

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
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ 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.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>PENSION PLAN FOR SALARIED & PRODUCTION EMPLOYEES OF V&M STAR, LP</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/12/2002</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>07/12/2002</u>	
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1c Effective date of plan <u>07/12/2002</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>VALLOUREC STAR, LP</u> <u>4424 W. SAM HOUSTON PARKWAY NORTH</u> <u>SUITE 150</u> <u>HOUSTON, TX 77041-8200</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>82-0549409</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>713-479-3220</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>331200</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>82-0549409</u>	2c Sponsor's telephone number <u>713-479-3220</u>	2d Business code (see instructions) <u>331200</u>	
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2d Business code (see instructions) <u>331200</u>					

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. Signature of plan administrator	10/15/2013 Date	AMY OWENS Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
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 ☒ 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 V & M STAR, LP		4b EIN 82-0549409 4c PN 002																											
5 Total number of participants at the beginning of the plan year		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: center;">5</td> <td style="width: 90%; text-align: right;">703</td> </tr> </table>	5	703																									
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="background-color: #cccccc; height: 20px;"></td> </tr> <tr> <td style="width: 10%; text-align: center;">6a</td> <td style="width: 90%; text-align: right;">515</td> </tr> <tr> <td style="text-align: center;">6b</td> <td style="text-align: right;">76</td> </tr> <tr> <td style="text-align: center;">6c</td> <td style="text-align: right;">96</td> </tr> <tr> <td style="text-align: center;">6d</td> <td style="text-align: right;">687</td> </tr> <tr> <td style="text-align: center;">6e</td> <td style="text-align: right;">8</td> </tr> <tr> <td style="text-align: center;">6f</td> <td style="text-align: right;">695</td> </tr> <tr> <td style="text-align: center;">6g</td> <td></td> </tr> <tr> <td style="text-align: center;">6h</td> <td style="text-align: right;">5</td> </tr> </table>			6a	515	6b	76	6c	96	6d	687	6e	8	6f	695	6g		6h	5									
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7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: center;">7</td> <td style="width: 90%;"></td> </tr> </table>	7																										
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1B 1G 3H																													
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9a Plan funding arrangement (check all that apply) <table style="width: 100%;"> <tr> <td style="width: 5%;">(1)</td> <td style="width: 5%;">☐</td> <td style="width: 90%;">Insurance</td> </tr> <tr> <td>(2)</td> <td>☐</td> <td>Code section 412(e)(3) insurance contracts</td> </tr> <tr> <td>(3)</td> <td>☒</td> <td>Trust</td> </tr> <tr> <td>(4)</td> <td>☐</td> <td>General assets of the sponsor</td> </tr> </table>	(1)	☐	Insurance	(2)	☐	Code section 412(e)(3) insurance contracts	(3)	☒	Trust	(4)	☐	General assets of the sponsor	9b Plan benefit arrangement (check all that apply) <table style="width: 100%;"> <tr> <td style="width: 5%;">(1)</td> <td style="width: 5%;">☐</td> <td style="width: 90%;">Insurance</td> </tr> <tr> <td>(2)</td> <td>☐</td> <td>Code section 412(e)(3) insurance contracts</td> </tr> <tr> <td>(3)</td> <td>☒</td> <td>Trust</td> </tr> <tr> <td>(4)</td> <td>☐</td> <td>General assets of the sponsor</td> </tr> </table>		(1)	☐	Insurance	(2)	☐	Code section 412(e)(3) insurance contracts	(3)	☒	Trust	(4)	☐	General assets of the sponsor			
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)																													
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SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

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

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

A Name of plan <u>PENSION PLAN FOR SALARIED & PRODUCTION EMPLOYEES OF V&M STAR, LP</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>VALLOUREC STAR, LP</u>	D Employer Identification Number (EIN) <u>82-0549409</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2012</u>
2	Assets:
a	Market value 2a <u>20500137</u>
b	Actuarial value 2b <u>20734362</u>
3	Funding target/participant count breakdown:
a	For retired participants and beneficiaries receiving payment..... 3a <u>79</u> <u>3663316</u>
b	For terminated vested participants..... 3b <u>80</u> <u>1534098</u>
c	For active participants:
(1)	Non-vested benefits..... 3c(1) <u>2254121</u>
(2)	Vested benefits..... 3c(2) <u>17431612</u>
(3)	Total active 3c(3) <u>544</u> <u>19685733</u>
d	Total 3d <u>703</u> <u>24883147</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☒
a	Funding target disregarding prescribed at-risk assumptions 4a <u>23860102</u>
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 <u>28975325</u>
5	Effective interest rate 5 <u>5.75 %</u>
6	Target normal cost..... 6 <u>1822353</u>

Statement by Enrolled Actuary

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

SIGN HERE	<u>10/07/2013</u>
Signature of actuary	Date
<u>PAUL F. POLCHERT</u>	<u>11-02704</u>
Type or print name of actuary	Most recent enrollment number
<u>AON CONSULTING, INC.</u>	<u>212-479-4651</u>
Firm name	Telephone number (including area code)
<u>199 WATER STREET</u> <u>NEW YORK, NY 10038</u>	
Address of the firm	

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

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

Schedule SB (Form 5500) 2012
v. 120126

Part II Beginning of Year Carryover Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	116275
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	116275
10	Interest on line 9 using prior year's actual return of <u>1.27</u> %	0	1477
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		2558880
	b Interest on (a) using prior year's effective interest rate of <u>6.40</u> % except as otherwise provided (see instructions)		163768
	c Total available at beginning of current plan year to add to prefunding balance		2722648
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections		117752
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	86.89 %
15	Adjusted funding target attainment percentage	15	86.89 %
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	74.88 %
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
04/16/2012	671242				
07/11/2012	530489				
10/15/2012	600866				
01/15/2013	600866				
09/12/2013	389000				
			Totals ►	18(b)	2792463 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	2671379
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☒ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

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

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	1822353	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	4148785	848162	
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month <u>10</u> Day <u>15</u> Year <u>2013</u>) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	2670515	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35)	36	2670515	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	2671379	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	864	
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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider 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 PENSION PLAN FOR SALARIED & PRODUCTION EMPLOYEES OF V&M STAR, LP	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 VALLOUREC STAR, LP	D Employer Identification Number (EIN) 82-0549409

