

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2012</div> This Form is Open to Public Inspection
---	---	--

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>CARDO USA, INC. RETIREMENT PLAN</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>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>05/15/1982</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>05/15/1982</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>05/15/1982</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>SULZER PUMP SOLUTIONS US INC.</u> <u>140 POND VIEW DRIVE</u> <u>MERIDEN, CT 06450-7156</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>45-2554495</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>203-514-4321</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>423990</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>45-2554495</u>	2c Sponsor's telephone number <u>203-514-4321</u>	2d Business code (see instructions) <u>423990</u>	
2b Employer Identification Number (EIN) <u>45-2554495</u>					
2c Sponsor's telephone number <u>203-514-4321</u>					
2d Business code (see instructions) <u>423990</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	<u>01/03/2014</u> Date	<u>ALAN CRAWFORD</u> 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 SULZER PUMP SOLUTIONS US INC. 140 POND VIEW DRIVE MERIDEN, CT 06450-7156		3b Administrator's EIN 45-2554495
		3c Administrator's telephone number 203-514-4321
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 88
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	0
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	0
d Subtotal. Add lines 6a , 6b , and 6c	6d	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1G 1I		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☐ H (Financial Information) (2) ☒ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

A Name of plan <u>CARDO USA, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>SULZER PUMP SOLUTIONS US INC.</u>	D Employer Identification Number (EIN) <u>45-2554495</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>3333956</u>
b	Actuarial value 2b <u>3514179</u>
3	Funding target/participant count breakdown:
a	For retired participants and beneficiaries receiving payment..... 3a <u>8</u> <u>638652</u>
b	For terminated vested participants..... 3b <u>36</u> <u>965789</u>
c	For active participants:
(1)	Non-vested benefits..... 3c(1) <u>0</u>
(2)	Vested benefits..... 3c(2) <u>2138887</u>
(3)	Total active 3c(3) <u>44</u> <u>2138887</u>
d	Total 3d <u>88</u> <u>3743328</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>7.15 %</u>
6	Target normal cost..... 6 <u>7558</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>10/09/2013</u> Date
<u>MATTHEW LARRABEE</u> Signature of actuary	<u>11-06154</u> Most recent enrollment number
<u>MILLIMAN, INC.</u> Type or print name of actuary	<u>503-227-0634</u> Telephone number (including area code)
<u>111 SW FIFTH AVENUE, SUITE 3700</u> <u>PORTLAND, OR 97204</u> Firm name	
<u>Address of the firm</u>	

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	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>-3.81%</u>		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		52445
	b Interest on (a) using prior year's effective interest rate of <u>6.31%</u> except as otherwise provided (see instructions)		3309
	c Total available at beginning of current plan year to add to prefunding balance		55754
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	93.87 %
15	Adjusted funding target attainment percentage	15	93.87 %
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	80.43 %
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
04/12/2012	40706				
07/12/2012	40706				
10/11/2012	40706				
			Totals ►	18(b)	122118
				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 117762
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
0		0
		0

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 4
22 Weighted average retirement age				22 64
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	7558	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	229149	87402	
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	94960	
	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	94960	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	117762	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	22802	
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 I (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information—Small Plan 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 CARDO USA, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 SULZER PUMP SOLUTIONS US INC.	D Employer Identification Number (EIN) 45-2554495	

Complete Schedule I if the plan covered fewer than 100 participants as of the beginning of the plan year. You may also complete Schedule I if you are filing as a small plan under the 80-120 participant rule (see instructions). Complete Schedule H if reporting as a large plan or DFE.

Part I	Small Plan Financial Information
---------------	---

Report below the current value of assets and liabilities, income, expenses, transfers and changes in net assets during the plan year. Combine the value of plan assets held in more than one trust. Do not enter the value of the portion of an insurance contract that guarantees during this plan year to pay a specific dollar benefit at a future date. 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.**

1 Plan Assets and Liabilities:		(a) Beginning of Year	(b) End of Year
a Total plan assets	1a	3335910	0
b Total plan liabilities	1b	0	0
c Net plan assets (subtract line 1b from line 1a).....	1c	3335910	0
2 Income, Expenses, and Transfers for this Plan Year:		(a) Amount	(b) Total
a Contributions received or receivable:			
(1) Employers	2a(1)	122118	
(2) Participants.....	2a(2)		
(3) Others (including rollovers)	2a(3)		
b Noncash contributions.....	2b		
c Other income.....	2c	446042	
d Total income (add lines 2a(1), 2a(2), 2a(3), 2b, and 2c).....	2d		
e Benefits paid (including direct rollovers)	2e	100178	
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Administrative service providers (salaries, fees, and commissions).....	2h	24450	
i Other expenses.....	2i		
j Total expenses (add lines 2e, 2f, 2g, 2h, and 2i)	2j		
k Net income (loss) (subtract line 2j from line 2d).....	2k		
l Transfers to (from) the plan (see instructions)	2l		

