

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 <div style="border: 1px solid black; text-align: center; padding: 5px; font-weight: bold; font-size: 1.2em;">2012</div> This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>			
A This return/report is for:	<input checked="" type="checkbox"/> a single-employer plan	<input type="checkbox"/> a multiple-employer plan (not multiemployer)	<input type="checkbox"/> a one-participant plan
B This return/report is:	<input type="checkbox"/> the first return/report	<input type="checkbox"/> the final return/report	
	<input type="checkbox"/> an amended return/report	<input type="checkbox"/> a short plan year return/report (less than 12 months)	
C Check box if filing under:	<input checked="" type="checkbox"/> Form 5558	<input type="checkbox"/> automatic extension	<input type="checkbox"/> DFVC program
	<input type="checkbox"/> special extension (enter description)		

Part II Basic Plan Information —enter all requested information			
1a Name of plan <u>N. THANNOLI, PSC CASH BALANCE PENSION PLAN</u>		1b Three-digit plan number (PN) ▶	<u>003</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>N. THANNOLI, PSC</u> <u>55 THANNOLI DRIVE</u> <u>SOMERSET, KY 42503</u>		1c Effective date of plan <u>01/01/2009</u>	
3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address		2b Employer Identification Number (EIN) <u>61-1309302</u>	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. a Sponsor's name		2c Sponsor's telephone number <u>606-677-1173</u>	
5a Total number of participants at the beginning of the plan year		2d Business code (see instructions) <u>621111</u>	
b Total number of participants at the end of the plan year		3b Administrator's EIN	
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)		3c Administrator's telephone number	
6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.			
Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.			
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2013	KIM EATON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2013	KIM EATON
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
Preparer's name (including firm name, if applicable) and address; include room or suite number (optional)			Preparer's telephone number (optional)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	403379	525876
b Total plan liabilities	7b	0	0
c Net plan assets (subtract line 7b from line 7a)	7c	403379	525876
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	122489	
(2) Participants	8a(2)	0	
(3) Others (including rollovers)	8a(3)	0	
b Other income (loss)	8b	9	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		122498
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	0	
e Certain deemed and/or corrective distributions (see instructions)	8e	0	
f Administrative service providers (salaries, fees, commissions)	8f	1	
g Other expenses	8g	0	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		1
i Net income (loss) (subtract line 8h from line 8c)	8i		122497
j Transfers to (from) the plan (see instructions)	8j	0	

Part IV Plan Characteristics

9a	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 1A 1C 1I
b	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a	X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b	X	
c Was the plan covered by a fidelity bond?	10c	X	500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d	X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e	X	
f Has the plan failed to provide any benefit when due under the plan?	10f	X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g	X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h	X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i		

Part VI Pension Funding Compliance

11	Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
11a	Enter the amount from Schedule SB line 39	11a
12	Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ..	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)		
a	If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____	
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.		
b	Enter the minimum required contribution for this plan year	12b

c Enter the amount contributed by the employer to the plan for this plan year.....	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d	
e Will the minimum funding amount reported on line 12d be met by the funding deadline?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a 0
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
c If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)	
13c(1) Name of plan(s):	13c(2) EIN(s)
	13c(3) PN(s)

Part VIII Trust Information (optional)

14a Name of trust	14b Trust's EIN

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan N. THANNOLI, PSC CASH BALANCE PENSION PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF N. THANNOLI, PSC	D Employer Identification Number (EIN) 61-1309302
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500

Part I	Basic Information																								
1	Enter the valuation date: Month 12 Day 31 Year 2012																								
2	Assets: <table><tr><td>a Market value</td><td>2a</td><td>403387</td></tr><tr><td>b Actuarial value</td><td>2b</td><td>403387</td></tr></table>	a Market value	2a	403387	b Actuarial value	2b	403387																		
a Market value	2a	403387																							
b Actuarial value	2b	403387																							
3	Funding target/participant count breakdown: <table><tr><td></td><td>(1) Number of participants</td><td>(2) Funding Target</td></tr><tr><td>a For retired participants and beneficiaries receiving payment</td><td>3a</td><td>0</td></tr><tr><td>b For terminated vested participants</td><td>3b</td><td>0</td></tr><tr><td>c For active participants:</td><td></td><td></td></tr><tr><td>(1) Non-vested benefits</td><td>3c(1)</td><td>0</td></tr><tr><td>(2) Vested benefits</td><td>3c(2)</td><td>354084</td></tr><tr><td>(3) Total active</td><td>3c(3)</td><td>9</td></tr><tr><td>d Total</td><td>3d</td><td>9</td></tr></table>		(1) Number of participants	(2) Funding Target	a For retired participants and beneficiaries receiving payment	3a	0	b For terminated vested participants	3b	0	c For active participants:			(1) Non-vested benefits	3c(1)	0	(2) Vested benefits	3c(2)	354084	(3) Total active	3c(3)	9	d Total	3d	9
	(1) Number of participants	(2) Funding Target																							
a For retired participants and beneficiaries receiving payment	3a	0																							
b For terminated vested participants	3b	0																							
c For active participants:																									
(1) Non-vested benefits	3c(1)	0																							
(2) Vested benefits	3c(2)	354084																							
(3) Total active	3c(3)	9																							
d Total	3d	9																							
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/> <table><tr><td>a Funding target disregarding prescribed at-risk assumptions</td><td>4a</td><td></td></tr><tr><td>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</td><td>4b</td><td></td></tr></table>	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																			
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5	Effective interest rate 5 6.88 %																								
6	Target normal cost 6 106928																								