Part I	Service Provider Information (see instructions)
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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
DIVERSIFIED RETIREMENT CORPORATION

13-3689044

(b) Enter name and EIN or address of person who provided you disclosure 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)

DIVERSIFIED RETIREMENT CORPORATION

13-3689044

(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 12 15 28 38 50 59 61 62 63 64	RECORD KEEPER	14333	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

NATIONAL FINANCIAL SERVICES

04-3523567

(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?
33 71	SECURITIES BROKER	0	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

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			Yes ☐ No ☐	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)

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			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
DIVERSIFIED RETIREMENT CORPORATION	11 12 15 28 38 50 59 61 62 63 64	0
(d) Enter name and EIN (address) of source of indirect compensation AMERICAN CENTURY PO BOX 419200 KANSAS CITY, MO 64141 (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)		
(a) Enter service provider name as it appears on line 2 DIVERSIFIED RETIREMENT CORPORATION (b) Service Codes (see instructions) 11 12 15 28 38 50 59 61 62 63 64 (c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation COHEN & STEERS 280 PARK AVENUE NEW YORK, NY 10017 (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)		
(a) Enter service provider name as it appears on line 2 DIVERSIFIED RETIREMENT CORPORATION (b) Service Codes (see instructions) 11 12 15 28 38 50 59 61 62 63 64 (c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation COLUMBIA 245 SUMMER STREET FLOOR 3 BOSTON, MA 02210 (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)		

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
DIVERSIFIED RETIREMENT CORPORATION	11 12 15 28 38 50 59 61 62 63 64	0
(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.	
PRUDENTIAL 751 BROAD STREET NEWARK, NJ 07102	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
DIVERSIFIED RETIREMENT CORPORATION	11 12 15 28 38 50 59 61 62 63 64	0
(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.	
T ROWE PRICE 100 EAST PRATT STREET BALTIMORE, MD 21202	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0
(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.	
AMERICAN CENTURY PO BOX 419200 KANSAS CITY, MO 64141	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)	

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
NATIONAL FINANCIAL SERVICES	33 71	0

(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.
COHEN & STEERS 280 PARK AVENUE NEW YORK, NY 10017	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0

(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.
COLUMBIA 245 SUMMER STREET FLOOR 3 BOSTON, MA 02210	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0

(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.
JP MORGAN 30 DAN ROAD CANTON, MA 02021	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)

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
NATIONAL FINANCIAL SERVICES	33 71	0

(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.
OPPENHEIMER TWO WORLD FINANCIAL CENTER 225 LIBERTY STREET NEW YORK, NY 10281	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0

(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.
PIMCO 1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
NATIONAL FINANCIAL SERVICES	33 71	0

(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.
PRUDENTIAL 751 BROAD STREET NEWARK, NJ 07102	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)

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
NATIONAL FINANCIAL SERVICES	33 71	0

(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.
T ROWE PRICE 100 EAST PRATT STREET BALTIMORE, MD 21202	REVENUE SHARING SEE ATTACHMENT TO LINE 2(H)

(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: AON CONSULTING, INC.	b EIN: 22-2232264
c Position: ACTUARY	
d Address:	e Telephone: 212-479-4651

Explanation: ENHANCED SERVICES AND REDUCED PRICING

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 PENSION PLAN FOR SALARIED & PRODUCTION EMPLOYEES OF V&M STAR, LP				B Three-digit plan number (PN) ▶ 002	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 VALLOUREC STAR, LP				D Employer Identification Number (EIN) 82-0549409	
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: COMMON COLLECTIVE TRUST FUNDS					
b Name of sponsor of entity listed in (a): DIVERSIFIED RETIREMENT CORPORATION					
c EIN-PN 13-3689044-001		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
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)	

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

Schedule D (Form 5500) 2012 v. 120126

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

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 PENSION PLAN FOR SALARIED & PRODUCTION EMPLOYEES OF V&M STAR, LP	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 VALLOUREC STAR, LP	D Employer Identification Number (EIN) 82-0549409	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	1287871	989866
	(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)		
	(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)		
	(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)	19262450	0
	(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)	0	24852147
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(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	20550321	25842013

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	20550321	25842013
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2792463	
(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)		2792463

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(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)		

(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)	684818	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		684818

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

(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)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		1175027
(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)		967963
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		5620271

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	314246	
(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)		314246
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	14333	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		14333
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		328579

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		5291692
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) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: MELTON & MELTON LLP

(2) EIN: 74-1550819

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:

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.).....

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.).....

	Yes	No	Amount
4a		X	
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.)		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.).....		X	
e Was this plan covered by a fidelity bond?.....	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?		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?		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?		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.).....	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.).....	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?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
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.			

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

A Name of plan <u>PENSION PLAN FOR SALARIED & PRODUCTION EMPLOYEES OF V&M STAR, LP</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VALLOUREC STAR, LP</u>	D Employer Identification Number (EIN) <u>82-0549409</u>

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	<u>0</u>
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): <u>13-3689044</u>		
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	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 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.
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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):

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
FOR THE
YEARS ENDED DECEMBER 31, 2012 AND 2011
AND
INDEPENDENT AUDITOR'S REPORT



MELTON & MELTON, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

**PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP**

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All other schedules required by the Employee Retirement Income Security Act of 1974 are not applicable and have been omitted.



