

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: 1.2em; font-weight: bold;">2013</div> <div style="text-align: center; font-weight: bold;">This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</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>STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLA</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>STA-RITE INDUSTRIES, LLC</u> <u>C/O PENTAIR, INC.</u> <u>5500 WAYZATA BOULEVARD, SUITE 800</u> <u>GOLDEN VALLEY, MN 55416-1261</u>	1c Effective date of plan <u>09/01/1968</u>	2b Employer Identification Number (EIN) <u>86-1096608</u>
	2c Sponsor's telephone number <u>763-545-1730</u>	2d Business code (see instructions) <u>332900</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.	09/15/2014	DIANA SOLOMON, DIR BENEFITS HRIS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/15/2014	MICHAEL G. MEYER, TREASURER
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN	
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		3c Administrator's telephone number 4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year		5	695
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: 1A 3H			
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 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

▶ **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>STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLA</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>STA-RITE INDUSTRIES, LLC</u>	D Employer Identification Number (EIN) <u>86-1096608</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>2013</u>	
2 Assets:	
a Market value	2a <u>69285321</u>
b Actuarial value	2b <u>66758908</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>4</u> <u>259613</u>
b For terminated vested participants.....	3b <u>299</u> <u>9211083</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>1264934</u>
(2) Vested benefits	3c(2) <u>27245515</u>
(3) Total active.....	3c(3) <u>397</u> <u>28510449</u>
d Total.....	3d <u>700</u> <u>37981145</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>6.46</u> %
6 Target normal cost	6 <u>1910602</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	
Signature of actuary <u>GREGORY T. TRAPP, ASA, EA, MAAA</u>	Date <u>14-05207</u>
Type or print name of actuary <u>MERCER</u>	Most recent enrollment number <u>612-642-8600</u>
Firm name <u>333 SOUTH 7TH STREET, SUITE 1400</u> <u>MINNEAPOLIS, MN 55402-2427</u>	Telephone number (including area code)
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) 2013
v. 130118

Part II Beginning of Year Carryover and 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>10.74</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		42059830
b Interest on (a) using prior year's effective interest rate of <u>7.05</u> % except as otherwise provided (see instructions)		2965218
c Total available at beginning of current plan year to add to prefunding balance		45025048
d Portion of (c) to be added to prefunding balance		45025048
12 Other reductions in balances due to elections or deemed elections	0	18200000
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	26825048

Part III Funding Percentages		
14 Funding target attainment percentage	14	105.14 %
15 Adjusted funding target attainment percentage	15	129.91 %
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	103.39 %
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
12/12/2013	1900000	0			
			Totals ►	18(b)	1900000 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	1790840
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: 4.94%	2nd segment: 6.15%	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):												
a Target normal cost (line 6).....	31a	1910602										
b Excess assets, if applicable, but not greater than line 31a	31b	1910602										
32 Amortization installments:	<table border="1"> <thead> <tr> <th></th> <th>Outstanding Balance</th> <th>Installment</th> </tr> </thead> <tbody> <tr> <td>a Net shortfall amortization installment.....</td> <td>0</td> <td>0</td> </tr> <tr> <td>b Waiver amortization installment</td> <td>0</td> <td>0</td> </tr> </tbody> </table>				Outstanding Balance	Installment	a Net shortfall amortization installment.....	0	0	b Waiver amortization installment	0	0
	Outstanding Balance	Installment										
a Net shortfall amortization installment.....	0	0										
b Waiver amortization installment	0	0										
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33											
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	0										
		Carryover balance	Prefunding balance									
35 Balances elected for use to offset funding requirement.....	0	0	0									
36 Additional cash requirement (line 34 minus line 35).....	36	0										
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	1790840										
38 Present value of excess contributions for current year (see instructions)												
a Total (excess, if any, of line 37 over line 36)	38a	1790840										
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0										
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0										
40 Unpaid minimum required contributions for all years	40	0										

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2013
		This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLA</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>STA-RITE INDUSTRIES, LLC</u>	D Employer Identification Number (EIN) <u>86-1096608</u>

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; text-align: center; padding: 5px; font-weight: bold; font-size: 1.2em;">2013</div> This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013		
A Name of plan STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLA	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 STA-RITE INDUSTRIES, LLC	D Employer Identification Number (EIN) 86-1096608	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
--------	--

a	Name of MTIA, CCT, PSA, or 103-12 IE: PENTAIR, INC. MASTER TRUST
---	--

b	Name of sponsor of entity listed in (a): PENTAIR, INC.
---	--

c EIN-PN 25-6346358-001	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
--	--	---

a	Name of MTIA, CCT, PSA, or 103-12 IE:
---	---------------------------------------

b	Name of sponsor of entity listed in (a):
---	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a	Name of MTIA, CCT, PSA, or 103-12 IE:
---	---------------------------------------

b	Name of sponsor of entity listed in (a):
---	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a	Name of MTIA, CCT, PSA, or 103-12 IE:
---	---------------------------------------

b	Name of sponsor of entity listed in (a):
---	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a	Name of MTIA, CCT, PSA, or 103-12 IE:
---	---------------------------------------

b	Name of sponsor of entity listed in (a):
---	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a	Name of MTIA, CCT, PSA, or 103-12 IE:
---	---------------------------------------

b	Name of sponsor of entity listed in (a):
---	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a	Name of MTIA, CCT, PSA, or 103-12 IE:
---	---------------------------------------

b	Name of sponsor of entity listed in (a):
---	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <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 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.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLA</u>		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>STA-RITE INDUSTRIES, LLC</u>		D Employer Identification Number (EIN) <u>86-1096608</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	69285321	0
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	69285321	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	69285321	0
---	----	----------	---

