

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 <div style="border: 1px solid black; padding: 5px; text-align: center; font-weight: bold; font-size: 1.2em;">2012</div> This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2012 or fiscal plan year beginning 02/01/2012 and ending 01/31/2013			
A	This return/report is for:	☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) ☐ a one-participant plan	
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ DFVC program	
		☐ special extension (enter description)	

Part II Basic Plan Information —enter all requested information			
1a	Name of plan SOUND COM CORPORATION DEFINED BENEFIT PLAN	1b	Three-digit plan number (PN) ▶ 002
		1c	Effective date of plan 02/01/1989
2a	Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) SOUND COM CORPORATION 227 DEPOT ST BEREA, OH 44017-1860	2b	Employer Identification Number (EIN) 34-1137084
		2c	Sponsor's telephone number 440-234-2604
		2d	Business code (see instructions) 238900
3a	Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address SOUND COM CORPORATION 227 DEPOT ST BEREA, OH 44017-1860	3b	Administrator's EIN 34-1137084
		3c	Administrator's telephone number 440-234-2604
4	If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report.		4b EIN
a	Sponsor's name		4c PN
5a	Total number of participants at the beginning of the plan year		5a 45
b	Total number of participants at the end of the plan year		5b 46
c	Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)		5c
6a	Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)		☒ Yes ☐ No
b	Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)		☒ Yes ☐ No

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.			
Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.			
SIGN HERE	Filed with authorized/valid electronic signature.	11/08/2013	CARL MCLAUGHLIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
Preparer's name (including firm name, if applicable) and address; include room or suite number (optional)			Preparer's telephone number (optional)

Part III Financial Information			
7	Plan Assets and Liabilities		
		(a) Beginning of Year	(b) End of Year
a	Total plan assets	7a 694977	837295
b	Total plan liabilities	7b 0	0
c	Net plan assets (subtract line 7b from line 7a)	7c 694977	837295
8	Income, Expenses, and Transfers for this Plan Year		
		(a) Amount	(b) Total
a	Contributions received or receivable from:		
	(1) Employers	8a(1) 70939	
	(2) Participants	8a(2) 0	
	(3) Others (including rollovers)	8a(3) 0	
b	Other income (loss)	8b 81938	
c	Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c	152877
d	Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d 0	
e	Certain deemed and/or corrective distributions (see instructions)	8e 0	
f	Administrative service providers (salaries, fees, commissions)	8f 10559	
g	Other expenses	8g 0	
h	Total expenses (add lines 8d, 8e, 8f, and 8g)	8h	10559
i	Net income (loss) (subtract line 8h from line 8c)	8i	142318
j	Transfers to (from) the plan (see instructions)	8j	

Part IV Plan Characteristics	
9a	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 1G 3D
b	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions				
10	During the plan year:	Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a	X	
b	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b	X	
c	Was the plan covered by a fidelity bond?	10c	X	150000
d	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d	X	
e	Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e	X	
f	Has the plan failed to provide any benefit when due under the plan?	10f	X	
g	Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g	X	
h	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h		
i	If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i		

Part VI Pension Funding Compliance			
11	Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)	☒ Yes ☐ No	
11a	Enter the amount from Schedule SB line 39	11a	0
12	Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ..	☐ Yes ☒ No	
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)			
a	If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month Day Year		
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.			
b	Enter the minimum required contribution for this plan year	12b	

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

Part VII Plan Terminations and Transfers of Assets

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

Part VIII Trust Information (optional)

14a Name of trust	14b Trust's EIN

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 02/01/2012 and ending 01/31/2013

▶ **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>SOUND COM CORPORATION DEFINED BENEFIT PLAN</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>SOUND COM CORPORATION</u>	D Employer Identification Number (EIN) <u>34-1137084</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>02</u> Day <u>01</u> Year <u>2012</u>	
2 Assets:	
a Market value	2a <u>694964</u>
b Actuarial value	2b <u>694964</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>0</u>
b For terminated vested participants.....	3b <u>10</u>
c For active participants:	
(1) Non-vested benefits.....	3c(1) <u>107541</u>
(2) Vested benefits.....	3c(2) <u>527575</u>
(3) Total active	3c(3) <u>36</u>
d Total	3d <u>46</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>7.23</u> %
6 Target normal cost.....	6 <u>31522</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>11/06/2013</u>
Signature of actuary		Date
<u>SETH H. PITASKY, EA, MAAA</u>		<u>11-07321</u>
Type or print name of actuary		Most recent enrollment number
<u>TEGRIT GROUP</u>		<u>330-644-2044</u>
Firm name		Telephone number (including area code)
<u>13680 CLEVELAND AVENUE NW</u> <u>UNIONTOWN, OH 44685</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	29
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	29
10	Interest on line 9 using prior year's actual return of <u>-0.51%</u>	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b Interest on (a) using prior year's effective interest rate of <u>6.17%</u> except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	29

Part III Funding Percentages			
14	Funding target attainment percentage	14	93.55 %
15	Adjusted funding target attainment percentage	15	93.55 %
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	92.80 %
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
02/13/2012	10639	0			
05/14/2012	20700	0			
08/13/2012	13200	0			
11/13/2012	13200	0			
02/13/2013	13200	0			
			Totals ►	18(b)	70939 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	68413
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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.54%	2nd segment: 6.85%	3rd segment: 7.52 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 65
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	31522	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	47893	18842	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	50364	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	50364	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	68413	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	18049	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE SB ATTACHMENT

Line 26 - Schedule of Active Participant Data

Plan Name: Sound Com Corporation Defined Benefit Plan

EIN/PN: 34-1137084/002

Valuation Date: February 1, 2012

Counts and Compensation. Cells with under 20 participants will not show compensation.

Years of Credited Service

Att.	Under					5 to	10 to	15 to	20 to	25 to	30 to	35 to	40 &	
Age	1	1	2	3	4	9	14	19	24	29	34	39	Up	Tot.
Under	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 to	-	-	-	1	-	1	-	-	-	-	-	-	-	2
29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 to	-	-	-	-	1	3	1	-	-	-	-	-	-	5
34	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35 to	-	-	-	1	-	4	2	-	-	-	-	-	-	7
39	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40 to	-	-	-	-	-	2	4	-	-	-	-	-	-	6
44	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45 to	-	-	-	-	-	-	2	1	1	-	-	-	-	4
49	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50 to	-	-	2	-	-	-	-	2	-	-	-	-	-	4
54	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55 to	-	-	1	-	-	-	-	1	-	-	-	2	-	4
59	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60 to	-	-	-	-	-	-	-	-	-	-	-	2	-	2
64	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65 to	-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70 &	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Up	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	3	2	1	10	9	4	1	-	-	4	-	34
	-	-	-	-	-	-	-	-	-	-	-	-	-	

Contributions al

Section XI

SUMMARY of ASSUMPTIONS

Census Date

2/1/2012

Valuation Interest Rates

25-year average segment rates that are applied to adjust the otherwise applicable 24-month average segment rates for the month that includes the valuation date (February).

	24-Month Average Segment Rates, not Adjusted	Adjusted 24-Month Average Segment Rates, Using 25-Year Average Segment Rate Corridors
Segment 1:	1.96%	5.54%
Segment 2:	5.01%	6.85%
Segment 3:	6.13%	7.52%

The effective rate for the 2012 Plan Year was 7.23%.

Valuation Mortality

IRS Prescribed Optional Combined Mortality for Males and Females (1.430(h)(3)-1) for the current Plan Year

Valuation Assets

Assets are equal to their Fair Market Value plus receivable contributions

Expenses

Expenses were assumed to be directly met by the Company.

Salary Scale, Taxable Wage Base Increase Assumption, Inflation

None assumed

Marriage

75% of Males and 75% of Females are assumed to be married.

Cost Method

The Unit Credit cost method was used to determine the liabilities and normal costs.

Retirement Rates

Participants are assumed to retire at age 65.

Section XI

SUMMARY of ASSUMPTIONS

Withdrawal Rates

2003 SOA Small Plan Turnover - Age Table (1000 lives or less).
Below is a sample of representative rates:

Age	Males	Females
20	0.2430	0.2430
25	0.1950	0.1950
30	0.1550	0.1550
35	0.1210	0.1210
40	0.0940	0.0940
45	0.0730	0.0730
50	0.0560	0.0560
55	0.0420	0.0420
60	0.0300	0.0300

Disability Rates

1987 Commissioner's Group Disability Table Male. Below is a sample of representative rates:

Age	Males	Females
20	0.0008	0.0010
25	0.0008	0.0011
30	0.0010	0.0014
35	0.0012	0.0020
40	0.0017	0.0027
45	0.0028	0.0039
50	0.0052	0.0061
55	0.0097	0.0094
60	0.0148	0.0120

Disability Mortality

IRS Prescribed Optional Combined Mortality for Males and Females
(1.430(h)(3)-1) for the current Plan Year

Changes in non-prescribed assumptions since the last valuation

None.

**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 02/01/2012 and ending 01/31/2013

▶ **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 SOUND COM CORPORATION DEFINED BENEFIT PLAN		B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SOUND COM CORPORATION		D Employer Identification Number (EIN) 34-1137084	
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>02</u> Day <u>01</u> Year <u>2012</u>			
2 Assets:			
a Market value		2a	694964
b Actuarial value		2b	694964
3 Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment		3a	0
b For terminated vested participants		3b	10
c For active participants:			
(1) Non-vested benefits		3c(1)	107541
(2) Vested benefits		3c(2)	527575
(3) Total active		3c(3)	36
d Total		3d	46
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor		4b	
5 Effective interest rate		5	7.23%
6 Target normal cost		6	31522

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	SETH H. PITASKY, EA, MAAA	<i>SEAP</i>	1/6/2013
Signature of actuary		Date	
SETH H. PITASKY, EA, MAAA		1107321	
Type or print name of actuary		Most recent enrollment number	
TEGRIT GROUP		330-644-2044	
Firm name		Telephone number (including area code)	
13680 CLEVELAND AVENUE NW			
UNIONTOWN OH 44685			
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	29
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	29
10	Interest on line 9 using prior year's actual return of <u> - 0.51%</u>	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b Interest on (a) using prior year's effective interest rate of <u> 6.17%</u> except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	29

Part III Funding Percentages	
14 Funding target attainment percentage	14 93.55 %
15 Adjusted funding target attainment percentage	15 93.55 %
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 92.80 %
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
02/13/2012	10639	0			
05/14/2012	20700	0			
08/13/2012	13200	0			
11/13/2012	13200	0			
02/13/2013	13200	0			
Totals ►			18(b)	70939	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	68413

20 Quarterly contributions and liquidity shortfalls:

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

Liquidity shortfall as of end of quarter of this plan year

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

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

21	Discount rate:			
a	Segment rates:	1st segment: 5.54%	2nd segment: 6.85%	3rd segment: 7.52%
		☐ N/A, full yield curve used		
b	Applicable month (enter code).....			21b 0
22	Weighted average retirement age			22 65
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	31522
b	Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment.....	47893	18842
b	Waiver amortization installment.....	0	0
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..		34 50364
	Carryover balance	Prefunding balance	Total balance
35	Balances elected for use to offset funding requirement.....	0	0
36	Additional cash requirement (line 34 minus line 35).....		36 50364
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....		37 68413
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	18049
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39 0
40	Unpaid minimum required contributions for all years		40 0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41	If an election was made to use PRA 2010 funding relief for this plan:	
a	Schedule elected	☐ 2 plus 7 years ☐ 15 years
b	Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011
42	Amount of acceleration adjustment	42
43	Excess installment acceleration amount to be carried over to future plan years	43

SCHEDULE SB ATTACHMENT

Line 19 - Discounted Employer Contributions

Plan Name: Sound Com Corporation Defined Benefit Plan

EIN/PN: 34-1137084/002

Valuation Date: February 1, 2012

Total Contributed: \$ 70,939.00

Total Discounted to Valuation Date: \$ 68,413.00

Date	Amount	Plan Year	Effective Rate of Interest	Amount Discounted	Penalty Rate of Interest	Additional Amount Discounted	Present Value on Date of Valuation
02/13/2012	10,639	2012	7.23%	24	0.00%	-	10,615
05/14/2012	20,700	2012	7.23%	403	0.00%	-	20,297
08/13/2012	13,200	2012	7.23%	479	0.00%	-	12,721
11/13/2012	13,200	2012	7.23%	701	0.00%	-	12,499
02/13/2013	13,200	2012	7.23%	919	0.00%	-	12,281

SCHEDULE SB ATTACHMENT

Line 22 - Weighted Average Retirement Age

Plan Name: Sound Com Corporation Defined Benefit Plan

EIN/PN: 34-1137084/002

Valuation Date: February 1, 2012

Each participant is assumed to retire at his/her normal retirement age of 65.

Section XII SUMMARY of PLAN BENEFITS

Plan Effective Date	February 1, 1989. The plan was last amended and restated effective February 1, 2012.
Eligibility Requirements	First day of the calendar month coincident with or next following the date an Eligible Employee completes one (1) Year of Eligibility Service, which is defined as 300 Hours of Service worked during an Eligibility Computation Period. Any Employee who is a member of Local 1377 I.B.E.W. shall be eligible to participate in the Plan upon satisfaction of these eligibility requirements.
Vesting	100% vesting upon earning 5 Years of Vesting Service.
Accrued Benefit Formula	\$32 multiplied by the Participant's Years of Credited Service since January 31, 1979 at Normal Retirement Date or earlier termination of employment.
Credited Service	Generally, a Year of Service is a 12-consecutive month period during which an Employee is credited with at least 1000 Hours of Service with an Employer. Partial credit, determined to two decimal places, will be granted on a prorated basis for Hours of Service greater than 300 but less than 1000.
Vesting Service	A Year of Service for Vesting is a 12-month consecutive period in which an Employee is credited with at least 300 Hours of Service.
Normal Retirement Age	Upon attainment of 65.
Early Retirement	<p><u>Eligibility:</u> Upon attainment of age 60 and completion of 5 Years of Credited Service.</p> <p><u>Benefit:</u> A Participant's Early Retirement Benefit shall be reduced by 6.66% for each year that his Early Retirement Date precedes his projected Normal Retirement Date.</p>
Disability Retirement	<p><u>Eligibility:</u> Upon earning 5 Years of Service, and becoming eligible for Social Security Disability Benefits.</p> <p><u>Benefit:</u> The unreduced Accrued Benefit payable immediately.</p>

Section XII SUMMARY of PLAN BENEFITS

Pre-Retirement Death

Eligibility: Upon earning 5 Years of Service.

Benefit: The spouse is eligible for 50% of the benefit that would have been payable, if the Participant had live to Early Retirement Eligibility and elected a 50% Qualified Joint and Survivor Annuity. The benefit is payable upon the Participant's Early Retirement Eligibility date.

Normal Form of Payment

Unless otherwise elected, the benefit payable a participant who has been married at least one year is an actuarially equivalent 50% Joint and Survivor benefit. For unmarried participants, the Normal Form is a straight-life annuity.

Optional Forms

Benefits may be elected from:

- 50% and 100% Joint and Survivor
- 5, 10 and 15 Year Certain and Continuous
- Straight Life Annuity

Changes in Plan Benefits recognized since the last valuation

None.

SCHEDULE SB ATTACHMENT

Line 32 - Amortization Bases Used in the Valuation

Plan Name: Sound Com Corporation Defined Benefit Plan

EIN/PN: 34-1137084/002

Valuation Date: February 1, 2012

<u>Original Valuation</u>	<u>Remaining Years</u>	<u>Amortization Type</u>	<u>Outstanding Balance</u>	<u>Current Year Amortization</u>
2/1/2012	7	7 year	13,925	2,363
2/1/2011	6	7 year	(55,201)	(10,575)
2/1/2010	5	7 year	60,150	13,361
2/1/2009	4	7 year	(43,194)	(11,687)
2/1/2008	3	7 year	72,213	25,380

SCHEDULE SB ATTACHMENT
Line 25 - Change in Funding Method

Plan Name: Sound Com Corporation Defined Benefit Plan

EIN/PN: 34-1137084/002

Valuation Date: February 1, 2012

The Valuation Software used to value the Plan for the current year has been changed, causing a change in the funding method. The changes meet the criteria for automatic approval specified in Announcement 2010-3.