3 Specific Assets: If the plan held assets at anytime during the plan year in any of the following categories, check "Yes" and enter the current value of any assets remaining in the plan as of the end of the plan year. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions.				
		Yes	No	Amount
a Partnership/joint venture interests.....	3a		X	
b Employer real property.....	3b		X	
c Real estate (other than employer real property)	3c		X	
d Employer securities.....	3d		X	
e Participant loans.....	3e		X	

	Yes	No	Amount
3f Loans (other than to participants)		X	
g Tangible personal property		X	

Part II Compliance Questions

4 During the plan year:	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of plan year or classified during the year as uncollectible? Disregard participant loans secured by the participant's account balance.		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible?		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a.)		X	
e Was the plan covered by a fidelity bond?	X		500000
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 at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interest?.....		X	
j Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X		
k Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? If "No," attach an IQPA's report or 2520.104-50 statement. (See instructions on waiver eligibility and conditions.)	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)
SULZER PUMPS (US) INC RETIREMENT PLAN

5b(2) EIN(s)	5b(3) PN(s)
94-3007659	003

Part III Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
---	--	--

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

A Name of plan <u>CARDO USA, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SULZER PUMP SOLUTIONS US INC.</u>	D Employer Identification Number (EIN) <u>45-2554495</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>42-1558009</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>1</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.
----------------	---

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

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

Schedule R (Form 5500) 2012
v. 120126

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):

**DESCRIPTION OF WEIGHTED
AVERAGE RETIREMENT AGE**

<u>AGE</u>	<u>RATES</u>	<u>PROBABILITY OF RETIREMENT</u>	<u>AGE x PROBABILITY OF RETIREMENT</u>
60	5.0%	0.050000	3.000
61	5.0%	0.047500	2.898
62	25.0%	0.225625	13.989
63	10.0%	0.067688	4.264
64	10.0%	0.060919	3.899
65	50.0%	0.274134	17.819
66	50.0%	0.137067	9.046
67	100.0%	0.137067	9.184
WEIGHTED AVERAGE RETIREMENT AGE			64.099
ROUNDED WEIGHTED AVERAGE RETIREMENT AGE			64

The weighted average retirement age was calculated by multiplying each possible retirement age by the probability of surviving to that age and then retiring. These products were then summed to produce the weighted average retirement age.

ACTUARIAL ASSUMPTIONS AND ACTUARIAL COST METHOD

Actuarial Methods

Asset Methods - Effective January 1, 2009

The asset valuation method is an average of the adjusted market value at the current valuation date and each of the prior 2 years, rolled forward to the current valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is limited to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- Participants included: The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- Participants excluded: No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- Insurance contracts: The plan does not have any insurance contracts.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's funding target is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's target normal cost is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's target normal cost is the sum of the individual target normal costs plus expected administrative expenses for the following year, and the plan's funding target is the sum of the individual funding targets for all participants under the plan.

Maximum Deductible Contribution Method

Calculations of maximum deductible contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target (both calculated for maximum deductible contribution purposes without reflecting the impact of MAP-21). The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future benefit increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's projected funding target is the present value of benefits based on credited service as of the beginning of the plan year and projected benefit that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the projected funding target for an individual is the sum of the component projected funding targets associated with the various anticipated separation dates.
- The plan's projected funding target is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target (both calculated without reflecting the impact of MAP-21) is included in the "cushion amount."

Method changes since prior valuation

None.

Actuarial Assumptions

Discount rate sponsor elections

- | | |
|-------------------------------------|---------------|
| ▪ Segment rates or full yield curve | Segment rates |
| ▪ Look-back months | 4 |

Funding Target after application of MAP-21

- | | |
|-----------------|-------|
| ▪ 1st 5 years | 5.54% |
| ▪ Next 15 years | 6.85% |
| ▪ Over 20 years | 7.52% |

Funding Target for maximum deductible contribution purposes (does not reflect MAP-21)

- | | |
|-----------------|-------|
| ▪ 1st 5 years | 2.06% |
| ▪ Next 15 years | 5.25% |
| ▪ Over 20 years | 6.32% |

Mortality sponsor elections

Healthy participants

Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.