MELTON & MELTON, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Investment Committee of
**Pension Plan for Salaried and Production
Employees of V&M Star, LP**

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Pension Plan for Salaried and Production Employees of V&M Star, LP (the "Plan"), which comprise the statements of net assets available for benefits and statements of accumulated plan benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits and changes in accumulated plan benefits for the year ended December 31, 2012, 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 of America; 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 audit in accordance with auditing standards generally accepted in the United States of America. 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 (DOL) 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 5, which was certified by State Street Bank and 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 holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2012 and 2011 and for the year ended December 31, 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

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 schedule H, line 4i - schedule of assets (held at end of year) and schedule H, line 4j - schedule of reportable transactions as of or for the year ended December 31, 2012 are required by the DOL's 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 of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Melton+Melton, LLP

Houston, Texas
October 14, 2013

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Investments , at fair value:		
Common collective trust funds		\$ 19,262,450
Mutual funds	\$ 24,852,147	
Employer contributions receivable	<u>989,866</u>	<u>1,287,871</u>
Net assets available for benefits	<u>\$ 25,842,013</u>	<u>\$ 20,550,321</u>

(See accompanying notes to financial statements)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Year Ended December 31, 2012

Additions to Net Assets Attributable to:

Net appreciation in fair value of investments	\$ 2,142,990
Dividends	684,818
Employer contributions	<u>2,792,463</u>
	<u>5,620,271</u>

Deductions from Net Assets Attributable to:

Benefit payments	314,246
Administrative expenses	<u>14,333</u>
	<u>328,579</u>

Change in net assets	5,291,692
----------------------	-----------

Net Assets Available for Benefits at:

Beginning of year	<u>20,550,321</u>
End of year	<u>\$ 25,842,013</u>

(See accompanying notes to financial statements)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
STATEMENTS OF ACCUMULATED PLAN BENEFITS
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Active participants	\$ 16,202,926	\$ 10,816,567
Deferred vested participants	1,649,488	943,304
Participants currently receiving payments	<u>3,540,522</u>	<u>2,719,613</u>
	21,392,936	14,479,484
Nonvested benefits	<u>1,363,276</u>	<u>1,154,102</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 22,756,212</u>	<u>\$ 15,633,586</u>

(See accompanying notes to financial statements)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS
For the Year Ended December 31, 2012

Increase (decrease) during the year attributable to:

Benefits paid	\$ (314,246)
Interest	1,304,696
Change in actuarial assumptions	4,416,557
Benefits accumulated	<u>1,715,619</u>
	7,122,626

Actuarial present value of accumulated plan benefits at:

Beginning of year	<u>15,633,586</u>
End of year	<u><u>\$ 22,756,212</u></u>

(See accompanying notes to financial statements)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Pension Plan for Salaried and Production Employees of V&M Star, LP (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is a noncontributory defined benefit pension plan established on July 1, 2002 as a result of the acquisition of certain net assets of Cargill, Inc. by V&M Star, LP (the “Company”) and covers certain types of non-union employees of the Company. These employees were included in the Plan after they completed one year of service and reached age twenty-one. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective January 1, 2007, the Plan was amended to limit participation to those employees whose employment began prior to January 1, 2007. In conjunction with the Plan’s application for determination with the Internal Revenue Service (IRS), during 2011, the Plan was amended effective January 1, 2009 to allow employees hired in 2007 and 2008 to become participants in the Plan. Employees hired on or after January 1, 2009 may not participate in the Plan.

Pension Benefits

Employees are eligible for normal retirement benefits after five years of vesting service, which requires 1,000 hours each year, and upon reaching age 65. The Plan also allows for early retirement and death benefits. The amount of individual pension benefits is calculated based upon years of service (both with the Company and Cargill, Inc.), and compensation (salaried) or monthly rate (production), as defined in the Plan. Individual benefits are offset by any vested benefit under the Cargill, Inc. plan. The Plan also provides for the payment of benefits to a qualified participant who has become permanently disabled. Benefits are payable in the form of a joint and survivor annuity or a single life annuity paid in monthly installments or other optional forms.

Effective January 1, 2012, the Plan was amended to freeze benefit accruals for participants hired after December 31, 2006. Affected participants will accrue no further benefits under the Plan after December 31, 2011, and no credited service for any period after December 31, 2011 will be taken into account for purposes of calculating benefits.

Funding Policy

The Company’s funding policy is to make contributions to the Plan that are actuarially determined, such that all employees’ benefits will be fully provided for by the time they retire. The Plan has met ERISA minimum funding requirements.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2012 and 2011

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

Termination

Although it has not expressed the intent to do so, the Company may terminate the Plan subject to the provisions set forth in ERISA. In such event, 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 that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under the Plan provisions in effect at any time during the five years preceding the Plan termination.
- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government 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 retirement age 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 are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of the individual's monthly benefit.

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 the level of benefits guaranteed by the PBGC.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition

Investments are reported at fair value, which 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. See Note 4 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2012 and 2011

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Actuarial Present Value of Accumulated Plan Benefits

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

The actuarial present value of accumulated plan benefits is determined by an independent actuary from Transamerica Retirement Solutions and AON Hewitt, as of December 31, 2012 and 2011, respectively, 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 for interest) and the probability of payment (by means of decrements such as death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuations as of December 31, 2012 and 2011 were (a) life expectancy of participants (the static mortality table in accordance with IRS regulation 1.430(h)(3)-1 for 2012 and the RP 2000 combined healthy table for males and females for 2011), (b) retirement age assumptions (the assumed weighted average retirement age was 63), and (c) investment return (7% for 2012 and 8.5% for 2011). The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2013 and 2012. Had the valuations been performed as of December 31, there would be no differences.

Benefit Payments

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

The Plan's expenses are paid either by the Plan or the Company, as provided in the Plan document. Expenses that are paid directly by the Company are excluded from these financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment related expenses are included in net appreciation in fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2012 and 2011

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Accordingly, actual results could differ from those estimates.

Recent Accounting Pronouncement

In May 2011, the Financial Accounting Standards Board issued Accounting Standards Update 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS* (ASU 2011-04). ASU 2011-04 amended Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, to converge the fair value measurement guidance in U.S. GAAP and International Financial Reporting Standards (IFRS). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. The Plan has adopted this guidance in 2012 and determined that it did not have an effect on net assets available for benefits or changes in net assets available for benefits.

NOTE 3 - INVESTMENTS

Investments that represent 5% or more of the Plan's net assets at December 31, 2012 and 2011 are separately identified below:

<u>Identity of Party Involved</u>	<u>Description</u>	<u>2012</u>	<u>2011</u>
Mutual Funds:			
PIMCO	Total Return Fund	\$8,455,554	
T. Rowe Price	Equity Income Fund	3,331,478	
Cohen & Steers	Realty Shares Fund	1,908,856	
American Funds	EuroPacific Growth Fund	2,591,534	
American Century	Disciplined Growth Fund	3,104,477	
Common Collective Trust Funds:			
Diversified Investment Advisors	International Equity Fund		\$1,610,644
Diversified Investment Advisors	Real Estate Fund		2,169,287
Diversified Investment Advisors	Large Cap Equity Growth Fund		2,713,873
Diversified Investment Advisors	Core Bond Fund		6,975,643
Diversified Investment Advisors	Large Cap Value and Income Fund		2,449,633

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2012 and 2011

NOTE 3 - INVESTMENTS (CONTINUED)

During the year ended December 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in fair value as follows:

Mutual funds	\$ 967,963
Common collective trust funds	<u>1,175,027</u>
	<u>\$2,142,990</u>

NOTE 4 - FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable.