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)	1900000	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)		1900000

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)		0

(3) Rents	2b(3)		
-----------------	-------	--	--

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		2508785
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		608963
d Total income. Add all income amounts in column (b) and enter total	2d		5017748

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2598541	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		2598541
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	29610	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		29610
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2628151

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2389597
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		71674918

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

☒ Yes ☐ No

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

(1) Name: **DELOITTE & TOUCHE LLP**

(2) EIN: **13-3891517**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
PENTAIR, INC. PENSION PLAN	41-0907434	011

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLA</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>STA-RITE INDUSTRIES, LLC</u>	D Employer Identification Number (EIN) <u>86-1096608</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
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): _____ 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>57</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)
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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

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: 100% 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): _____

Sta-Rite Industries Employees' Retirement Plan

Employer ID No: 86-1096608

Plan Number: 001

Financial Statements as of and for the
Years Ended December 31, 2013 and 2012,
and Independent Auditors' Report

STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLAN
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<u>Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012</u>	<u>3</u>
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<u>Notes to Financial Statements as of and for the Years Ended December 31, 2013 and 2012</u>	<u>5</u>

NOTE: All schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



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INDEPENDENT AUDITORS' REPORT

To the Trustee and Participants of
Sta-Rite Industries Employees' Retirement Plan
Golden Valley, Minnesota

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Sta-Rite Industries Employees' Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by The Bank of New York Mellon, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee as of December 31, 2013 and 2012, and for the years then ended, that the information provided to the Plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

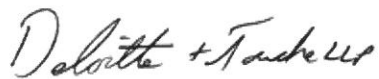
Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Emphasis-of-Matter Regarding Plan Merger

As discussed in Note 1 to the financial statements, effective December 31, 2013, the Plan merged into the Pentair, Inc. Pension Plan. Our opinion is not modified with respect to this matter.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in cursive script that reads "Deloitte + Touche LLP".

August 28, 2014

STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
ASSETS:		
Plan interest in Pentair, Inc. Master Trust	\$ —	\$ 69,285,321
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ —</u>	<u>\$ 69,285,321</u>

See notes to financial statements.

STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Employer contributions	\$ 1,900,000	\$ 44,860,000
Investment income — net investment income from Pentair, Inc. Master Trust	2,508,785	9,063,148
DEDUCTIONS:		
Benefits paid directly to participants	2,598,541	17,091,444
Purchase of (refund from) annuity contract	(608,963)	58,189,740
Administrative expenses	29,610	164,463
Total deductions	<u>2,019,188</u>	<u>75,445,647</u>
NET ADDITIONS (DEDUCTIONS) BEFORE TRANSFER	2,389,597	(21,522,499)
PLAN TRANSFER (See Note 1)	<u>(71,674,918)</u>	<u>—</u>
NET DEDUCTIONS	(69,285,321)	(21,522,499)
NET ASSETS AVAILABLE FOR BENEFITS - Beginning of year	69,285,321	90,807,820
NET ASSETS AVAILABLE FOR BENEFITS - End of year	<u>\$ —</u>	<u>\$ 69,285,321</u>

See notes to financial statements.

STA-RITE INDUSTRIES EMPLOYEES' RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

1. DESCRIPTION OF THE PLAN

The following description of the Sta-Rite Industries Employees' Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General - The Plan, a noncontributory defined benefit plan, covered all full-time administrative and production employees, hourly and salary, who were employed by Sta-Rite Industries, Inc. (the "Company") at the Delavan, Union City, and Grand Island locations. Through July 31, 2004, the Company was a wholly owned subsidiary of WICOR, Inc., a wholly owned subsidiary of Wisconsin Energy Corporation. Effective August 1, 2004, the Company was acquired by Pentair, Inc.

The Plan was subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The Plan was frozen to new participants effective January 1, 2004.

Effective December 31, 2013, the Plan merged into the Pentair, Inc. Pension Plan and all assets of the Plan totaling \$71,674,918 were transferred into the Pentair, Inc. Pension Plan as of the close of business on December 31, 2013.

The Company was responsible for administering the Plan. Four officers of Pentair, Inc. (parent of the controlled group, which includes the Company) were appointed to the Investment Committee of the Pentair, Inc. Master Trust (the "Master Trust"). This committee delegated certain investment authority to investment managers under contractual arrangements, consisting primarily of latitude in the selection of underlying investments within approved asset categories.