2012 Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
Cardo USA, Inc. Retirement Plan
EIN/PN: 45-2554495/001

Disabled participants

No incidence of disability was assumed.

Other economic assumptions

- Expected investment return 8.00% per year
- Expenses Prior year administrative expenses are included in the beginning of year normal cost.

Demographic Assumptions

Withdrawal

Vaughn Select and Ultimate Table multiplied by two, sample rates:

Service				
Age	1	2	3	4+
25	55.6%	45.0%	37.0%	27.2%
30	51.6	44.0	32.0	20.2
35	47.6	35.6	27.6	15.8
40	43.6	31.6	23.6	13.0
45	39.6	28.2	20.2	11.0
50	35.6	25.2	17.2	9.0
55+	0.0	0.0	0.0	0.0

Note that all participants are currently beyond the select period of the above table.

Disability Incidence

No incidence of disability was assumed.

Retirement Age

Rates of retirement are as follows:

Age	Decrement
60-61	5.00%
62	25.00%
63-64	10.00%
65-66	50.00%
67+	100.00%

(Effective January 1, 2013)

Current and future vested deferred participants are assumed to commence benefits at age 65, or current age if later.

Form of Payment Assumptions

Actives are assumed to elect a single life annuity with 50% probability and a lump sum with 50% probability. Current vested terminated participants are assumed to elect a single life annuity with 100% probability.

For future pre-retirement deaths, 100% of surviving spouses are assumed to elect lump sums.

Actuarial assumption changes since prior valuation

- Interest discounts and mortality rates were updated from 2011 to 2012 in accordance with PPA.
- MAP-21 segment rate stabilization was applied for purposes of calculating the 2012 Funding Target.
- Expense normal cost was set to last year's actual administrative expense of \$7,558. The prior valuation report prepared by the prior actuary set it equal to the expected PBGC premium for the following year.
- Active retirement rates from ages 55 to 59 were adjusted to reflect our understanding of the Early Retirement eligibility requirements contained in the Plan Document. The prior valuation prepared by the prior actuary reflected active retirement rates of 10% at age 55 and 4% each year from 56 to 59.

SUMMARY OF PLAN PROVISIONS

Plan Provisions

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated and amended through Amendment #6, are included in this valuation.

Most recent plan amendments included: Amendment #6.

Plan amendments excluded: None

IRC Section 436 benefit restrictions: None applicable for current or prior plan years.

Late retirement increases:

- *Active participants:* The plan does not provide benefit suspension notices to participants who work beyond normal retirement. We value benefits for participants past normal retirement age (if applicable) based on the larger of the benefit accrued at their normal retirement date actuarially increased to the valuation date or the accrued benefit under the plan assuming continued benefit accruals until the valuation date.
- *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued using their normal retirement benefit actuarially increased to the valuation date.

Unpredictable contingent event benefits: The plan does not have any unpredictable contingent event benefits.

IRC Section 415(b) benefit limitations: The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.

IRC Section 416 rules for top-heavy plans: We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Summary of Major Plan Provisions

Effective date (Original plan): May 15, 1982

Restated plan: January 1, 2006

Plan year: January 1 through December 31

Status of the plan: The plan is frozen and closed to new entrants effective January 1, 2007 for all employees.

Significant events that occurred during the year: None

Definitions

Eligibility: All Cardo USA, Inc. employees subject to certain exclusions. The plan is frozen and closed to new entrants effective January 1, 2007.

Entry date: An employee becomes a plan participant on the January 1 coincident with or next following age 20 ½ and completion of 6 months of employment. Any eligible employee in the following divisions who has completed the participation requirements above shall become a participant as of the date of acquisition.

Division	Acquisition Date
C.H.&E. Manufacturing Co.	01/03/2000
Odell	07/01/2011

Employees of ABS Pumps Corporation hired on or after January 1, 2003 shall not be eligible to participate in the Plan.

No employee shall commence or resume participation on or after January 1, 2007.

Employer contributions: Actuarially determined as necessary to fund the plan benefits.

Participant contributions: None required or permitted.

Vesting service: Each plan year of at least 1,000 hours of service, beginning at date of hire for vesting and eligibility purposes. For this purpose, date of hire for former Odell participants is no earlier than 7/1/2001.

