Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
SOTECH, INC. CASH BALANCE PLAN

1b Three-digit plan number (PN) ▶ 004

1c Effective date of plan 01/01/2010

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

12011 GUILFORD ROAD, SUITE 109
ANNAPOLIS JUNCTION, MD 20701

2b Employer Identification Number (EIN) 54-1980520

2c Sponsor's telephone number 301-470-7015

2d Business code (see instructions) 541511

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.
a Sponsor's name

4b EIN

4c PN

5a Total number of participants at the beginning of the plan year	**5a**	71
b Total number of participants at the end of the plan year	**5b**	13
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	**5c**	

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

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

If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2013	WILLIAM BAMBARGER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2013	WILLIAM BAMBARGER
	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	737627	374592
b Total plan liabilities	7b	0	0
c Net plan assets (subtract line 7b from line 7a)	7c	737627	374592
8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: (1) Employers	8a(1)	45255	
(2) Participants	8a(2)	0	
(3) Others (including rollovers)	8a(3)	0	
b Other income (loss)	8b	119	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		45374
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	406364	
e Certain deemed and/or corrective distributions (see instructions)	8e	0	
f Administrative service providers (salaries, fees, commissions)	8f	2045	
g Other expenses	8g	0	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		408409
i Net income (loss) (subtract line 8h from line 8c)	8i		-363035
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 1G

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		200000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) — [X] Yes [ ] No

11a Enter the amount from Schedule SB line 39 — **11a** 0

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? — [ ] Yes [X] No

(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)

a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year — **12b**

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

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?		☒ Yes ☐ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year	**13a**	0
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☐ Yes ☒ No

c If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

13c(1) Name of plan(s):	**13c(2)** EIN(s)	**13c(3)** PN(s)

Part VIII Trust Information (optional)

14a Name of trust	**14b** Trust's EIN

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

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

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

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

A Name of plan
SOTECH, INC. CASH BALANCE PLAN

B Three-digit plan number (PN) ▶ 004

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

D Employer Identification Number (EIN)
54-1980520

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

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

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2012			
2	Assets:			
	a Market value	**2a**		737627
	b Actuarial value	**2b**		737627
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**	12	282903
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		40941
	(2) Vested benefits	**3c(2)**		508970
	(3) Total active	**3c(3)**	59	549911
	d Total	**3d**	71	832814
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**		5.63 %
6	Target normal cost	**6**		0

Statement by Enrolled Actuary

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

SIGN HERE

Signature of actuary	10/01/2013 Date
JON S. KETZNER, FCA, MAAA Type or print name of actuary	11-01826 Most recent enrollment number
CBIZ BENEFITS AND INSURANCE SERVICE Firm name	301-777-1500 Telephone number (including area code)
44 BALTIMORE STREET CUMBERLAND, MD 21502 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 0.00%		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		59578
	b Interest on (a) using prior year's effective interest rate of 6.08% except as otherwise provided (see instructions)		3622
	c Total available at beginning of current plan year to add to prefunding balance		63200
	d Portion of (c) to be added to prefunding balance		63200
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	63200

Part III Funding Percentages

14	Funding target attainment percentage	14	80.98 %
15	Adjusted funding target attainment percentage	15	80.98 %
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	84.34 %
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
01/16/2013	45255				
			Totals ► 18(b)	45255	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	42715

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
1.98%	5.07%	6.19 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	62

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

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	158387	2170
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**	2170

	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**	2170
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	42715

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

a Total (excess, if any, of line 37 over line 36)	**38a**	40545
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**	

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

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

100% at the Plan's defined Normal Retirement Age of 62.

Age	Rate
62	100.0%

Weighted Average Retirement Age: 62

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

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

Actuarial Cost Method
Traditional Unit Credit

Actuarial Value of Assets
Market Value of Assets

Date of Calculations
January 1, 2012

Employees Included in the Calculations
All active employees who have met the Plan's eligibility requirements as of the valuation date are included in the calculations. Former employees or their survivors who are receiving or are entitled to receive an immediate or deferred benefit under the provisions of the Plan are also included.