Various inputs are used in determining the fair value of the Plan's investments. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy, including the types of Plan investments that fall under each category and the valuation methodologies used to measure fair value, are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Mutual Funds: Valued at net asset value (NAV) of shares held by the Plan at year-end. NAV is based on the value of the underlying assets owned by the fund minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices that are in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Common Collective Trust Funds: Stated at estimated fair value as determined by the fund's trustee based on underlying investments, which primarily consist of stocks, bonds, and real estate securities. Funds may be withdrawn to pay benefits upon receipt of written notice and will be processed as soon as administratively feasible and no later than five business days for a single sum and 31 days for periodic payments.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2012 and 2011

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 - Inputs to the valuation methodology are unobservable inputs (i.e. projections, estimates, interpretations, etc.) that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

The inputs and methodologies used for valuing securities are not an indication of the risk associated with investing in those securities. There have been no changes in the methodologies used at December 31, 2012 or 2011.

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2012 and 2011:

<u>Description</u>	<u>December 31, 2012</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Mutual Funds:				
Bonds	\$ 9,743,616			\$ 9,743,616
Large Cap	6,435,954			6,435,954
Mid Cap	2,016,929			2,016,929
Small Cap	1,039,112			1,039,112
International	3,099,348			3,099,348
Real estate	<u>2,517,188</u>			<u>2,517,188</u>
Total mutual funds	<u>24,852,147</u>			<u>24,852,147</u>
Total investments at fair value	<u>\$24,852,147</u>			<u>\$24,852,147</u>

<u>Description</u>	<u>December 31, 2011</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Common Collective Trust Funds:				
Bonds		\$ 7,961,276		\$ 7,961,276
U.S. common stocks		7,521,242		7,521,242
International stocks		1,610,645		1,610,645
Real estate		<u>2,169,287</u>		<u>2,169,287</u>
Total common collective trust funds		<u>19,262,450</u>		<u>19,262,450</u>
Total investments at fair value		<u>\$19,262,450</u>		<u>\$19,262,450</u>

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2012 and 2011

NOTE 5 - INFORMATION CERTIFIED BY THE TRUSTEE

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, State Street Bank and Trust Company, the trustee of the Plan, has certified to the completeness and accuracy of all investments reflected in the accompanying statements of net assets available for benefits as of December 31, 2012 and 2011, and the related net appreciation in fair value of investments and dividends reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2012.

NOTE 6 - PARTY-IN-INTEREST TRANSACTIONS

Through April 2012, the Plan's investments were in shares of common collective trust funds managed by Diversified Investment Advisors ("Diversified"). Diversified performs services on behalf of State Street Bank and Trust Company for the Plan. Therefore, these investments qualify as party-in-interest transactions. These transactions are covered by an exemption from the prohibited transaction provisions.

NOTE 7 - TAX STATUS

The IRS has determined and informed the Company by a letter dated March 21, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012 and 2011, there are no uncertain positions taken or expected to be taken. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

NOTE 8 - RISKS AND UNCERTAINTIES

The Plan provides for various investments. In general, such investments are exposed to various risks, such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

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 employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2012 and 2011

NOTE 9 - SUBSEQUENT EVENTS

Effective June 1, 2013, the Company's name was changed to Vallourec Star, LP, and the Plan name was changed to Pension Plan for Salaried and Production Employees of Vallourec Star, LP.

The Plan has evaluated subsequent events through October 14, 2013, the date the financial statements were available to be issued.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
EIN: 82-0549409 PLAN #002
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2012

<u>(a)</u>	<u>(b)</u> <u>Identity of</u> <u>Issue, Borrower,</u> <u>Lessor, or Similar Party</u>	<u>(c)</u> <u>Description of</u> <u>Investment Including</u> <u>Maturity Date, Rate of</u> <u>Interest, Collateral,</u> <u>Par, or Maturity Value</u>	<u>(d)</u> <u>Cost</u>	<u>(e)</u> <u>Current</u> <u>Value</u>
Mutual Funds:				
	PIMCO	Total Return Fund	\$ 8,432,915	\$ 8,455,554
	JPMorgan	Mid Cap Value Fund	960,141	1,042,796
	T. Rowe Price	Equity Income Fund	3,097,535	3,331,478
	Cohen & Steers	Realty Shares Fund	1,903,330	1,908,856
	Oppenheimer	Developing Markets Fund	472,213	507,813
	T. Rowe Price	Small-Cap Value Fund	973,021	1,039,112
	American Funds	EuroPacific Growth Fund	2,394,876	2,591,534
	Vanguard	Mid Cap Growth Fund	993,962	974,133
	American Century	Disciplined Growth Fund	3,073,536	3,104,477
	Columbia	High Yield Bond Fund	1,223,842	1,288,062
	Prudential	Real Assets Fund	585,743	608,332
			<u>\$ 24,111,114</u>	<u>\$ 24,852,147</u>

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF V&M STAR, LP
EIN: 82-0549409 PLAN #002
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
For the Year Ended December 31, 2012