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		08/02/2013
JOSE MERCADO	Signature of actuary	Date
BENETECH, INC.	Type or print name of actuary	11-06242
400 N. TUSTIN AVE., SUITE 100 TUSTIN, CA 92705	Firm name	Most recent enrollment number
	Address of the firm	714-550-3400
		Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2012
v. 120126

Part II Beginning of Year Carryover Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	19590
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	19590
10	Interest on line 9 using prior year's actual return of <u>-1.37%</u>		-268
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		56639
b	Interest on (a) using prior year's effective interest rate of <u>5.44%</u> except as otherwise provided (see instructions)		0
c	Total available at beginning of current plan year to add to prefunding balance		56639
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	19322

Part III Funding Percentages			
14	Funding target attainment percentage	14	108.09 %
15	Adjusted funding target attainment percentage	15	112.77 %
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	65.67 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
06/11/2013	122489				
			Totals ►	18(b)	122489 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 116512
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 5.54%	2nd segment: 6.85%	3rd segment: 7.52%	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	106928	
b Excess assets, if applicable, but not greater than line 31a	31b	28651	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	78277	
	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	78277	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	116512	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	38235	
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	<input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years		
b Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

N THANNOLI, PSC
CASH BALANCE PENSION PLAN

Summary of Plan Provisions
Plan Year: 1/1/2012 to 12/31/2012
Valuation Date: 12/31/2012

Plan Effective Date	January 1, 2009
Plan Year	From January 1 to December 31
Eligibility	<p>All employees not excluded by class are eligible to enter on the January 1 or July 1 coincident with or following the completion of the following requirements:</p> <p style="padding-left: 40px;">1 year of service Minimum age 21</p> <p>Unions, HCE's except Direct Owner as of 1/1/09, and NHCEs making \$50,000 or more in the prior year are excluded.</p>
Normal Retirement Age	<p>All participants are eligible to retire with their full retirement benefit on the later of the following:</p> <p style="padding-left: 40px;">Attainment of age 62 Completion of 5 years of participation</p>
Normal Retirement Benefit	<p>Based on their group classification, participants receive a cash balance contribution equal to a percentage of compensation or a fixed dollar amount as follows:</p> <p style="padding-left: 40px;">Direct Owner as of 1/1/09: 50.000% Non-Highly Compensated Employee: 2.500%</p> <p style="padding-left: 40px;">Maximum benefit is \$16,667 per month Maximum percent of salary is 100%</p>
Normal Form of Benefit	A benefit payable for the life of the participant
Accrued Benefit	The normal retirement benefit described above calculated based on salary and/or service on the calculation date, and payable on the normal retirement date.
Termination Benefit	<p>Upon termination for any reason other than death, disability or retirement a participant shall be entitled to a portion of the actuarial equivalent of his accrued benefit in accordance with the following vesting schedule:</p> <p style="padding-left: 40px;">Immediate 100% vesting</p> <p>Credited years are years commencing with the date of hire and ending with the retirement year excluding the following:</p> <p style="padding-left: 40px;">Years with less than 1,000 hours</p>

N THANNOLI, PSC
CASH BALANCE PENSION PLAN

Summary of Plan Provisions
Plan Year: 1/1/2012 to 12/31/2012
Valuation Date: 12/31/2012

Top-Heavy Minimum Benefit	Top-heavy minimum benefits are provided under another plan of the employer.
Top-Heavy Status	A plan is top-heavy if over 60% of the value of all accrued benefits in all of the employer's plans are for the benefit of key employees. A key employee is generally an officer or owner of the company. This plan is currently top-heavy.
Death Benefit	Actuarial Equivalent of the accrued benefit earned to date of death
Disability	Equal to present value of the accrued benefit
Cash Balance	The Interest Crediting Rate for this plan year is 5.00%

N THANNOLI, PSC
CASH BALANCE PENSION PLAN

EIN: 61-1309302 PN: 003

2012 Schedule SB Attachment
Optional Forms of Benefit

The plan's normal form of payment is a Life Only annuity, payable for the life of the participant.

For married participants, the actuarial equivalence of this benefit will be paid in the form of a Joint and 50% Survivor annuity unless the participant elects a different form of payment and the spouse consents in writing. This benefit is payable for the life of the participant, with 50% payable to the surviving spouse for his/her lifetime. Payments cease on the death of the participant and spouse.

