,392 | $ 17,772,341 | $ 20,890,733 |

**8. Related Party Transactions:**

At December 31, 2012 and 2011, several Plan investments are shares of common collective trust funds managed by affiliates of First State Trust Company, the trustee of the Plan, and therefore are considered to be party-in-interest transactions for which statutory exemption exists under the Department of Labor Regulations. Fees paid by the Plan to the trustee amounted to $29,551 for 2012 and $116,713 for 2011.

**9. Income Tax Status:**

The Internal Revenue Service has determined and informed the Company by a letter dated November 9, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter; however, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Management has evaluated the effects of accounting guidance related to uncertain income tax positions and has concluded that the Plan had no significant financial statement exposure to uncertain income tax positions at December 31, 2012 and 2011.

## 10. Risks and Uncertainties:

The Plan provides for investment in various investment securities. Investments are exposed to various risks such as interest rates, market and credit. Due to the level of risk associated with certain investment securities, and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks could materially affect participants' account balances and the amounts reported in the financial statements.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and participant demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

## 11. Financial Information Certified by the Trustee:

Information regarding the following, as of and for the years ended December 31, 2012 and 2011, included in the Plan's financial statements and supplemental schedules, was prepared by First State Trust Company, the trustee of the Plan, which has certified that it is complete and accurate:

- Investments, at fair value
- Investment income
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

# SUPPLEMENTAL INFORMATION

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**
**EIN: 27-3138356 Plan: 002**

Schedule H, Line 4i — Schedule of Assets (Held at End of Year)
December 31, 2012

| (a) | (b) Identity of issuer, borrower, lessor or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | First State Trust Company - Money Market Fund | Money market fund | $ 109,026 | $ 109,026 |
| | Barclays TIPS Bond Fund | Mutual fund | 1,057,386 | 1,179,502 |
| | SPDR Gold Trust Mutual Fund | Mutual fund | 855,003 | 1,108,436 |
| | Alerian MLP Fund | Mutual fund | 1,117,641 | 1,143,312 |
| | Ishares Corporate Bond Fund | Mutual fund | 1,753,386 | 1,895,690 |
| | Utilities Select Sector Fund | Mutual fund | 1,104,812 | 1,147,786 |
| * | First State Trust Company - Bond Index Fund | Common/collective trust fund | 4,624,929 | 5,186,674 |
| * | First State Trust Company - Equity Index Fund | Common/collective trust fund | 4,235,756 | 5,850,723 |
| * | First State Trust Company - Emerging Markets Index | Common/collective trust fund | 1,267,394 | 1,498,569 |
| * | First State Trust Company - Mid-Cap Equity Index Fund | Common/collective trust fund | 919,961 | 1,226,175 |
| * | First State Trust Company - International Index Fund | Common/collective trust fund | 1,087,140 | 1,252,708 |
| * | First State Trust Company - Small Cap Index Fund | Common/collective trust fund | 1,205,093 | 1,673,665 |
| | | | $ 19,337,527 | $ 23,272,266 |

* Indicates a party-in-interest to the Plan.

See report of independent accountants.

**FILTRONA POROUS TECHNOLOGIES CORP**
**PENSION PLAN FOR HOURLY EMPLOYEES**
**EIN: 27-3138356 Plan: 002**

Schedule H, Line 4j — Schedule of Reportable Transactions
For the Year Ended December 31, 2012

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
|---|---|---|---|---|---|---|---|---|---|
| | Identity of party involved | Description of securities | Purchase price | Selling price | Lease rental | Expense incurred with transaction | Cost of asset | Current value of asset on transaction date | Net gain or (loss) |
| | Northern Institutional Diversified Assets | Money Market | $ 2,553,171 | N/A | N/A | N/A | $ 2,553,171 | $2,553,171 | N/A |
| | Northern Institutional Diversified Assets | Money Market | N/A | $2,572,439 | N/A | N/A | $ 2,572,439 | $2,572,439 | $ - |
| * | First State Trust Company - Money Market Fund | Money Market | N/A | $1,418,212 | N/A | N/A | $ 1,418,212 | $1,418,212 | $ - |
| * | First State Trust Company - Bond Index Fund | Common/ collective trust | $ 1,407,129 | N/A | N/A | N/A | $ 1,407,129 | $1,407,129 | N/A |

* Indicates a party-in-interest to the Plan.