Credited service: Each plan year of at least 1,000 hours of service, beginning at date of hire or, if a former employee of C.H.&E. Manufacturing Co. or Odell, the later of date of hire or date of acquisition.

Compensation (plan salary): Total wages and other amounts reportable on Form W-2 for the calendar year, including elective pre-tax salary reductions under IRC Sec. 401(k) and Sec. 125. Compensation is limited as required under law.

Average compensation: The average of Compensation for the five complete and consecutive calendar years which produce the highest average.

Covered compensation: The average of Taxable Wage Bases in effect during the 35-year period ending with the calendar year in which the employee attains social security retirement age.

Accrued benefit: The product of (C) and [(A) plus (B)] and (D) as follows:

- (A) 2.00% of Average Compensation,
- (B) 0.65% of Average Compensation in excess of covered compensation,
- (C) Years of Service at normal retirement, up to 30,
- (D) Years of Service divided by Years of Service at Normal Retirement Date.

In no event will any benefit be less than the benefit accrued through June 30, 1998.

Each participant's Accrued Benefit is frozen as of December 31, 2006 and no further benefit shall accrue to any Participant in the Plan on or after January 1, 2007.

Normal Retirement

Eligibility: Prior to March 1, 2003, the first day of the month coinciding with or next following age 65. Effective March 1, 2003 the first day of the month coinciding with or next following the later of age 65 or the 5th anniversary of initial participation in the Plan.

Benefit: Accrued benefit as of normal retirement date.

Early Retirement

Eligibility: Age 60 and 5 years of service.

Benefit: Accrued benefit as of early retirement date, reduced for early commencement. The reduction is 1/15 for each year by which benefit commencement precedes Normal Retirement Age.

Late Retirement

Eligibility: Retirement after normal retirement eligibility.

Benefit: The greater of accrued benefit as of late retirement date or the retirement benefit earned as of the participant's Normal Retirement Date actuarially increased for late commencement.

Deferred Vested

Eligibility: Termination of employment with a vesting benefit. Vesting occurs after 5 years of vesting service.

Benefit: Vested portion of accrued benefit as of date of termination, first payable upon normal retirement eligibility. Earlier benefit commencement may be elected, subject to actuarial equivalent reduction factors.

Each participant who is an employee on December 31, 2006 shall have a 100% vested accrued benefit.

Pre-Retirement Death

Eligibility: Death prior to retirement.

Benefit: Actuarial equivalent of the accrued benefit.

Disability Retirement

Eligibility: Total and permanent disability prior to retirement, following completion of 5 years of service.

Benefit: Accrued benefit, reduced as for Early Retirement if eligible or with actuarial equivalent reduction factors otherwise.

Form of Benefits

Automatic form for unmarried participants: Benefits are automatically paid in the form of a monthly life annuity.

Automatic form for married participants: Benefits are automatically paid in the form of an actuarially equivalent monthly 50% joint and survivor annuity.

2012 Schedule SB, Part V – Summary of Plan Provisions
Cardo USA, Inc. Retirement Plan
EIN/PN: 45-2554495/001

Optional forms:

- 100% Joint and Survivor Annuity
- 75% Joint and Survivor Annuity
- 66⅔% Joint and Survivor Annuity
- 50% Joint and Survivor Annuity
- Life Annuity
- Lump Sum

Optional form conversion factors (other than lump sum): Actuarial equivalence using 8.0% interest and mortality rates specified by the 1984 PBGC Healthy/UP – 1984 unisex mortality table.

Lump sum conversion factors: Actuarial equivalence using PPA segment rates for the third month preceding the calendar year in which the payment is made and mortality specified in Code Section 417(e).

Miscellaneous

Maximum benefits: Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012, the limit is \$200,000.

Plan provision changes since prior valuation

Maximum benefits were updated from 2011 to 2012.

Actuarial increases for late retirement benefits were reflected. The prior valuation prepared by the prior actuary did not appear to reflect late retirement actuarial increases

This is the final Form 5500 filing for the Cardo USA, Inc. Retirement Plan, due to the December 31, 2012 merger of this plan into the Sulzer Pumps (US) Inc. Retirement Plan (EIN 94-3007659; PN 003).