Source of Data
Data is as of the valuation date and is supplied to us by the Employer.

All eligible employees are assumed to work the same number of hours they worked in the most recent year in all future years.

We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break-in-service. These employees may have participation requirements different from other new employees.

Pre-retirement for Retirement and Spousal Benefits:

Investment Return - Segment rates (0-month lookback)

First Segment:	1.98%
Second Segmen	5.07%
Third Segment:	6.19%

Mortality:	None
Termination of Employment:	None assumed
Salary Scale:	0% per year
Retirement Age:	All employees are assumed to retire at the later of NRA and current age.

Post-retirement for Retirement Benefits:

Investment Return - Segment rates (0-month lookback)

First Segment:	1.98%
Second Segmen	5.07%
Third Segment:	6.19%

Mortality:	2012 Combined Static Mortality
Plan Expenses:	Based on estimated administrative expenses paid from plan assets.
Form of Benefit Payment:	100% of Participants are assumed to elect a Lump Sum
Effective Rate of Interest:	5.63%

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

Schedule SB, Part V - Summary of Plan Provisions

The following summary describes Principal Plan Provisions assumed in calculating the cost of your Pension Plan.

General Information

Original Effective Date	1/1/2010
Plan Year	January 1 through December 31
Employer Fiscal Year	January 1 through December 31
Plan Termination Date:	1/31/2012

Eligibility

All employees of the Employer age 21 or older are eligible to participate in the Plan as of the January 1 c July 1 next following the completion of one year of service with at least 1,000 hours of service

Service

Service shall equal total years of service with the Employer. A year of service is credited for each plan yea in which an employee works 1,000 hours.

Normal Retirement Date

Normal Retirement Date is the later of age 62 or five years of participation

Normal Retirement Benefit

Actuarial Equivalent of Hypothetical Account Balance at Normal Retirement Age, converte on the 1994 GAR mortality table and 5.50% interest

The hypothetical account earns interest on the 3rd segment rate used for funding purpose

Allocations are based on a percentage of eligible compensation as determined under the following tabl

Group	Allocation Rate
Shareholders	65.00%
All other employees	2.00%

Delayed Retirement

A participant may continue in the employment of the Employer after his Normal Retirement Date. In suc event, he will receive, at actual retirement, the greater of the actuarial equivalent of his Normal Retiremer Benefit or the benefit based on service and compensation as of actual Retirement Date

Early Retirement Benefit

None

Disability Retirement Benefit

None

Death Benefit

Present Value of Accrued Benefit

Severance Benefit

Upon termination of employment after three years of Vesting Service, a participant shall have a veste interest in his accrued benefit, which will be payable at Normal Retirement Date. The percentage veste shall be:

Years of Vesting Service	Vested Percent
Fewer than 3	0%
Three or more	100%

Normal Form of Payment

The Normal Form of Payment is an annuity paid in monthly installments for life, or if married, a actuarially equivalent Joint & Survivor Annuity

The lump sum payment option is equivalent to the Hypothetical Account Balance.

The above description is a summary only; for additional details, reference should be made to the formal Plan Document.

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

Schedule SB, line 26 - Schedule of Active Participant Data

	Years of Service																				
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		
Age	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	Total
Under 25	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
25 to 29	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
30 to 34	1	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9
35 to 39	4	0	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18
40 to 44	1	0	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7
45 to 49	2	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
50 to 54	1	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
55 to 59	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
60 to 64	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Total	10		49		0		0		0		0		0		0		0		0		59

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

Schedule SB, line 32 - Schedule of Amortization Bases

Type of Base	Present Value of any remaining	Valuation Date	Years Remaining	Amortization Installment
Shortfall Amortization	49,012	1/1/2011	6	8,767
Shortfall Amortization	109,375	1/1/2012	7	17,269
Total	158,387			26,036
Proration due to plan termination on 1/31/2012 (1/12)				2,170