The following forms of payment are also available:

Life With 10 Years Certain	Payable for the life of the participant. If the participant dies before receiving payments for 10 full years, payments will continue to his/her surviving beneficiary for the remainder of the 10-year period and then stop.
Life With 15 Years Certain	Payable for the life of the participant. If the participant dies before receiving payments for 15 full years, payments will continue to his/her surviving beneficiary for the remainder of the 15-year period and then stop.
Joint and 75% Survivor	Payable for the life of the participant. If the participant dies before his/her beneficiary, 75% of the benefit will continue for the life of the beneficiary.
Joint and 50% Survivor	Payable for the life of the participant. If the participant dies before his/her beneficiary, 50% of the benefit will continue for the life of the beneficiary.
Single Lump Sum	This is a one-time payment of the lump sum equivalent of the plan's normal form of benefit.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>N. THANNOLI, PSC CASH BALANCE PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>N. THANNOLI, PSC</u>	D Employer Identification Number (EIN) <u>61-1309302</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500		

Part I Basic Information

1	Enter the valuation date:	Month <u>12</u>	Day <u>31</u>	Year <u>2012</u>		
2	Assets:					
	a Market value	2a	403,387			
	b Actuarial value	2b	403,387			
3	Funding target/participant count breakdown:		(1) Number of participants		(2) Funding Target	
	a For retired participants and beneficiaries receiving payment.....	3a	0	0		
	b For terminated vested participants.....	3b	0	0		
	c For active participants:					
	(1) Non-vested benefits	3c(1)		0		
	(2) Vested benefits	3c(2)		354,084		
	(3) Total active.....	3c(3)	9	354,084		
	d Total.....	3d	9	354,084		
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>					
	a Funding target disregarding prescribed at-risk assumptions	4a				
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b				
5	Effective interest rate	5	6.88			
6	Target normal cost.....	6	106,928			

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	 Signature of actuary	<u>08/02/2013</u> Date
<u>JOSE MERCADO</u> Type or print name of actuary		<u>11-06242</u> Most recent enrollment number
<u>BENETECH, INC.</u> Firm name		<u>(714) 550-3400</u> Telephone number (including area code)
<u>400 N. TUSTIN AVE., SUITE 100</u> Address of the firm		
<u>TUSTIN</u> Address of the firm		
<u>CA 92705</u> Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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	19,590
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	19,590
10 Interest on line 9 using prior year's actual return of <u>(1.37)</u> %		(268)
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		56,639
b Interest on (a) using prior year's effective interest rate of <u>5.44</u> % except as otherwise provided (see instructions)		0
c Total available at beginning of current plan year to add to prefunding balance		56,639
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	19,322

Part III Funding Percentages

14 Funding target attainment percentage	14	108.09 %
15 Adjusted funding target attainment percentage	15	112.77 %
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	65.67 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
06/11/2013	122,489				
Totals ▶			18(b)	122,489	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 116,512
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
(3) 3rd	(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 5.54 %	2nd segment: 6.85 %	3rd segment: 7.52 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	106,928	
b Excess assets, if applicable, but not greater than line 31a	31b	28,651	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment.....	0	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	78,277	
	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	78,277	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	116,512	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	38,235	
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	<input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years		
b Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

[illegible]

Attachment to 2012 Form 5500
Schedule SB, line 22 - Description of Weighted Average Retirement Age

Plan Name <u>N. THANNOLI, PSC CASH BALANCE PENSION PLAN</u>	EIN: <u>61-1309302</u>
Plan Sponsor's Name <u>N. THANNOLI, PSC</u>	PN: <u>003</u>

The weighted average retirement age is equal to the normal retirement age of 62.

List the rate of retirement at each age and describe the methodology used to compute the weighted average retirement age, including a description of the weight applied at each potential retirement age.

The Normal Retirement Age (NRA) is defined in the Plan Provisions as the later of age 62 and 5 years of participation.

The assumed probability of retirement at the older of NRA or attained age is 100%, and 0% at all other ages.

The Average Retirement Age is the mean of the NRAs for all plan participants.

Attachment to 2012 Form 5500
Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Plan Name N. THANNOLI, PSC CASH BALANCE PENSION PLAN

EIN: 61-1309302

Plan Sponsor's Name N. THANNOLI, PSC

PN: 003

Describe all non-prescribed actuarial assumptions used to determine the funding target and target normal cost. Also, describe the method for determining the actuarial value of assets and any other aspects of the funding method for determining the Schedule SB entries that are not prescribed by law.

Retirement age: Each participant is assumed to retire at the later of Normal Retirement Age or attained age.

Withdrawal rates: None.

Benefit form: 100% of participants are assumed to elect lump sum (or annuity) distributions.

Mortality tables are applied on a static basis, using combined mortality tables.

Expected increase in compensation: None.

Assumptions to convert balances to annuities: 5% pre-retirement interest, 5.5% post-retirement interest, 2009 Applicable Mortality Table under IRC Section 417(e)(3).

Actuarial value of assets: Fair Market Value

MAP-21 rates used for funding and AFTAP