CHANGE IN ACTUARIAL ASSUMPTIONS

Actuarial assumption changes since prior valuation

- Interest discounts and mortality rates were updated from 2011 to 2012 in accordance with PPA.
- MAP-21 segment rate stabilization was applied for purposes of calculating the 2012 Funding Target.
- Expense normal cost was set to last year's actual administrative expense of \$7,558. The prior valuation report prepared by the prior actuary set it equal to the expected PBGC premium for the following year.
- Active retirement rates from ages 55 to 59 were adjusted to reflect our understanding of the Early Retirement eligibility requirements contained in the Plan Document. The prior valuation prepared by the prior actuary reflected active retirement rates of 10% at age 55 and 4% each year from 56 to 59.

2012 Schedule SB, Line 26 – Schedule of Active Participant Data
Cardo USA, Inc. Retirement Plan
EIN/PN: 45-2554495/001

**DISTRIBUTION OF ACTIVE PARTICIPANTS BY AGE AND
YEARS OF CREDITED SERVICE
(January 1, 2012)**

Number of Participants by Age and Service Groups

<u>Age</u>	<u>Years of Service</u>										<u>Total</u>
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35-39</u>	<u>40&Up</u>	
0-24	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	1	3	-	-	-	-	-	4
40-44	-	-	1	2	-	1	-	-	-	-	4
45-49	-	-	2	2	3	3	-	-	-	-	10
50-54	-	-	3	1	1	3	1	-	-	-	9
55-59	-	-	2	3	1	1	2	1	-	-	10
60-64	-	-	1	3	-	2	-	-	-	-	6
65-69	-	-	-	-	1	-	-	-	-	-	1
70&Up	-	-	-	-	-	-	-	-	-	-	-
Total	0	0	9	12	9	10	3	1	0	0	44

2012 Schedule SB, line 32 - Schedule of Amortization Bases
Cardo USA, Inc. Retirement Plan
EIN/PN: 45-2554495/001

SCHEDULE OF AMORTIZATION BASES
(January 1, 2012)

<u>Date Established</u>	<u>Description</u>	<u>Amortization Amount</u>	<u>Remaining Years</u>	<u>Outstanding Balance</u>
a. 01/01/2009	Shortfall Amortization	\$104,693	4	\$ 386,938
b. 01/01/2010	Shortfall Amortization	\$30,546	5	\$ 137,516
c. 01/01/2011	Shortfall Amortization	\$20,026	6	\$ 104,534
d. 01/01/2012	Shortfall Amortization	<u>(\$67,863)</u>	7	<u>(\$ 399,839)</u>
e. Total		\$87,402		\$ 229,149

**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.

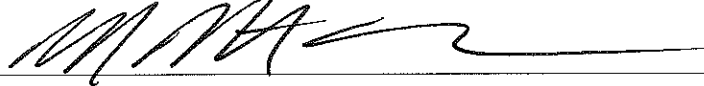
A Name of plan CARDO USA, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SULZER PUMP SOLUTIONS US INC.	D Employer Identification Number (EIN) 45-2554495
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other	
F Prior year 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	3,333,956
b Actuarial value	2b	3,514,179
3 Funding target/participant count breakdown:		
a For retired participants and beneficiaries receiving payment	3a	(1) Number of participants 8 (2) Funding Target 638,652
b For terminated vested participants	3b	36 965,789
c For active participants:		
(1) Non-vested benefits	3c(1)	0
(2) Vested benefits	3c(2)	2,138,887
(3) Total active	3c(3)	44 2,138,887
d Total	3d	88 3,743,328
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	7.15 %
6 Target normal cost	6	7,558

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>Oct 9, 2013</u>
MATTHEW LARRABEE		Date
Type or print name of actuary		11-06154
MILLIMAN, INC.		Most recent enrollment number
Firm name		(503) 227-0634
111 SW FIFTH AVENUE, SUITE 3700		Telephone number (including area code)
PORTLAND		
Address of the firm		
OR 97204		

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	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>(3.81)</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		52,445
b Interest on (a) using prior year's effective interest rate of <u>6.31</u> % except as otherwise provided (see instructions)		3,309
c Total available at beginning of current plan year to add to prefunding balance		55,754
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages

14 Funding target attainment percentage	14	93.87 %
15 Adjusted funding target attainment percentage	15	93.87 %
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	80.43 %
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
04/12/2012	40,706				
07/12/2012	40,706				
10/11/2012	40,706				
Totals ►			18(b)	122,118	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	117,762

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: 5.54 %	2nd segment: 6.85 %	3rd segment: 7.52 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 64
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	7,558
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	229,149	87,402	
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	94,960
	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	94,960
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....		37	117,762
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	22,802
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	