(a) Identity of Party Involved	(b) Description of Asset (including interest rate and maturity in case of loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
Single Transaction:						
Diversified Investment Advisors	Real Estate Fund		\$2,299,661	\$2,184,087	\$2,299,661	\$115,574
Diversified Investment Advisors	Large Cap Growth Fund		3,138,029	2,734,593	3,138,029	403,436
Diversified Investment Advisors	Core Bond Fund		7,063,183	6,931,836	7,063,183	131,347
Diversified Investment Advisors	Large Cap Value and Income Fund		2,667,019	2,470,353	2,667,019	196,666
Diversified Investment Advisors	International Equity Fund		1,744,922	1,625,445	1,744,922	119,477
Diversified Investment Advisors	High Yield Bond Fund		1,033,980	991,554	1,033,980	42,426
PIMCO	Total Return Fund	\$7,170,541		7,170,541	7,170,541	
T. Rowe Price	Equity Income Fund	2,663,344		2,663,344	2,663,344	
Cohen & Steers	Realty Shares Fund	1,536,545		1,536,545	1,536,545	
American Funds	EuroPacific Growth Fund	2,048,726		2,048,726	2,048,726	
American Century	Disciplined Growth Fund	2,663,344		2,663,344	2,663,344	
Series of Transactions:						
Diversified Investment Advisors	Real Estate Fund	14,800		14,800	14,800	
			2,299,661	2,184,087	2,299,661	115,574
Diversified Investment Advisors	Large Cap Growth Fund	20,720		20,720	20,720	
			3,138,029	2,734,593	3,138,029	403,436
Diversified Investment Advisors	Core Bond Fund	53,280		53,280	53,280	
			7,161,399	7,028,923	7,161,399	132,476

PENSION PLAN FOR SALARIED AND PRODUCTION

EMPLOYEES OF V&M STAR, LP

EIN: 82-0549409 PLAN #002

SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS (CONTINUED)

For the Year Ended December 31, 2012

(a) Identity of Party Involved	(b) Description of Asset (including interest rate and maturity in case of loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
Series of Transactions (continued):						
Diversified Investment Advisors	Large Cap Value and Income Fund	\$ 20,720		\$ 20,720	\$ 20,720	
			\$2,667,019	2,470,353	2,667,019	\$196,666
Diversified Investment Advisors	International Equity Fund	14,800		14,800	14,800	
			1,744,922	1,625,445	1,744,922	119,477
Diversified Investment Advisors	High Yield Bond Fund	5,920		5,920	5,920	
			1,033,980	991,554	1,033,980	42,426
PIMCO	Total Return Fund	8,658,989		8,658,989	8,658,989	
			231,382	226,074	231,382	5,308
T. Rowe Price	Equity Income Fund	3,097,535		3,097,535	3,097,535	
Cohen & Steers	Realty Shares Fund	1,903,330		1,903,330	1,903,330	
American Funds	EuroPacific Growth Fund	2,394,876		2,394,876	2,394,876	
American Century	Disciplined Growth Fund	3,073,536		3,073,536	3,073,536	
Columbia	High Yield Bond Fund	1,223,842		1,223,842	1,223,842	

Schedule SB, Line 26 – Schedule of Active Participant Data
Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/Plan Number: 82-0549409/002

Shown below is the distribution of all active participants based on age and service as of the valuation date. The information provided is appropriate to be used for the age/service attachment to the Form 5500 Schedule SB.

Age	Years of Credited Service as of 01/01/2012										Total
	Under 1	01-04	05-09	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	0	10	2	0	0	0	0	0	0	0	12
25 - 29	0	6	6	0	0	0	0	0	0	0	12
30 - 34	0	14	14	4	1	0	0	0	0	0	33
35 - 39	0	13	12	10	8	0	0	0	0	0	43
40 - 44	0	7	17	11	14	10	1	0	0	0	60
45 - 49	0	6	16	17	23	40	8	0	0	0	110
50 - 54	0	7	7	7	16	58	10	0	0	0	105
55 - 59	0	4	5	6	14	49	31	2	0	0	111
60 - 64	0	5	3	2	11	18	9	0	0	0	48
65 - 69	0	0	3	0	2	3	1	0	0	0	9
70 & Up	0	0	0	0	1	0	0	0	0	0	1
Totals	0	72	85	57	90	178	60	2	0	0	544

The following table shows averages for the costed participants in the current valuation.

Averages	Amount
Age:	48.9
Service:	16.2

**Schedule SB, Part V – Statement of Actuarial Assumptions/ Methods
Pension Plan for Salaried and Production Employees of
Vallourec Star, LP
EIN/PN: 82-0549409/002**

Cost Method

Funding: Traditional Unit Credit for Minimum Required Contribution and Projected Unit Credit for Maximum Deductible Contribution.

ASC 715-30: Projected Unit Credit.

Asset Method

Funding: The actuarial value of assets is determined by averaging the gain/(loss) in excess of the expected asset return over 24 months. The assumed expected rate of return on plan assets to determine the expected asset gains is 8.50%, but not to exceed the third segment rate as of the prior plan year. The resulting average cannot be more than 110% or less than 90% of the Market Value of Assets.

ASC 715-30: Market Value.

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 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.

Past salaries are based on actual salary history.

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.

Financial information was supplied to us by the Trustee, Diversified Investment Advisors, as of the end of the prior Plan Year.

Although we believe these to be accurate and complete, the data and financial information have not been audited by us.

Statement of Actuarial Assumptions/ Methods

Interest and Other Rate Assumptions

Below is a summary of interest and inflation rates used for the January 1, 2012 valuation.

Interest Rates		Assumption
(1)	Funding under the Minimum Standards of ERISA	
(a)	Target Liabilities	2.06% , 5.25% , 6.32%
(b)	Effective Interest Rate this Year	5.75%
(2)	ASC 715-30	
(a)	Discount Rate	5.55%
(b)	Long Term Rate of Return	8.50%
(3)	ASC 960	8.50%

Other Rates		Assumption*
(1)	Social Security Wage Bases	3.00%
(2)	CPI for Social Security	3.00%
(3)	Future Salaries	3.50%
(4)	Cost of Living Adjustment	N/A

* Not applicable for ASC 960.

Statement of Actuarial Assumptions/ Methods

Decrement Assumptions

Below is a summary of decrements used in this valuation.

Mortality Decrements	Description
(1) Funding	RP-2000 IRS PPA @ Proj Year Non-Annuitant (pre retirement) & RP-2000 IRS PPA @ Proj Year Annuitant (post retirement)
(2) FAS ASC 715-30 and ASC 960	RP-2000 Male/Female Mortality Table

—Retirement—		—Disability—			—Termination—		
Decrement		Decrement	Male	Female	Decrement	Male	Female
Age	Rates	Age	Rates	Rates	Age	Rates	Rates
55	0.010000	25	0.000000	0.000000	25	0.096742	0.096742
56	0.010000	40	0.000000	0.000000	40	0.077543	0.077543
57	0.010000	55	0.000000	0.000000	55	0.015488	0.015488
58	0.010000	65	0.000000	0.000000	65	0.000000	0.000000
59	0.010000						
60	0.100000						
61	0.100000						
62	0.400000						
63	0.150000						
64	0.150000						
65	1.000000						

The weighted average retirement age is 63. Sample Retirement, Disability, and Termination rates are illustrated in the tables above.