In December 2012, the Company took several actions to reduce the risk and volatility of the Plan, including the following:

- Distributed lump sum payments of \$11,964,135 to certain deferred vested participants of the Plan that chose to elect an early payout.
- Made a special contribution of \$43,000,000 to fund the Plan.
- The Master Trust purchased an irrevocable annuity contract from Metropolitan Life Insurance Company ("MetLife") to settle obligations to Plan participants in retiree status (see Note 7).

During 2013, the Company offered deferred vested participants not previously offered the early payout option in December 2012 the opportunity to elect an early payout, resulting in lump sum payments of \$1,452,496.

Benefits - Normal retirement benefits were paid to members who reached social security retirement age. In addition to normal retirement benefits, the Plan provided for certain defined early, special early, deferred and death benefits and various payment options.

For administrative participants, the normal monthly retirement benefit was equal to the greater of the following:

(a) 1.175% of the participant's average monthly compensation multiplied by the participant's years of benefit service, up to a maximum of 25 years, plus 0.5% of the participant's average monthly compensation multiplied by the participant's years of benefit service in excess of 25 years, up to a maximum of 15 years; added to that amount is 0.5% of the excess of the participant's average monthly compensation over the participant's covered compensation, as defined by the Internal Revenue Code ("IRC"), multiplied by the participant's years of benefit service, up to a maximum of 35 years, or (b) \$14 multiplied by the participant's years of benefit service, up to a maximum of 40 years.

For production participants, the normal retirement benefit was equal to the greater of the following: (a) 1% of the participant's average monthly compensation multiplied by the participant's years of benefit service, up to a maximum of 40 years, or (b) \$14 multiplied by the participant's years of benefit service, up to a maximum of 40 years.

Vesting - Participants had a fully vested interest in the Plan after attaining five years of credited service or upon attainment of normal retirement age (as defined in the Plan) with no vesting prior to that date.

Funding Policy - Contributions to provide benefits under the Plan were made solely by the Company. The Company's general funding policy was to contribute to the minimum required by ERISA. The Company occasionally made contributions greater than the minimum, but not exceeding the maximum deductible for federal income tax purposes, when the Company's cash flow permitted. The Plan met minimum funding standards for 2013 and 2012.

Curtailment - In December 2007, the Company announced the curtailment of this Plan as of December 31, 2017. The Plan was already closed to new participants effective January 1, 2004, and benefits will cease to accrue for all participants as of December 31, 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein; disclosure of contingent assets and liabilities; and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

The Plan funds were invested in the Master Trust held by The Bank of New York Mellon (the "Trustee").

Investments in the Master Trust were presented at estimated fair value. If available, quoted market prices were used to value investments. Quoted prices were based on the last reported sale price on the last business day of the year. In instances wherein quoted market prices were not available, securities and other alternative investments were stated at estimated fair value as determined by the custodian of those investments. Investments in partnerships and joint ventures were determined by investment group managers based on the estimated value of the various holdings in the partnership and joint venture portfolio. Purchases and sales of securities were recorded on a trade-date basis. Interest income was recorded on the accrual basis. Dividends were recorded on the ex-dividend date. Net appreciation and depreciation in the fair value of investments, which was included within Net investment income from Pentair, Inc. Master Trust on the Statements of Changes in Net Assets Available for Benefits, included gains and losses in investments sold during the year as well as appreciation and depreciation of the investments held at year end.

Administrative expenses, such as actuarial and auditing fees, and charges and expenses incurred in connection with the acquisition or disposition of the Plan's assets, such as custodial fees, investment management fees and brokerage commissions, were paid by the Plan or from the Master Trust assets.

Benefit payments to participants were recorded upon distribution.

The financial statements also reflect accounting guidance related to fair value measurements which establishes a single authoritative definition of fair value, sets a framework for measuring fair value, and requires additional disclosures about fair value measurements (see Note 6).

Subsequent Events - For the year ended December 31, 2013, subsequent events were evaluated through August 28, 2014, the date the financial statements were available to be issued.

3. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan as of December 31, 2013 and 2012, and for the years then ended, included in the Plan's financial statements, that was prepared by or derived from information prepared by the Trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the Trustee that the following investment information is complete and accurate.

	2013	2012
Statements of net assets available for benefits:		
Plan interest in Pentair, Inc. Master Trust	\$ —	\$ 69,285,321
	2013	2012
Statements of changes in net assets available for benefits:		
Net investment income from Pentair, Inc. Master Trust	\$ 2,508,785	\$ 9,063,148

All investment balances included in Note 4 and 6, excluding the fair value leveling of the Master Trust's investments.

4. MASTER TRUST

The Company has established the Master Trust with the Trustee for three pension plans. The purpose of this combination is to pool investment transactions and achieve uniform rates of return on comparable funds under all plans. The plans have deposited funds in the Master Trust, and each owns an undivided interest in net assets of the Master Trust based on its equity in the Master Trust.