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

Schedule SB, line 19 - Discounted Employer Contributions

Deposit Date	Amount	Discount Rate **	Designation	Due Date	DaysLate	To VD	w/LI	w/EI
1/16/2013	488	5.63%	1st Quarter	4/15/2012	276	105	445	461
1/16/2013	488	5.63%	2nd Quarter	7/15/2012	185	196	450	461
1/16/2013	488	5.63%	3rd Quarter	10/15/2012	93	288	456	461
1/16/2013	488	5.63%	4th Quarter	1/15/2013	1	380	461	461
1/16/2013	43,303	5.63%	2012 Rem. Contrib	9/15/2013	0	381	40,903	40,903
						Total	42,715	42,747
						Less Credit Balance	-	-
Total Deposited	45,255			Total Discounted Contributions			42,715	42,747
							Q Pen interest	32

** Effective Rate plus 5% for period between due date and deposit date

SB Actuary Signature

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

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▶ **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: Sotech, Inc. Cash Balance Plan

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF: Sotech, Inc.

D Employer Identification Number (EIN): 54-1980520

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

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

Part I Basic Information

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

2	Assets:			
	a Market value	2a		737,627
	b Actuarial value	2b		737,627
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	12	282,903
	c For active participants:			
	(1) Non-vested benefits	3c(1)		40,941
	(2) Vested benefits	3c(2)		508,970
	(3) Total active	3c(3)	59	549,911
	d Total	3d	71	832,814
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		5.63
6	Target normal cost	6		0

Statement by Enrolled Actuary

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

SIGN HERE

Signature of actuary

10/01/2013
Date

Jon S. Ketzner, FCA, MAAA
Type or print name of actuary

11-01826
Most recent enrollment number

CBIZ Benefits and Insurance Service
Firm name

(301) 777-1500
Telephone number (including area code)

44 Baltimore Street

Cumberland MD 21502
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 [ ]

SB Actuary Signature

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 00.00 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		59,578
	b Interest on (a) using prior year's effective interest rate of 6.08 % except as otherwise provided (see instructions)		3,622
	c Total available at beginning of current plan year to add to prefunding balance		63,200
	d Portion of (c) to be added to prefunding balance		63,200
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	63,200

Part III Funding Percentages

14	Funding target attainment percentage	14	80.98 %
15	Adjusted funding target attainment percentage	15	80.98 %
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	84.34 %
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
01/16/2013	45,255				
			Totals ▶ 18(b)	45,255	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	42,715

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

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

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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
1.98 %	5.07 %	6.19 %	

b Applicable month (enter code)	21b	0
22 Weighted average retirement age	22	62

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

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	158,387	2,170
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	2,170

	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	2,170
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	42,715
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	38a	40,545
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	

SB Actuary Signature

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

Schedule SB, line 19 - Discounted Employer Contributions

Deposit Date	Amount	Discount Rate **	Designation	Due Date	DaysLate	To VD	w/LI	w/EI
1/16/2013	488	5.63%	1st Quarter	4/15/2012	276	105	445	461
1/16/2013	488	5.63%	2nd Quarter	7/15/2012	185	196	450	461
1/16/2013	488	5.63%	3rd Quarter	10/15/2012	93	288	456	461
1/16/2013	488	5.63%	4th Quarter	1/15/2013	1	380	461	461
1/16/2013	43,303	5.63%	2012 Rem. Contrib	9/15/2013	0	381	40,903	40,903
						Total	42,715	42,747
						Less Credit Balance	-	-
Total Deposited	45,255					Total Discounted Contributions	42,715	42,747
							Q Pen interest	32

** Effective Rate plus 5% for period between due date and deposit date

SB Actuary Signature

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

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

100% at the Plan's defined Normal Retirement Age of 62.

Age	Rate
62	100.0%

Weighted Average Retirement Age: 62

SB Actuary Signature

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

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

Actuarial Cost Method
Traditional Unit Credit

Actuarial Value of Assets
Market Value of Assets

Date of Calculations
January 1, 2012

Employees Included in the Calculations
All active employees who have met the Plan's eligibility requirements as of the valuation date are included in the calculations. Former employees or their survivors who are receiving or are entitled to receive an immediate or deferred benefit under the provisions of the Plan are also included.