Statement of Actuarial Assumptions/ Methods

Marital Demographics

For the purpose of valuing death benefits, 80% of the employees are assumed to be married. Husbands are assumed to be 3 years older than their wives.

Expenses

None.

Form of Benefit Payment

All participants are assumed to elect the Normal Form, which is a life annuity.

Changes in Valuation Assumptions

ASC 715-30 discount rate changed from 5.69% to 5.55%.

**ATTACHMENT TO THE 2012 SCHEDULE H OF FORM 5500
LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR) &
LINE 4j – SCHEDULE OF REPORTABLE TRANSACTIONS**

Plan Sponsor: V & M Star, LP

Plan Name: Pension Plan for Salaried and Production Employees of V & M Star, LP

Plan Year: January 1, 2012 to December 31, 2012

EIN: 82-0549409

Plan No.: 002

Item 4i- Schedule of Assets Held at End of Year

Page 15 of the attached auditor's report of the Plan for the plan year ending December 31, 2012 provides the schedule of assets information.

Item 4j- Schedule of Reportable Transactions

Pages 16-17 of the attached auditor's report of the Plan for the plan year ending December 31, 2012 provides the schedule of reportable transactions.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

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

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

OMB No. 1210-0110

2012**This Form is Open to Public
Inspection**

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

► **Round off amounts to nearest dollar.**► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan PP for Salaried and Hourly EE of Vallourec Star, LP	B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Vallourec Star, LP	D Employer Identification Number (EIN) 82-0549409
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2012</u>		
2 Assets:		
a Market value	2a	20,500,137
b Actuarial value	2b	20,734,362
3 Funding target/participant count breakdown:	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 79	3,663,316
b For terminated vested participants.....	3b 80	1,534,098
c For active participants:		
(1) Non-vested benefits	3c(1)	2,254,121
(2) Vested benefits	3c(2)	17,431,612
(3) Total active.....	3c(3) 544	19,685,733
d Total.....	3d 703	24,883,147
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	23,860,102
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	28,975,325
5 Effective interest rate	5	5.75 %
6 Target normal cost	6	1,822,353

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		10/07/2013
Signature of actuary		Date
Paul F. Polchert		11-02704
Type or print name of actuary		Most recent enrollment number
Aon Consulting, Inc.		(212) 479-4651
Firm name		Telephone number (including area code)
199 Water Street		
New York		
Address of the firm		
NY 10038		

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	116,275
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	116,275
10 Interest on line 9 using prior year's actual return of <u>1.27</u> %		1,477
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		2,558,880
b Interest on (a) using prior year's effective interest rate of <u>6.40</u> % except as otherwise provided (see instructions)		163,768
c Total available at beginning of current plan year to add to prefunding balance		2,722,648
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections		117,752
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	86.89 %
15 Adjusted funding target attainment percentage	15	86.89 %
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	74.88 %
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
04/16/2012	671,242				
07/11/2012	530,489				
10/15/2012	600,866				
01/15/2013	600,866				
09/12/2013	389,000				
Totals ▶			18(b)	2,792,463	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	2,671,379

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☒ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

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

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

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

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	1,822,353	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	4,148,785	848,162	
b Waiver amortization installment			
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	2,670,515	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35).....	36	2,670,515	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	2,671,379	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	864	
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, Line 2(h) Formula Descriptions

Pension Plan for Salaried And Production Employees of V&M Star, LP

EIN No.: 82-0549409, Plan No. 002

Plan Year Ending: 12/31/2012

Indirect Compensation in the form of revenue sharing was paid to the following Service Providers:

DIVERSIFIED RETIREMENT CORPORATION	13-3689044
NATIONAL FINANCIAL SERVICES	04-3523567

Revenue amounts are shown in annualized basis points of plan assets invested in applicable fund

Fund Family	Fund Name	Start Date	End Date	Revenue to Diversified Retirement Corporation	Revenue to National Financial Services
AMERICAN CENTURY	AMERICAN CENTURY DISCP GROWTH	4/10/2012	12/31/2012	34.146	0.854
COHEN & STEERS	C&S REALTY	4/10/2012	12/31/2012	43.902	1.098
COLUMBIA	COLUMBIA HIGH YIELD BOND Z	4/10/2012	12/31/2012	39.024	0.976
JP MORGAN	JP MORGAN MDCAP VAL	4/10/2012	12/31/2012	9.756	0.244
OPPENHEIMER	OPPENHEIMER DEVELOPING MARKETS	4/10/2012	12/31/2012	24.390	0.610
PIMCO	PIMCO TOTL RTRN	7/1/2012	12/31/2012	1.951	0.049
PRUDENTIAL	PRUDENTIAL REAL ASSETS A	4/10/2012	12/31/2012	39.024	0.976
T ROWE PRICE	T ROWE EQTY INC	4/10/2012	12/31/2012	14.634	0.366
T ROWE PRICE	T ROWE PRICE SMALL CAP VAL	4/10/2012	12/31/2012	14.634	0.366

Schedule C, Line 2(h) Formula Descriptions

Pension Plan for Salaried And Production Employees of V&M Star, LP

EIN No.: 82-0549409, Plan No. 002

Plan Year Ending: 12/31/2012

Schedule SB, line 19 – Discounted Employer Contributions
Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002

Date of Contribution	Amount	Effective Interest Rate (EIR)	Number of Days at EIR	Number of Days at EIR Plus 5% (if applicable)	Discounted Contributed (includes late penalty)
4/16/2012	\$600,866	5.75%	106	1	\$591,141
4/16/2012	\$70,376	5.75%	106	0	\$69,246
7/11/2012	\$530,489	5.75%	193	0	\$515,156
10/15/2012	\$600,866	5.75%	289	0	\$575,005
1/15/2013	\$600,866	5.75%	380	0	\$566,981
9/12/2013	\$389,000	5.75%	621	0	<u>\$353,850</u>
					\$2,671,379