With the merger of the Plan with and into the Pentair, Inc. Pension Plan effective December 31, 2013, the Master Trust is in place for two pension plans.

Under the terms of the trust agreements, the Trustee manages trust funds on behalf of the Plan. In accordance with the trust agreements, certain assets of the Plan are held together with assets of other plans in the Master Trust sponsored by the Company and its subsidiaries.

The allocation of trust funds and investment income (loss) among the participating pension plans in the Master Trust is determined on a unit value basis, as determined by the Trustee. The allocation of funds at December 31, 2013 and 2012, were as follows:

	2013		2012	
	Amount	Percentage Ownership	Amount	Percentage Ownership
Pentair, Inc. Pension Plan	\$ 267,353,681	94.9%	\$ 236,337,221	73.6%
Pentair Pump Group, Inc. Bargaining Unit Employee Pension Plan	14,378,096	5.1%	15,377,601	4.8%
Sta-Rite Industries Employees' Retirement Plan	—	—%	69,285,321	21.6%
Net assets of the Pentair, Inc. Master Trust	\$ 281,731,777	100.0%	\$ 321,000,143	100.0%

The net assets and investments of the Master Trust at December 31, 2013 and 2012, were as follows:

	<u>2013</u>	<u>2012</u>
Assets:		
Investments at fair value:		
Cash equivalents	\$ 1,133,005	\$ 16,914,237
Corporate and non U.S. government	146,787,760	70,108,028
U.S. Treasuries	75,457,042	68,579,427
Mortgage-backed securities	8,701,300	22,295,592
Other fixed income securities	25,819,290	18,599,103
Long/short equity	210,816	42,937,520
Large cap equity	—	58,082,476
Other investments	20,819,514	21,587,437
Total investments at fair value	<u>278,928,727</u>	<u>319,103,820</u>
Receivables - interest and dividends	3,221,321	1,896,323
Total assets	<u>282,150,048</u>	<u>321,000,143</u>
Liabilities - securities purchased	418,271	—
Net assets of the Pentair, Inc. Master Trust	<u>\$ 281,731,777</u>	<u>\$ 321,000,143</u>
Plan's interest in the net assets of the Pentair, Inc. Master Trust	<u>\$ —</u>	<u>\$ 69,285,321</u>

The Master Trust's investments at fair value that exceeded 5 percent of Master Trust net assets as of December 31, 2013 and 2012 were as follows:

	<u>2013</u>	<u>2012</u>
Investments at fair market value:		
JP Morgan Long Duration Fund	\$ 256,765,391	\$ 179,582,151
Black Rock Tempus Fund Ltd 2013 Class F Shares Series 1	17,262,055	—
Adage Capital Partners Enhanced Large Cap Equity Fund	—	58,082,476
ABS Offshore SPC Global Portfolio Class R	—	29,403,259

Investment (loss) income of the Master Trust for the years ended December 31, 2013 and 2012, was as follows:

	<u>2013</u>	<u>2012</u>
Income from:		
Interest	\$ 9,154,637	\$ 7,698,384
Dividends	—	585,516
Net income	<u>9,154,637</u>	<u>8,283,900</u>
Net (depreciation) appreciation in fair value of investments:		
Cash equivalents	34,028	49,753
Fixed income	(39,953,540)	1,180,265
Global equity securities	446,579	21,359,656
Other	1,967,374	6,119,868
Total net (depreciation) appreciation in fair value of investments	<u>(37,505,559)</u>	<u>28,709,542</u>
Net (loss) gain from:		
Common/collective trust	(67,292)	3,498,400
Registered investment companies	—	3,167,008
Total net (loss) gain	<u>(67,292)</u>	<u>6,665,408</u>
Investment (loss) income of Pentair, Inc. Master Trust	<u>\$ (28,418,214)</u>	<u>\$ 43,658,850</u>

5. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the employees' contributions, compensation, and services employees have rendered as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits payable as a result of retirement, death, disability or termination of employment are included, to the extent they are deemed attributable to employee service rendered through the valuation date.

The actuarial present value of accumulated plan benefits was determined by an independent actuary. The amount results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant assumptions underlying the actuarial computations as of January 1, 2013 and 2012, were as follows:

Investment return	3.75% for 2013 and 7.5% for 2012, compounded annually for funding purposes, and the present value of accumulated plan benefits for 2013 and 2012
Discount rate	3.75% for 2013 and 5.05% for 2012
Mortality	RP 2000 Mortality Table with generational mortality, improvement scale BB for 2013 and RP Mortality Table with a fixed 15-year projection, set forward 10 years for disabled for funding purposes for 2012
Retirement age	Earlier of 62 with 10 years of service or age 65 for active; age 62 for vested and disabled employees for 2013 and 2012
Actuarial method	Unit credit for 2013 and 2012

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. The December 31, 2013 merger into the Pentair, Inc. Pension Plan may result in different actuarial assumptions and other factors in determining the actuarial present value of accumulated plan benefits, but did not impact the amounts as of January 1, 2013 and 2012.

The actuarial present value of accumulated plan benefits as of January 1, 2013 and 2012, were as follows:

	<u>2013</u>	<u>2012</u>
Vested benefits:		
Participants and/or beneficiaries currently receiving benefits	\$ 355,851	\$ 42,566,938
Other participants	61,515,188	37,165,802
Total vested benefits	<u>61,871,039</u>	<u>79,732,740</u>
Nonvested benefits	1,803,707	1,102,801
Total actuarial present value of accumulated plan benefits	<u><u>\$ 63,674,746</u></u>	<u><u>\$ 80,835,541</u></u>

The changes in the actuarial present value of the Plan's accumulated plan benefits for the years ended January 1, 2013 and 2012, are as follows:

Actuarial present value of accumulated plan benefits - January 1, 2011	<u>\$ 73,908,033</u>
Change attributable to:	
Benefits accumulated	2,036,169
Benefits paid	(4,948,258)
Interest due to the decrease in discount period	5,698,218
Change in actuarial assumptions	4,141,379
Net increase	<u>6,927,508</u>
Actuarial present value of accumulated plan benefits - January 1, 2012	<u>80,835,541</u>
Change attributable to:	
Benefits accumulated	20,657,168
Benefits paid (including benefits paid through annuity purchased)	(75,294,260)
Interest due to the decrease in discount period	5,767,345
Change in actuarial assumptions	31,708,952
Net decrease	<u>(17,160,795)</u>
Actuarial present value of accumulated plan benefits - January 1, 2013	<u><u>\$ 63,674,746</u></u>

6. FAIR VALUE MEASUREMENTS

The Plan's estimates of fair value for financial assets are based on the framework established in the fair value accounting guidance. Fair value is the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. Fair value measurements are determined by maximizing the use of observable inputs and minimizing the use of unobservable inputs. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and gives the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In some cases, a valuation technique used to measure fair value may include inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Certain investments are measured at fair value on a recurring basis in the statements of net assets available for benefits. The following methods and assumptions were used to estimate the fair values:

Cash Equivalents - Consist of investment in commingled funds valued based on observable market data. Such investments are classified as Level 2.

Fixed Income - Investments in corporate bonds, government securities, mortgages and asset backed securities are valued based upon quoted market prices for identical or similar securities and other observable market data. Investments in commingled funds are generally valued at the net asset value ("NAV") of units held at the end of the period based upon the value of the underlying investments as determined by quoted market prices or by a pricing service. Such investments are classified as Level 2.

Global Equity Securities - Investments in commingled funds are valued at the NAV of units held at the end of the period based upon the value of the underlying investments as determined by quoted market prices or by a pricing service. Such investments are classified as Level 2.

Other Investments - Other investments include investments in commingled funds with diversified investment strategies. Investments in commingled funds that are valued at the NAV of units held at the end of the period based upon the value of the underlying investments as determined by quoted market prices or by a pricing service are classified as Level 2. Investments in commingled funds that are valued based on unobservable inputs due to liquidation restrictions are classified as Level 3.

The following table sets forth by level within the fair value hierarchy a summary of the investments of the Master Trust at fair value as of December 31, 2012:

	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ —	\$ 16,914,237	\$ —	\$ 16,914,237
Fixed income:				
Corporate and non U.S. government	—	70,108,028	—	70,108,028
U.S. treasuries	—	68,579,427	—	68,579,427
Mortgage-backed securities	—	22,295,592	—	22,295,592
Other	—	18,599,103	—	18,599,103
Global equity securities:				
Large cap equity	—	58,082,476	—	58,082,476
Long/short equity	—	42,937,520	—	42,937,520
Other investments	660	3,296,354	18,290,423	21,587,437
Total Pentair, Inc. Master Trust	\$ 660	\$ 300,812,737	\$ 18,290,423	\$ 319,103,820

The following table presents a reconciliation of the beginning and ending balances of the fair value measurements using significant unobservable inputs (Level 3):

	Balance January 1, 2012	Net Investment Income (a)	Purchases	Sales	Balance December 31, 2012
Other investments	\$ 19,102,977	\$ 957,947	\$ —	\$ (1,770,501)	\$ 18,290,423
Fixed income investments	998,268	22,510	—	(1,020,778)	—
	<u>\$ 20,101,245</u>	<u>\$ 980,457</u>	<u>\$ —</u>	<u>\$ (2,791,279)</u>	<u>\$ 18,290,423</u>

(a) Includes \$1,304,417 of unrealized gains and \$263,140 of unrealized losses on assets held at December 31, 2012.

The following sets forth a summary of the Master Trust's investments, at December 31, 2012, in which fair value is estimated based on the NAV per share and their redemption features:

	Fair value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period	Other Redemption Restrictions
Adage Capital Partners Enhanced Large Cap Equity Fund	\$ 58,082,476	\$ —	Quarterly	60 days	End of quarter redemption only
EB Temp Investment Fund	29,621,808	—	Daily	None	None
	<u>\$ 87,704,284</u>	<u>\$ —</u>			

Transfers Between Levels - The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluate transfers between levels for each investment held in the Plan. For the years ended December 31, 2013 and 2012, there were no transfers between levels.

7. CONTRACT WITH INSURANCE COMPANY

On December 26, 2012, the Master Trust purchased an irrevocable annuity contract in the form of cash and securities from MetLife, the insurance carrier selected by the Investment Committee. Under the terms of the annuity contract, MetLife is obligated to pay benefits to named employees or their beneficiaries that were in payment status as of December 1, 2012.

The allocation of the annuity contract purchased among the participating pension plans in the Master Trust was as follows:

	Amount
Pentair, Inc. Pension Plan	\$ 213,267,190
Pentair Pump Group, Inc. Bargaining Unit Employee Pension Plan	13,043,070
Sta-Rite Industries Employees' Retirement Plan	58,189,740
Total annuity contract purchased	<u>\$ 284,500,000</u>

In November 2013, final data approval of the employees or beneficiaries covered under the annuity contract occurred. As a result, the Master Trust received a refund of \$2,085,917 from MetLife on December 27, 2013.

The allocation of the refund received from Metlife among the participating pension plans in the Master Trust was as follows:

	Amount
Pentair, Inc. Pension Plan	\$ 1,204,491
Pentair Pump Group, Inc. Bargaining Unit Employee Pension Plan	272,463
Sta-Rite Industries Employees' Retirement Plan	608,963
Total annuity contract refunded	<u>\$ 2,085,917</u>

8. FEDERAL INCOME TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated December 22, 2010, that the Plan was designed in accordance with applicable regulations of the IRC. The Plan has been amended since receiving the determination letter. However, the Company and Plan management believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC, and the Plan continues to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more than likely would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

9. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Master Trust investments are shares of mutual funds managed by The Bank of New York Mellon. The Bank of New York Mellon is the trustee, and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Master Trust for the investment management services were \$149,342 and \$136,316 for the years ended December 31, 2013 and 2012, respectively.

During the year ended December 31, 2012, the Master Trust recorded dividend income of \$330,000 from Pentair plc (formerly Pentair Ltd.) common stock. On November 29, 2012, the Master Trust sold all 500,000 shares of Pentair plc common stock to Pentair plc at a price of \$48.92 per share, resulting in proceeds of \$24,460,000 and a realized gain of \$6,205,000.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

► **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 STA-RITE INDUSTRIES LLC EMPLOYEES PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF STA-RITE INDUSTRIES, LLC	D Employer Identification Number (EIN) 86-1096608	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2013</u>			
2 Assets:			
a Market value	2a	69,285,321	
b Actuarial value	2b	66,758,908	
3 Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	4	259,613
b For terminated vested participants	3b	299	9,211,083
c For active participants:			
(1) Non-vested benefits	3c(1)		1,264,934
(2) Vested benefits	3c(2)		27,245,515
(3) Total active	3c(3)	397	28,510,449
d Total	3d	700	37,981,145
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	6.46 %	
6 Target normal cost	6	1,910,602	

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

SIGN HERE		
	Signature of actuary	Date
	GREGORY T. TRAPP, ASA, EA, MAAA	14-05207
	Type or print name of actuary	Most recent enrollment number
	MERCER	(612) 642-8600
	Firm name	Telephone number (including area code)
	333 SOUTH 7TH STREET, SUITE 1400	
	MINNEAPOLIS MN 55402-2427	
	Address of the firm	

Part II Beginning of Year Carryover and 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>10.74</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		42,059,830
b Interest on (a) using prior year's effective interest rate of <u>7.05</u> % except as otherwise provided (see instructions)		2,965,218
c Total available at beginning of current plan year to add to prefunding balance		45,025,048
d Portion of (c) to be added to prefunding balance		45,025,048
12 Other reductions in balances due to elections or deemed elections	0	18,200,000
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	26,825,048

Part III Funding Percentages

14 Funding target attainment percentage	14	105.14 %
15 Adjusted funding target attainment percentage	15	129.91 %
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	103.39 %
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
12/12/2013	1,900,000	0			
Totals ▶			18(b)	1,900,000	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	1,790,840

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:	2nd segment:	3rd segment:	☐ N/A, full yield curve used	
4.94 %	6.15 %	6.76 %		
b Applicable month (enter code).....			21b	4
22 Weighted average retirement age			22	63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....		31a	1,910,602
b Excess assets, if applicable, but not greater than line 31a		31b	1,910,602
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment.....		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..		34	0
	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		0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37		1,790,840
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	1,790,840
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, line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

Administrative		
(A) Retirement age	(B) Number of employees expected to retire, per 1000 retirements	(C) (A) x (B)
55	20.00	1,100.00
56	19.60	1,097.60
57	19.21	1,094.86
58	18.82	1,091.78
59	18.45	1,088.39
60	54.24	3,254.11
61	50.98	3,109.85
62	47.92	2,971.18
63	90.09	5,675.91
64	99.10	5,342.61
65	561.59	36,503.03
Total	1,000.00	63,329.33
Average		63.33

Production		
(A) Retirement age	(B) Number of employees expected to retire, per 1000 retirements	(C) (A) x (B)
55	20.00	1,100.00
56	19.60	1,097.60
57	19.21	1,094.86
58	18.82	1,091.78
59	18.45	1,088.39
60	90.39	5,423.52
61	40.68	2,481.26
62	61.83	3,833.35
63	177.76	11,198.63
64	133.32	8,532.29
65	399.95	25,996.82
Total	1,000.00	62,938.51
Average		62.94

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Assumptions for January 1, 2013 Funding Valuation****Discount rate sponsor elections**

- Segment rates or full yield curve Segment
- Look-back months 4
- Use stabilized rates – funding Yes
- Use stabilized rates – Section 436 benefit restrictions Yes

	<u>Stabilized rates</u> <u>(MAP-21)</u>	<u>Nonstabilized rates</u>
• First 5 years	4.94%	1.75%
• Next 15 years	6.15%	4.62%
• Over 20 years	6.76%	5.72%

Mortality sponsor elections

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.

Other economic assumptions

- Salary increases 4.00% per year through 2017
- Social Security wage base 3.50% per year through 2017
- Inflation 2.75% per year through 2017
- Expected investment return 8.00% for 2011; 7.00% for 2012; 3.75% for 2013
- Expenses Prior year's actual administrative expenses adjusted for expected change in PBGC premiums. \$255,000 added to current year normal cost.

Demographic assumptions

Withdrawal See table of sample rates.

Disability incidence None.

Retirement age

	<u>Percentage</u>	
<u>Attained age</u>	<u>Administrative</u>	<u>Production</u>
55	2.0%	2.0%
56	2.0%	2.0%
57	2.0%	2.0%
58	2.0%	2.0%
59	2.0%	2.0%
60	6.0%	10.0%
61	6.0%	5.0%
62	6.0%	8.0%
63	12.0%	25.0%
64	15.0%	25.0%
65 and above	100.0%	100.0%

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

Benefit commencement age for			
• Future vested deferred			65
• Current vested deferred not covered by a subsequent bullet			65
• Administrative employees born after 1937 and before 1955			66
• Administrative employees born after 1954			67
Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>	
• Percentage married	75%	75%	
• Spouse age difference	2 years younger	2 years older	
Form of payment	<u>Single life</u>	<u>50% J&S</u>	<u>100% J&S</u>
• Active retirements	50%	17%	33%
• Future vested deferred	50%	17%	33%
• Future deaths	100%	0%	0%
• Current vested deferred	50%	17%	33%
Unpredictable contingent event assumptions	N/A		

Table of Sample Rates

Attained age	Withdrawal
25	11.60%
30	6.70
35	5.10
40	3.90
45	2.80
50	1.40
55+	0.00

Actuarial Methods for Funding**Asset Methods**

The asset valuation method is an average of the adjusted market value for each year during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the 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 adjusted 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.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods***Participant Methods***

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

- **Participants included:** The plan sponsor and Towers Watson provide us with participant data as of the valuation date.
- **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, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial Assumption Changes Since Prior Valuation

Funding

- Inflation rate was changed from 3.0% to 2.75%.
- The expected investment return on assets was changed from 7.0% to 3.75%.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											
25–29			1	1							2
30–34			6	14	2						22
35–39			2	21	10						33
40–44			5	23	5	9	8				50
45–49			3	28	7	5	19				62
50–54			3	23	9	12	20	6	6		79
55–59			5	15	10	8	14	4	27	1	84
60–64			2	8	2	5	6	6	9	16	54
65–69			1	1	5	1			1	2	11
70 & up											
Total			28	134	50	40	67	16	43	19	397

In each cell, the number is the count of active participants for each age/service combination.
Average pay is not shown for plans with less than 1,000 active participants.

Schedule SB, Part V — Summary of Plan Provisions**Summary of Major Plan Provisions**

Effective date and plan year	Original plan: September 1, 1968 Restated plan: January 1, 2009 Plan year: Calendar year
Status of the plan	No new employees are eligible to participate in the Plan if they were not already a Participant as of December 31, 2003. Effective December 31, 2017, the Plan will be frozen with respect to new benefit accruals.
Significant events	During Q4 of 2012, Pentair executed an annuity buyout program for all retirees as well as a lump sum cashout program in which approximately half of the participants separated from service and entitled to future benefits elected a lump sum settlement.
Definitions	
Participation	All employees hired prior to January 1, 2004 enter on the first day of the plan year nearest the last day his qualifying period of employment. The qualifying period of employment is the 12 month period in which the participant works 1,000 hours beginning with the earlier of the hire date or the beginning of the plan year.
Vesting service	Elapsed time from membership date
Credited service	Elapsed time from membership date

Schedule SB, Part V — Summary of Plan Provisions**Production employees**

- Final average compensation Ten-year Average based on compensation earned on or after January 1, 1999 through calendar year preceding retirement.
- Accrued benefit Greater of :
 - 1) $1.0\% \times \text{Final Average Monthly Compensation}$
 - or
 - 2) $\$14 \times \text{Benefit Service}$

Benefit Service limited to 40 years.

Normal retirement

- Eligibility Attainment of age 65
- Benefit Commences the first of the month coincident with or next following the 65th birthday. The monthly amount is equal to the Accrued Benefit.

Early retirement

- Eligibility Attainment of age 55 and completion of five years of vesting service.
- Benefit For participants who retire with less than 30 years of vesting service, the Accrued Benefit is reduced by 6% for each year benefits commence prior to age 65.
For participants who retire with at least 30 years of vesting service, the Accrued Benefit is reduced by 6% for each year benefits commence prior to age 62.

Deferred vested

- Eligibility Five years of vesting service.
- Benefit Accrued benefit to commence at age 65. May commence as early as age 55 with a reduction for early commencement of 6% per year prior to age 65.

Pre-retirement death

- Eligibility Five years of continuous service and married at least one year.
- Benefit prior to early retirement If the Participant dies prior to age 55, the benefit will start at the participant's age 55 and will be reduced as if the Participant had been age 55.
- Benefit after early retirement 50% of what the employee would have received had he/she retired the day prior to death, elected immediate commencement and elected the 50% Joint and Survivor option.

Administrative employees

- Final average compensation (FAC) Average compensation for the highest five consecutive calendar years during which his compensation was highest within the ten calendar years ending with the year in which his retirement or other termination of employment occurs

Schedule SB, Part V — Summary of Plan Provisions

- Accrued benefit
 - 1) $1.175\% \times \text{FAC} \times \text{Benefit Service less than 25 years}$
plus
 - 2) $0.500\% \times \text{FAC} \times \text{Benefit Service in excess of 25 years, limited to 15 years}$
plus
 - 3) $0.500\% \times \text{FAC in excess of Covered Compensation} \times \text{Benefit Service up to 35 years}$
Benefit can not be less than $\$14 \times \text{Benefit Service}$

Normal retirement

- Eligibility Attainment of Normal Retirement Age (age 66 if born after 1937 and before 1955; age 67 if born after 1954).
- Benefit Commences the first of the month coincident with or next following the attainment of Normal Retirement Age. The monthly amount is equal to the Accrued Benefit.

Early retirement

- Eligibility Attainment of age 55 and completion of five years of continuous service.
- Benefit For participants who retire with less than 30 years of vesting service, the Accrued Benefit is reduced by 6.667% for each of the first five years preceding normal retirement date and 3.333% for each additional year thereafter.
For participants who retire with at least 30 years of vesting service, the Accrued Benefit is reduced by 6.667% for each of the first two years prior to three years preceding normal retirement date and 3.333% for each additional year before three years preceding normal retirement date.

Deferred vested

- Eligibility Five years of continuous service.
- Benefit Accrued benefit to commence at age normal retirement date. May commence as early as age 55 with a reduction for early commencement of 6.667% for each of the first five years preceding normal retirement date and 3.333% for each additional year thereafter.

Pre-retirement death

- Eligibility Five years of continuous service and married at least one year.
- Benefit prior to early retirement If the Participant dies prior to age 55, the benefit will start at the participant's age 55 and will be reduced as if the Participant had been age 55.
- Benefit after early retirement 50% of what the employee would have received had he/she retired the day prior to death, elected immediate commencement and elected the 50% Joint & Survivor option.

Production and Administrative employees**Form of benefits**

- Automatic form for unmarried participants Life only

Schedule SB, Part V — Summary of Plan Provisions

• Automatic form for married participants	50% Joint and Survivor annuity
• Optional forms	50%, 75% and 100% Joint and Survivor annuities; 10 year Certain and Life annuity
Optional form conversion factors	1971 Group Annuity Mortality (weighted 90% male and 10% female) and 7% interest.
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2013, the limit is \$255,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2013, the limit is \$205,000.

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan are included in this valuation:

- Plan amendments excluded: None.
- Late retirement increases:
 - *Active participants*: The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½.
 - *Deferred vested participants*: Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations**: The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) 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% 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.

Plan Provisions Specific to Funding**Additional Benefits Included or Excluded**

- **IRC Section 436 benefit restrictions**:
 - *Unpredictable contingent event benefits*: See below.
 - *Plan amendments*: See above.
 - *Prohibited payments*: Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals*: : The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits**: The plan does not have any unpredictable contingent event benefits.

Schedule SB, Part V — Summary of Plan Provisions

Plan Provision Changes Since Prior Valuation

Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2012 to 2013.

Significant Events That Occurred During the Year

Effective December 31, 2013, the Plan merged into the Pentair, Inc. Pension Plan (EIN: 41-0907434 / PN: 011)