Source of Data
Data is as of the valuation date and is supplied to us by the Employer.

All eligible employees are assumed to work the same number of hours they worked in the most recent year in all future years.

We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break-in-service. These employees may have participation requirements different from other new employees.

Pre-retirement for Retirement and Spousal Benefits:

Investment Return - Segment rates (0-month lookback)

First Segment:	1.98%
Second Segmen	5.07%
Third Segment:	6.19%

Mortality:	None
Termination of Employment:	None assumed
Salary Scale:	0% per year
Retirement Age:	All employees are assumed to retire at the later of NRA and current age.

Post-retirement for Retirement Benefits:

Investment Return - Segment rates (0-month lookback)

First Segment:	1.98%
Second Segmen	5.07%
Third Segment:	6.19%

Mortality:	2012 Combined Static Mortality
Plan Expenses:	Based on estimated administrative expenses paid from plan assets
Form of Benefit Payment:	100% of Participants are assumed to elect a Lump Sum
Effective Rate of Interest:	5.63%

SB Actuary Signature

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

Schedule SB, Part V - Summary of Plan Provisions

The following summary describes Principal Plan Provisions assumed in calculating the cost of your Pension Plan.

General Information

Original Effective Date	1/1/2010
Plan Year	January 1 through December 31
Employer Fiscal Year	January 1 through December 31
Plan Termination Date:	1/31/2012

Eligibility
All employees of the Employer age 21 or older are eligible to participate in the Plan as of the January 1 or July 1 next following the completion of one year of service with at least 1,000 hours of service.

Service
Service shall equal total years of service with the Employer. A year of service is credited for each plan year in which an employee works 1,000 hours.

Normal Retirement Date
Normal Retirement Date is the later of age 62 or five years of participation.

Normal Retirement Benefit
Actuarial Equivalent of Hypothetical Account Balance at Normal Retirement Age, converted on the 1994 GAR mortality table and 5.50% interest.

The hypothetical account earns interest on the 3rd segment rate used for funding purposes.

Allocations are based on a percentage of eligible compensation as determined under the following table:

Group	Allocation Rate
Shareholders	65.00%
All other employees	2.00%

Delayed Retirement
A participant may continue in the employment of the Employer after his Normal Retirement Date. In such event, he will receive, at actual retirement, the greater of the actuarial equivalent of his Normal Retirement Benefit or the benefit based on service and compensation as of actual Retirement Date.

Early Retirement Benefit
None

Disability Retirement Benefit
None

Death Benefit
Present Value of Accrued Benefit.

Severance Benefit
Upon termination of employment after three years of Vesting Service, a participant shall have a vested interest in his accrued benefit, which will be payable at Normal Retirement Date. The percentage vested shall be:

Years of Vesting Service	Vested Percent
Fewer than 3	0%
Three or more	100%

Normal Form of Payment
The Normal Form of Payment is an annuity paid in monthly installments for life, or if married, an actuarially equivalent Joint & Survivor Annuity.

The lump sum payment option is equivalent to the Hypothetical Account Balance.

The above description is a summary only; for additional details, reference should be made to the formal Plan Document.

SB Actuary Signature

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

Schedule SB, line 32 - Schedule of Amortization Bases

Type of Base	Present Value of any remaining installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall Amortization	49,012	1/1/2011	6	8,767
Shortfall Amortization	109,375	1/1/2012	7	17,269
Total	158,387			26,036
Proration due to plan termination on 1/31/2012 (1/12)				2,170

Plan Name: Sotech, Inc. Cash Balance Plan
EIN/PN: 54-1980520/004

Schedule SB, line 26 - Schedule of Active Participant Data

Years of Service

Age	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		Total
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	
Under 25	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
25 to 29	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
30 to 34	1	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9
35 to 39	4	0	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18
40 to 44	1	0	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7
45 to 49	2	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
50 to 54	1	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
55 to 59	0	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
60 to 64	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Total	10		49		0		0		0		0		0		0		0		0		59

SB Actuary Signature