**Schedule SB, line 22 - Description of Weighted Average Retirement Age
Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

Retirement Age	Retirement Rate	Absolute Rate	Expected Retirement Age
55	1.0%	1.0000%	0.5500
56	1.0%	0.9900%	0.5544
57	1.0%	0.9800%	0.5586
58	1.0%	0.9700%	0.5626
59	1.0%	0.9600%	0.5664
60	10.0%	9.5100%	5.7060
61	10.0%	8.5600%	5.2216
62	40.0%	30.8100%	19.1022
63	15.0%	6.9300%	4.3659
64	15.0%	5.8900%	3.7696
65	100.0%	33.4000%	21.7100
Weighted Average Retirement Age:			62.667
Rounded for Schedule B line 22:			63

Plan Sponsor: Vallourec Star
Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN: 82-0549409
Plan Number: 002

Schedule SB, line 4 - Additional Information for Plans in At-Risk Status

1. All employees who are not otherwise assumed to retire as of the valuation date but who will be eligible to elect benefits during the plan year and the 10 succeeding plan years shall be assumed to retire at the earliest retirement date under the plan but not before the end of the plan year for which the at-risk funding target and at-risk target normal cost are being determined
2. All employees shall be assumed to elect the retirement benefit available under the plan at the assumed retirement age (determined after application of clause (i)) which would result in the highest present value of benefits.

Loading Factor:

The Loading factor applied with respect to a plan for any plan year is the sum of:

1. \$700, times the number of participants in the Plan, Plus
2. 4 percent of the funding target (determined without regard to this paragraph) of the plan for the plan year.

Schedule SB, Part V – Summary of Plan Provisions
Pension Plan for Salaried and Production Employees of
Vallourec Star, LP
EIN/PN: 82-0549409/002

The following summary describes principal plan provisions assumed in calculating the cost of your pension plan.

General Information

Plan Name:	Pension Plan for Salaried and Production Employees of Vallourec Star, LP
Original Effective Date:	July 1, 2002
Effective Date of Last Amendment:	December 31, 2011
Plan Year:	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st
Employer ID Number:	82-0549409
Plan Administrator's ID Number:	82-0549409
Plan Number:	002
Plan Administrator:	Administrative Committee

Eligibility

Employees who are eligible to participate in the Prior Plan become a participant as of the Effective Date. All other employees shall become a participant on the first day of the month coinciding with or following the later of the attainment of age 21 and their completion of 1,000 hours of service. Employees hired after December 31, 2006 are not eligible to participate in the Plan. However, employees hired in 2007 and 2008 are included under an IRS closing agreement.

Summary of Plan Provisions (cont.)

Credited Service

(a) Under the Production Benefit Formula:

- (1) The sum of the Participant's "Years of Credited Service" determined in accordance with the provisions of the Prior Plan prior to the Effective Date, plus
- (2) a full year of Credited Service for each Plan Year during which the Participant is credited with at least 1,500 hours of service after the Effective Date. A partial year of Credited Service is credited based on the following schedule.

<u>Completed Hours</u>	<u>Fractional Year</u>
350 - 749	$\frac{1}{4}$
750 - 1124	$\frac{1}{2}$
1125 - 1499	$\frac{3}{4}$
1500 or more	1

(b) Under the Salaried Benefit Formula:

- (1) The sum of the Participant's "Years of Credited Service" determined in accordance with the provisions of the Prior Plan immediately prior to the Effective Date, plus
- (2) a full year of Credited Service for each Plan Year during which the Participant is credited with at least 1,000 Hours of Service after the Effective Date. For a Plan Year in which an Eligible Employee is credited with less than 1,000 hours of Service, a partial year of Credited Service is credited which based on a fraction where the numerator is the number of months in the Plan Year in which the employee was credited with at least one Hour of Service and the denominator of which is 12.

Vesting Service

An Employee shall be credited with the sum of (1) the Employee's "Years of Continuous Service" determined in accordance with the provisions of the Prior Plan immediately prior to the Effective Date and (2) a full year of Vesting Service for each Plan Year during which he is credited with at least 1,000 Hours of Service after the Effective Date.

Normal Retirement

Normal Retirement is the first of the month coincident with or following attainment of age 65.

Summary of Plan Provisions (cont.)

Early Retirement

- (a) Production Employees - The first of the month coincident with or following attainment of the later of age 55 and completion of 10 years of Vesting Service.
- (b) Salaried Employees - The first of the month coincident with or following attainment of the later of age 55 and completion of 15 years of Vesting Service.

Normal Retirement Benefit

- (a) Under the Production Benefit Formula:

A monthly amount equal to the difference between (1) and (2).

- (1) The benefit times the Participant's Credit Service, where the benefit is:

For Credited Service Earned at:	Benefit Level Effective:			
	1/1/06	12/1/06	12/1/07	12/1/08
Houston, Texas	\$ 25.00	\$ 26.00	\$ 27.00	\$ 28.00
Youngstown, Ohio	\$ 41.00	\$ 42.00	\$ 43.00	\$ 44.00

- (2) The Participant's "accrued benefit" as of the Effective Date under the provisions of the Prior Plan as in effect immediately prior to the Effective Date.

- (b) Under the Salaried Benefit Formula:

A monthly amount equal to the difference between the sum of the amounts determined under (1) and (2) below reduced by (3) below.

- (1) For Credited Service on or Before December 31, 1991

Participant's years of Credited Service (maximum 40 years) multiplied by the difference between (i) 1.5% of his Final Average Monthly Pay minus (ii) 1.25% of his Primary Social Security Amount, both determined under the Prior Plan as of December 31, 1991.

The amount determined in the preceding paragraph is multiplied by the ratio of the participant's Final Average Monthly Pay as of the Determination Date to his Final Average Monthly Pay as of December 31, 1991.

Summary of Plan Provisions (cont.)

(2) For Credited Service on or After January 1, 1992

The sum of (i) the product of the Participant's years of Credited Service (not in excess of the difference between 40 and the number of years of Credited Service taken into account under (1) above) multiplied by 0.8% of his Final Average Monthly Pay plus (ii) the product of the Participant's years of Credited Service (not in excess of the difference between 35 and the number of years of Credited Service taken into account under (1) above) multiplied by 0.35% of his Final Average Monthly Pay in excess of Covered Compensation.

(3) Offset Attributable to Prior Plan Benefit

The monthly amount of the Participant's "accrued benefit" as of the Effective Date under the provisions of the Prior Plan as in effect immediately prior to the Effective Date.

Pay

Regular base pay, overtime pay, commissions and "salesmen's bonuses", but excludes bonuses, reimbursements, other expenses, allowances and Company contributions to any Company profit-sharing plan.

Final Average Monthly Pay

The average monthly pay during the period of five consecutive years within the 10-year period immediately preceding Separation from Service which gives the highest average.

Early Retirement Benefit

An amount equal to the Accrued Benefit payable at Normal Retirement and determined under the same formula as for Normal Retirement, reduced as follows:

(a) Under the Production Benefit Formula:

The benefit shall be reduced by 6% for each full or partial year by which the Early Retirement Date precedes the attainment of age 60.

The reduction factors shall be applied proportionately to the nearest month interval.

Summary of Plan Provisions (cont.)

(b) Under the Salaried Benefit Formula:

The benefit shall be reduced in accordance with the following table for each full or partial year by which the Early Retirement Date precedes the attainment of age 60.

<u>Years of Vesting Service at Annuity Starting Date</u>	<u>Annual Reduction Factor</u>
35 or more	3%
At least 30 but less than 35	4%
At least 25 but less than 30	5%
At least 20 but less than 25	6%
At least 15 but less than 20	7%

The early Pension payable to a Participant, to whom the benefit is reduced as provided above, shall be increased for payments made prior to the first day of the month in which the Participant attains age 62 by the product of the Participant's years of Credited Service times \$15.

Spouse's Pre-Retirement Death Benefit

(a) Death On or After Earliest Commencement Date

The amount of monthly benefit is equal to the amount the spouse would have been entitled to under the 50% Surviving Spouse Option (100% Joint & Survivor if elected during the period January 1 through March 31 of the year in which the participant attains the age 55 and is credited with 5 years of Vesting Service). The benefit is determined as if the participant had retired on the first day of the month following the date of death.

(b) Death Before Earliest Commencement Date

The amount of benefit is determined as follows:

- (i) Participant terminated employment on the Date of Death,
- (ii) Survived to the Earliest Retirement Date,
- (iii) Commenced receiving benefit payments with the 50% Surviving Spouse Option,
- (iv) Died immediately after commencement,
- (v) Benefits may commence as early as the date on which the participant would have attained his Earliest Retirement Date.

Summary of Plan Provisions (cont.)

Severance Benefit

Upon the termination of employment after 5 or more Years of 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 Service	Vested Percent
Fewer than 5	0%
5 or more	100%

In the event that a participant has met the service requirements for Early Retirement at the date of termination, he may elect to have his vested interest commence on the first day of any calendar month after his attainment of age 55. Such benefit will be reduced by 7% for each of the first 5 years and 4% for each of the next 5 years by which the benefit commencement date precedes Normal Retirement Date.

Normal Form of Payment

The Normal Form of Payment is an annuity paid in monthly installments for life.

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the Normal Form of Payment. If a married participant does not elect the Normal Form of Payment or does not elect one of the Optional Methods of Settlement described below, then the participant's Retirement Benefit shall automatically be paid under option (1) below. The options are:

- (1) A reduced benefit to be paid during the participant's lifetime with one-half of the reduced benefit to be continued to his spouse for her lifetime after his death.
- (2) A reduced benefit to be paid during the participant's lifetime with 3/4th of the reduced benefit to be continued to his spouse for her lifetime after his death.
- (3) A reduced benefit to be paid during the participant's lifetime with the same reduced benefit to be continued to his spouse for her lifetime after his death.
- (4) Only with respect to the Salaried Benefit Formula, a reduced benefit to be paid for 120 Months Certain and thereafter for life.

All Optional Methods of Settlement are actuarially equivalent to the Normal Form of Payment on a unisex basis.

Summary of Plan Provisions (cont.)

Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time. Generally, the Pension Benefit Guaranty Corporation reserves the right to terminate the Plan if the Employer fails to meet the minimum funding standards or is unable to pay benefits when due.

If the Plan is terminated, the Plan assets will be distributed among the Plan participants based upon a priority allocation procedure, and the Employer shall be liable for any unfunded vested benefits to the extent required by law.

Additional Information

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

**ATTACHMENT TO THE 2012 SCHEDULE H OF FORM 5500
LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR) &
LINE 4j – SCHEDULE OF REPORTABLE TRANSACTIONS**

Plan Sponsor: V & M Star, LP

Plan Name: Pension Plan for Salaried and Production Employees of V & M Star, LP

Plan Year: January 1, 2012 to December 31, 2012

EIN: 82-0549409

Plan No.: 002

Item 4i- Schedule of Assets Held at End of Year

Page 15 of the attached auditor's report of the Plan for the plan year ending December 31, 2012 provides the schedule of assets information.

Item 4j- Schedule of Reportable Transactions

Pages 16-17 of the attached auditor's report of the Plan for the plan year ending December 31, 2012 provides the schedule of reportable transactions.

Attachment to 2012 Schedule SB, Line 32

Schedule of Amortization Bases

Pension Plan for Salaried and Production Employees of Vallourec Star, LP

EIN: 82-0549409

Plan Number: 002

The table below lists the Funding Target Shortfall amortization bases included in the calculation of the Plan's Minimum Required Contribution as of January 1, 2012.

Date Established	Period Remaining	Current Year Present Value Factor¹	Balance		Annual Payment
			Original	Remaining	
01/01/2009	4	3.88052	\$1,505,806	\$1,040,681	\$268,181
01/01/2010	5	4.80219	\$975,434	\$788,318	\$164,158
01/01/2011	6	5.57646	\$2,519,369	\$2,311,497	\$414,510
01/01/2012	7	6.31210	\$8,289	<u>\$8,289</u>	<u>\$1,313</u>
Total				\$4,148,785	\$848,162

¹ Calculated using the segment interest rates for the current Plan Year.