See report of independent accountants.

**Attachment to 2012 Form 5500**
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** FILTRONA POROUS TECHNOLOGIES CORP PENSION PLAN FOR HOURLY EMPLOYEES **EIN:** 27-3138356
**Plan Sponsor's Name** FILTRONA POROUS TECHNOLOGIES CORP. **PN:** 002

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value. | (d) Cost | (e) Current value |
|---|---|---|---|---|
| * | FIRST STATE TRUST COMPANY | MONEY MARKET FUND | 109,026 | 109,026 |
| * | FIRST STATE TRUST COMPANY | EQUITY INDEX FUND | 4,235,756 | 5,850,723 |
| | FIRST STATE TRUST COMPANY | BARCLAYS TIPS BOND FUND | 1,057,386 | 1,179,502 |
| * | FIRST STATE TRUST COMPANY | MSCI EMERGING MARKETS INDEX | 1,267,394 | 1,498,569 |
| * | FIRST STATE TRUST COMPANY | BOND INDEX FUND | 4,624,929 | 5,186,674 |
| | | | | |
| | | | | |

**Attachment to 2012 Form 5500**
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** FILTRONA POROUS TECHNOLOGIES CORP PENSION PLAN FOR HOURLY EMPLOYEES **EIN:** 27-3138356
**Plan Sponsor's Name** FILTRONA POROUS TECHNOLOGIES CORP. **PN:** 002

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value. | (d) Cost | (e) Current value |
|---|---|---|---|---|
| | FIRST STATE TRUST COMPANY | INTL EQUITY INDEX FUND | 1,087,140 | 1,252,708 |
| * | FIRST STATE TRUST COMPANY | MID CAP EQUITY INDEX FUND | 919,961 | 1,226,175 |
| | FIRST STATE TRUST COMPANY | SMALL CAP INDEX FUND | 1,205,093 | 1,673,665 |
| | FIRST STATE TRUST COMPANY | SPDR GOLD TRUST | 855,003 | 1,108,436 |
| | FIRST STATE TRUST COMPANY | ALERIAN MLP FUND | 1,117,641 | 1,143,312 |
| | FIRST STATE TRUST COMPANY | ISHARES CORPORATE BOND FUND | 1,753,386 | 1,895,690 |
| | FIRST STATE TRUST COMPANY | UTILITIES SELECT SECTOR FUND | 1,104,812 | 1,147,786 |

## Attachment to 2012 Form 5500
## Schedule H, line 4j - Schedule of Reportable Transactions

**Plan Name** FILTRONA POROUS TECHNOLOGIES CORP PENSION PLAN FOR HOURLY EMPLOYEES **EIN:** 27-2138356

**Plan Sponsor's Name** FILTRONA POROUS TECHNOLOGIES CORP. **PN:** 002

| (a) Identity of party involved | (b) Description of asset (include interest rate and maturity in case of a loan) | (c) Purchase price | (d) Selling price | (e) Lease rental | (f) Expense incurred with transaction | (g) Cost of asset | (h) Current value of asset on transaction date | (i) Net gain or (loss) |
|---|---|---|---|---|---|---|---|---|
| FIRST STATE TRUST COMPANY | NORTHERN INSTITUTIONAL DIVERSIFIED ASSETS MONEY MARKET | 2,553,171 | | | | 2,553,171 | 2,553,171 | |
| FIRST STATE TRUST COMPANY | NORTHERN INSTITUTIONAL DIVERSIFIED ASSETS MONEY MARKET | | 2,572,439 | | | 2,572,439 | 2,572,439 | 0 |
| FIRST STATE TRUST COMPANY | MONEY MARKET FUND | | 1,418,212 | | | 1,418,212 | 1,418,212 | 0 |
| FIRST STATE TRUST COMPANY | BOND INDEX FUND | 1,407,129 | | | | 1,407,129 | 1,407,129 | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |