Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

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

OMB Nos. 1210-0110
1210-0089

2013

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] 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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
SOLVAY BANK EMPLOYEE SAVINGS AND PROTECTION PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 11/01/1987

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

SOLVAY BANK

1537 MILTON AVE
SOLVAY, NY 13209-1621

2b Employer Identification Number (EIN)
15-0454140

2c Sponsor's telephone number
315-484-2207

2d Business code (see instructions)
522110

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.	10/09/2014	VALERIE YOUNG
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2014	VALERIE YOUNG
	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 [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	177
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**	158
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	14
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	172
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	1
f	Total. Add lines **6d** and **6e**.	**6f**	173
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	147
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	4
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:
2E 2F 2G 2J 2K 2T

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)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	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)	[X]	**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)	[X]		**H** (Financial Information)
(2)	[ ]		**I** (Financial Information – Small Plan)
(3)	[X]	1	**A** (Insurance Information)
(4)	[X]		**C** (Service Provider Information)
(5)	[X]		**D** (DFE/Participating Plan Information)
(6)	[ ]		**G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
SOLVAY BANK EMPLOYEE SAVINGS AND PROTECTION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SOLVAY BANK

D Employer Identification Number (EIN)
15-0454140

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier

PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To
42-0127290	61271	429821	173	01/01/2013	12/31/2013

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid
10337	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

FALCONE ASSOCIATES INC
901 LODI ST
SYRACUSE, NY 13203-2259

(b) Amount of sales and base commissions paid	Fees and other commissions paid		
	(c) Amount	**(d)** Purpose	**(e)** Organization code
10337	0		3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		
	(c) Amount	**(d)** Purpose	**(e)** Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	281212
5	Current value of plan's interest under this contract in separate accounts at year end	5	6155763

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ FLEXIBLE INVESTMENT ANNUITY

b	Balance at the end of the previous year			7b	259445
c	Additions: (1) Contributions deposited during the year	7c(1)	16740		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	2888		
	(4) Transferred from separate account	7c(4)	14314		
	(5) Other (specify below)	7c(5)	15059		
	▶ LOAN PAYMENT, ROLLOVER				
	(6) Total additions			7c(6)	49001
d	Total of balance and additions (add lines **7b** and **7c(6)**)			7d	308446
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	8867		
	(2) Administration charge made by carrier	7e(2)	2168		
	(3) Transferred to separate account	7e(3)	1020		
	(4) Other (specify below)	7e(4)	9420		
	▶ LOAN WITHDRAWAL				
	(5) Total deductions			7e(5)	21475
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	286971

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
SOLVAY BANK EMPLOYEE SAVINGS AND PROTECTION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SOLVAY BANK

D Employer Identification Number (EIN)
15-0454140

Part I Service Provider Information (see instructions)

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).. . . . . [X] 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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

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

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

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)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(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?
13 37 50 64	CONTRACT ADMINISTRATOR	24154	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

WILSHIRE ASSOCIATES INCORPORATED

95-2755361

(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?
27 72	INVESTMENT ADVISOR	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] 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
WILSHIRE ASSOCIATES INCORPORATED	27 72	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PRINCIPAL LIFE INSURANCE COMPANY 42-0127290	2 BASIS POINTS ANNUALLY ON TOTAL ASSETS UP TO $10 BILLION, 1 BASIS POINT FOR ASSETS GREATER THAN $10 BILLION, AND 0.50 BASIS POINTS (STARTING JANUARY 1, 2014) FOR ASSETS GREATER THAN $17 BILLION IN WILSHIRE'S 3(21) INVESTMENT FIDUCIARY SERVICE.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**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)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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
SOLVAY BANK EMPLOYEE SAVINGS AND PROTECTION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
SOLVAY BANK

D Employer Identification Number (EIN)
15-0454140

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: PRIN MIDCAP VALUE III SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

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)
42-0127290-022	P	396913

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP SEP ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

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)
42-0127290-020	P	632751

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MONEY MARKET SEP ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

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)
42-0127290-024	P	185741

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL EMERG MARKETS SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

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)
42-0127290-013	P	5731

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL SMALLCAP SEP ACCT-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

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)
42-0127290-014	P	211616

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN BOND AND MORTGAGE SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

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)
42-0127290-005	P	250952

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN DIVERSIFIED INTL SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

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)
42-0127290-015	P	292472

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP S&P 500 INDEX SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-016	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	1002055
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP S&P 600 INDEX SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-028	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	622572
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH III SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-026	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	134192
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP GROWTH I SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-070	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	50889
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP GROWTH I SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-066	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	221506
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2010 SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-075	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	213247
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2020 SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-076	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	886632
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2030 SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-077	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	344072
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2040 SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-078	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	178427
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2050 SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-079	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	131265

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME STRAT INC SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-080	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 17567

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN FIN GRP, INC. STOCK SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-086	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13542

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP VALUE II SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-096	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 59692

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN EQUITY INCOME SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-120	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 164036

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN BOND MARKET INDEX SA-R6

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-122	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 139892

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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
SOLVAY BANK EMPLOYEE SAVINGS AND PROTECTION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SOLVAY BANK

D Employer Identification Number (EIN)
15-0454140

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	225123
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	3148	0
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)	267340	265362
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	4961069	6155763
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	258683	281212
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	254198	316563
(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	5744438	7244023
Liabilities			
g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	10152	
k Total liabilities (add all amounts in lines 1g through1j)	1k	10152	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	5734286	7244023

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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	387955	
(B) Participants	2a(1)(B)	482160	
(C) Others (including rollovers)	2a(1)(C)	123128	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		993243
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	9282	
(F) Other	2b(1)(F)	2888	
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		12170
(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	26366	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	24006	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		2360
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	45310	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		45310

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		1202405
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		0
c Other income	2c		2006
d Total income. Add all **income** amounts in column (b) and enter total	2d		2257494
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	712605	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		712605
f Corrective distributions (see instructions)	2f		10997
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: **(1)** Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	24155	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		24155
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		747757
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1509737
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

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

(1) Name: BONADIO & CO, LLP **(2)** EIN: 16-1131146

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:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a	X		393
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.)	4b		X	0

			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.)	4c		X	0
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.)	4d		X	0
e	Was this plan covered by a fidelity bond?	4e	X		2000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g		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?	4h		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.)	4i	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.)	4j		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?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
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.	4n			

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)

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.

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

A Name of plan
SOLVAY BANK EMPLOYEE SAVINGS AND PROTECTION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SOLVAY BANK

D Employer Identification Number (EIN)
15-0454140

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** 0

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): 42-0127290

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**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

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

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

SOLVAY BANK EMPLOYEES SAVINGS AND PROTECTION PLAN

Financial Statements
and Supplemental Schedule
as of December 31, 2013 and 2012
Together with
Independent Auditor's Report

Bonadio & Co., LLP
Certified Public Accountants

SOLVAY BANK EMPLOYEES SAVINGS AND PROTECTION PLAN

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DECEMBER 31, 2013 AND 2012

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Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

October 6, 2014

To the Plan Administrator of the
Solvay Bank Employees Savings and Protection Plan:

Report on the Financial Statements
We were engaged to audit the accompanying financial statements of the Solvay Bank Employees Savings and Protection 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.

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

Basis for Disclaimer of Opinion
As permitted by 29 CFR 2520.103-8 of the Department of Labor's 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 Principal Life Insurance Company and Solvay Bank Corp., the trustees of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2013 and 2012 that the information provided to the plan administrator by the trustees 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.

115 Solar Street, Suite 100
Syracuse, New York 13204
p (315) 214-7575
f (315) 471-2128

www.bonadio.com

(Continued)

Report on Supplemental Information
The supplemental Schedule of Assets (Held at End of Year) is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations
The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustees, 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.

Bonadio & Co., LLP

SOLVAY BANK EMPLOYEES SAVINGS AND PROTECTION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2013 AND 2012

	2013	2012
INVESTMENTS, at fair value:		
Guaranteed interest accounts	$ 281,212	$ 258,683
Pooled separate accounts	6,155,763	4,961,069
Solvay Bank Corp. common stock	316,563	254,198
Total investments	6,753,538	5,473,950
RECEIVABLES:		
Employer contributions receivable	225,123	-
Notes receivable from participants	281,861	283,864
Accrued interest and dividends	-	3,148
Total receivables	506,984	287,012
Total assets	7,260,522	5,760,962
EXCESS CONTRIBUTIONS DUE TO PARTICIPANTS	-	10,152
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	$ 7,260,522	$ 5,750,810
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR GUARANTEED INTEREST ACCOUNTS	5,759	762
NET ASSETS AVAILABLE FOR BENEFITS	$ 7,266,281	$ 5,751,572

The accompanying notes are an integral part of these statements.

SOLVAY BANK EMPLOYEES SAVINGS AND PROTECTION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
ADDITIONS:		
Contributions -		
Participant contributions	$ 605,288	$ 405,001
Employer contributions	387,955	79,747
Total contributions	993,243	484,748
Investment income -		
Dividend and interest income	89,038	110,269
Net appreciation in fair value of investments	1,169,089	554,758
Total investment income	1,258,127	665,027
Total additions	2,251,370	1,149,775
DEDUCTIONS:		
Benefits paid to participants	712,507	806,018
Administrative expenses	24,154	20,051
Total deductions	736,661	826,069
CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS	1,514,709	323,706
NET ASSETS AVAILABLE FOR BENEFITS - beginning of year	5,751,572	5,427,866
NET ASSETS AVAILABLE FOR BENEFITS - end of year	$ 7,266,281	$ 5,751,572

The accompanying notes are an integral part of these statements.

1. DESCRIPTION OF PLAN

The following description of Solvay Bank Employees Savings and Protection Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan sponsored by Solvay Bank (the Bank, Sponsor, or Company) that provides a convenient, tax favored method of retirement savings for eligible employees. Principal Life Insurance Company and Solvay Bank Corp. are the trustees, and custodians of the Plan's assets. The Plan became effective on November 1, 1987 and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

Substantially all active employees of the Sponsor who have completed three consecutive months of service and attained age 21 are eligible to participant and after six months of service they are eligible for matching contributions.

Contributions

Participants may contribute a portion of their compensation as defined by the Plan, subject to Internal Revenue Service (IRS) limitations for each plan year. For the year ended December 31, 2012, Bank matching contributions were equal to 25% and 50% of participant contributions up to 6% of elective deferrals, as defined, for participants who were hired before January 1, 2007 and those hired after January 1, 2007, respectively. During 2013, the Plan was amended for Bank matching contributions equal to 50% of participant contributions up to 6% of elective deferrals for all participants, regardless of hire date.

During 2013 the plan was also amended to allow for qualified non-elective contributions as determined by the Company's Board of Directions. The Company made a contribution of $225,000 for the year ended December 31, 2013. The funding for the qualified non-elective contribution was not made until after year-end. As such, there was a receivable recorded at December 31, 2013 for this contribution.

Participant Accounts

An account is maintained for each participant. The fair value of each participant's account is determined as of each valuation date. The change in the fair value of each participant's account includes the effect of employer and participant contributions, income collected or accrued, realized and unrealized appreciation or depreciation of assets, distributions, withdrawals, and all other transactions affecting the assets.

Net investment income by fund is allocated to each participant's account based on the portion in which the value of each participant's account bears to the total value of all participants' accounts. Participants may elect to transfer amounts between funds and change their allocations of contributions to the funds periodically.

1. DESCRIPTION OF PLAN (Continued)

Vesting
Participants are fully vested in their contributions and earnings/losses thereon. Participants vest in the employer contributions at a rate of 20% per year of service and are 100% vested after five years of service.

Forfeitures
Forfeitures are used to reduce future Company matching contributions. Forfeitures totaling approximately $3,461 and $2,720 were used to offset 2013 and 2012 Company contributions, respectively.

Benefits Paid to Participants
Upon retirement, permanent disability, death, or termination, a participant or their beneficiary will receive a lump-sum amount equal to the value of the participant's interest in his or her account. Participants may elect to defer their distributions from the Plan until age 70½.

Active participants may withdraw all or part of their share of each fund upon reaching age 59½ or earlier, if they suffer a financial hardship as described in the Plan Document.

Notes Receivables from Participants
A participant may apply for a loan to be made from his or her vested account balance in the Plan not to exceed the lesser of (i) $50,000 or (ii) 50% of the participant's vested account balance in the Plan. Repayments are made by bi-weekly deductions of fixed amounts from the participant's pay. All loans except those to purchase a primary residence must be repaid within five years. Loans bear interest at rates based upon current market rates at the time the loan is granted.

Administrative Expenses
Certain investment management fees are netted with investment income. The Plan requires that these expenses be paid by the Plan, unless paid by the Sponsor. Substantially all costs of administering the Plan are paid for by the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
The accompanying financial statements of the Plan are prepared in conformity with accounting principles generally accepted in the United States of America.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to certain guaranteed investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As such, the Statement of Net Assets Available for Benefits presents the fair value of the investment in the investment contracts through guaranteed interest accounts, as well as the adjustment of the guaranteed interest accounts from fair value to contract value. These contracts are presented on a contract value basis in the Statement of Changes in Net Assets Available for Benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments
Purchases and sales of securities are recorded on a trade date basis. Interest is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fair Value Measurements
Generally accepted accounting principles provide a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

- Level 2: Inputs to the valuation methodology include:

  - Quoted prices for similar assets or liabilities in active markets
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

A description of where the Plan's investments fall within the fair value hierarchy is provided in Note 4.

Benefits Paid to Participants
Benefits are recorded when paid.

Notes Receivable from Participants
Notes receivable from participants are measured at their unpaid principal balance plus any accrued, but unpaid interest. Delinquent notes are reclassified as distributions based on the terms of the plan document.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Plan management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares of Solvay Bank Corp. stock allocated to his or her account and is notified by the trustee prior to the time that such rights are to be exercised.

Reclassifications

Certain amounts in the 2012 financial statements have been reclassified to conform to the current year presentation.

3. INFORMATION CERTIFIED BY THE TRUSTEES OF THE PLAN

The following information was certified as complete and accurate by the trustees in accordance with 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, and is included in the accompanying financial statements and supplemental schedule:

	2013	2012
Investments, at fair value	$ 6,753,538	$ 5,473,950
Net appreciation in fair value of investments	$ 1,169,089	$ 554,758
Interest and dividend income	$ 89,038	$ 110,269
Schedule of Assets (Held at End of Year)	Schedule I	

The following table presents investments that represent 5% or more of the Plan's net assets available for benefits at either December 31, 2013 and 2012, or both:

	2013	2012
Principal Large Cap S&P 500 Index	$ 1,002,056	$ 807,849
Principal Life Time 2020	886,632	617,677
Principal Mid Cap	632,751	56,940
Principal Small Cap S&P 600 Index	622,572	579,597
Principal Mid Cap Value III	396,913	351,961

3. INFORMATION CERTIFIED BY THE TRUSTEES OF THE PLAN (Continued)

During the years ended December 31, 2013 and 2012, the Plan's investments (including investments bought, sold, as well as held during the year) appreciated (depreciated) in value as follows:

	2013	2012
Guaranteed interest accounts	$ (4,996)	$ 8,687
Pooled separate accounts	1,136,893	538,524
Solvay Bank Corp. common stock	37,192	7,547
	$ 1,169,089	$ 554,758

4. FAIR VALUE MEASUREMENTS

The following tables summarize financial assets measured at fair value on a recurring basis as of December 31, 2013 and 2012, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

	2013			
	Level 1	Level 2	Level 3	Total
Guaranteed interest accounts	$ -	$ -	$ 281,212	$ 281,212
Pooled separate accounts:				
Money market	-	185,741	-	185,741
Fixed income	-	390,844	-	390,844
Balanced asset allocations	-	1,771,210	-	1,771,210
Large cap growth stock	-	221,506	-	221,506
Large cap blend stock	-	1,002,056	-	1,002,056
Large cap value stock	-	164,036	-	164,036
Mid cap growth	-	134,192	-	134,192
Mid cap blend stock	-	632,751	-	632,751
Mid cap value stock	-	396,913	-	396,913
Small cap growth stock	-	50,889	-	50,889
Small cap blend stock	-	622,572	-	622,572
Small cap value stock	-	59,692	-	59,692
Foreign equity	-	523,361	-	523,361
Solvay Bank Corp. common stock	316,563	-	-	316,563
	$ 316,563	$ 6,155,763	$ 281,212	$ 6,753,538

4. FAIR VALUE MEASUREMENTS (Continued)

	2012			
	Level 1	Level 2	Level 3	Total
Guaranteed interest accounts	$ -	$ -	$ 258,683	$ 258,683
Pooled separate accounts:				
Money market	-	172,560	-	172,560
Fixed income	-	445,567	-	445,567
Balanced asset allocations	-	1,256,968	-	1,256,968
Large cap growth stock	-	158,525	-	158,525
Large cap blend stock	-	807,849	-	807,849
Large cap value stock	-	106,997	-	106,997
Mid cap growth	-	103,449	-	103,449
Mid cap blend stock	-	456,940	-	456,940
Mid cap value stock	-	351,961	-	351,961
Small cap growth stock	-	31,753	-	31,753
Small cap blend stock	-	579,597	-	579,597
Small cap value stock	-	34,699	-	34,699
Foreign equity	-	454,204	-	454,204
Solvay Bank Corp. common stock	254,198	-	-	254,198
	$ 254,198	$ 4,961,069	$ 258,683	$ 5,473,950

The fair value of the Plan's investments that were valued using level 3 inputs changed as follows for the year ended December 31, 2013:

	Guaranteed Interest Accounts
Balance at January 1, 2013	$ 258,683
Depreciation in fair value of investments:	
Unrealized losses	(4,996)
Interest earned	2,887
Purchases	113,592
Sales	(88,954)
Balance at December 31, 2013	$ 281,212

4. FAIR VALUE MEASUREMENTS (Continued)

The fair value of the Plan's investments that were valued using level 3 inputs changed as follows for the year ended December 31, 2012:

	Guaranteed Interest Accounts
Balance at January 1, 2012	$ 466,271
Appreciation in fair value of investments:	
Unrealized gains	8,687
Interest earned	288
Purchases	65,392
Sales	(281,955)
Balance at December 31, 2012	$ 258,683

The fair value of the Plan's investments that were valued using unobservable level 3 inputs was determined based on estimates provided by Principal. Fair value represents the amount plan sponsors would receive if they terminated the account at the reporting date which is book value less an early withdrawal charge. As of December 31, 2013 and 2012, there were no unfunded commitments.

The Plan's investment portfolio includes shares of Solvay Bank Corp.'s common stock which are valued at over-the-counter market prices and classified as Level 1 inputs.

Shares in pooled separate accounts are valued by the respective trustee at the NAV of shares held by the Plan at year-end in accordance with Accounting Standards Update ASU 2009-12, *investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalents).* The underlying securities in pooled separate accounts have observable Level 2 pricing inputs. Since the NAV's are used as practical expedients to estimate the fair value of the alternative investments, the hierarchy levels into which these investments are classified are based primarily on the Plan's ability to redeem its interest in each fund. Accordingly, the inputs or methodology used for valuing or classifying investments for financial reporting purposes are not necessarily an indication of the risk associated with holding these investments, or a reflection on the liquidity of each fund's underlying assets and liabilities. The pooled separate accounts are redeemable at NAV under the original terms of the subscription agreement. Redemption of these investments requires no notice prior to the redemption period, and they are redeemable on a daily basis.

For Level 3 assets, Plan management determines the fair value measurement valuation policies and procedures. Annually, Plan management determines if the current valuation techniques used in the fair value measurements are still appropriate and evaluates and adjusts the unobservable inputs as it deems appropriate. The Plan's Trustee Committee approves the fair value measurement policies and procedures on an annual basis. There were no changes in the valuations techniques during the current year.

4. FAIR VALUE MEASUREMENTS (Continued)

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

	Fair Value	Valuation Techniques	Unobservable Inputs	Range (Weighted Average)
December 31, 2013:				
Guaranteed Interest	$ 281,212	Market Value Adjustment	Composite Guaranteed Rate	0.44-1.82%

	Fair Value	Valuation Techniques	Unobservable Inputs	Range (Weighted Average)
December 31, 2012:				
Guaranteed Interest	$ 258,683	Market Value Adjustment	Composite Guaranteed Rate	0.61-3.96%

5. GUARANTEED INTEREST ACCOUNTS

The Plan invests in guaranteed interest contracts with Principal Life Insurance Company (Principal). Principal maintains the contributions in a general account. The account is credited with earnings and charged for participant withdrawals. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

6. EXCESS CONTRIBUTIONS DUE TO PARTICIPANTS

In 2013, the Plan refunded to "highly compensated employees" (HCEs) their excess 2012 contributions. The HCE's were refunded their excess contributions of $10,152, which is recorded as a liability on the statement of net assets available for benefits at December 31, 2012, and as a reduction of employee contributions for the year.

7. TAX STATUS

The Internal Revenue Service has determined and informed the Bank by a letter dated May 1, 2010, that the Plan and underlying trust, as then designed, were in compliance with the applicable requirements of the Internal Revenue Code. Although the Plan has been amended since receiving the determination letter, management believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

As of December 31, 2013 and 2012, the Plan does not have any uncertain tax positions. The Plan files the Annual Return/Report of Employee Benefit Plan (Form 5500) in the U.S. federal jurisdiction. The Plan is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2010.

8. PARTY IN INTEREST TRANSACTIONS

Certain plan investments are units of guaranteed interest accounts and pooled separate accounts managed by Principal. Principal is one of the trustees as defined by the Plan, and, therefore, these transactions qualify as party in interest transactions. In addition, the plan investments include shares of stock of Solvay Bank Corp., which is the parent of Solvay Bank, the plan sponsor and a plan trustee. These investments and all related transactions qualify as party in interest transactions. Notes receivable from participants also qualify as party in interest transactions.

9. TERMINATION

Although it has not expressed any intent to do so, the Bank has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following reconciles net assets available for benefits per the financial statements to Form 5500 at December 31:

	2013	2012
Net assets available for benefits per financial statements	$ 7,266,281	5,751,572
Adjustment from fair value to contract value for guaranteed interest accounts	(5,759)	(762)
Notes receivable from participants defaulted per Form 5500	(16,499)	(16,524)
Net assets available for benefits per Form 5500	$ 7,244,023	$ 5,734,286

The following reconciles the change in net assets available for benefits per the financial statements to the Form 5500 as of December 31:

	2013	2012
Change in net assets available for benefits per the financial statements	$ 1,514,709	323,706
Change in adjustment from contract value to fair value for guaranteed interest accounts	(4,997)	288
Change in notes receivable from participants defaulted per Form 5500	25	(16,524)
Change in net assets available for benefits per Form 5500	$ 1,509,737	$ 307,470

11. SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 6, 2014, which is the date the financial statements were available to be issued.

SOLVAY BANK EMPLOYEES SAVINGS AND PROTECTION PLAN

EMPLOYER IDENTIFICATION NUMBER 15-0454140
PLAN NUMBER 002
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2013

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d)** Cost	(e) Current Value
	GUARANTEED INTEREST ACCOUNTS:			
*	Principal Life Insurance Company	Guaranteed interest accounts		$ 281,212
	POOLED SEPARATE ACCOUNTS:			
*	Principal Life Insurance Company	Principal Large Cap Stock S&P Index 500 Separate Account (12,408 units)		1,002,056
*	Principal Life Insurance Company	Principal Life Time 2020 Separate Account (41,322 units)		886,632
*	Principal Life Insurance Company	Principal Mid Cap Separate Account (4,379 units)		632,751
*	Principal Life Insurance Company	Principal Small Cap S&P 600 Index Separate Account (15,175 units)		622,572
*	Principal Life Insurance Company	Principal Mid Cap Value III Separate Account (3,508 units)		396,913
*	Principal Life Insurance Company	Principal Life Time 2030 Separate Account (15,846 units)		344,072
*	Principal Life Insurance Company	Principal Diversified International Separate Account (4,034 units)		292,472
*	Principal Life Insurance Company	Principal Bond and Mortgage Separate Account (235 units)		250,952
*	Principal Life Insurance Company	Principal Large Cap Growth I Separate Account (12,609 units)		221,506
*	Principal Life Insurance Company	Principal Life Time 2010 Separate Account (10,802 units)		213,247
*	Principal Life Insurance Company	Principal International Small Cap Separate Account (2,351 units)		211,616
*	Principal Life Insurance Company	Principal Money Market Separate Account (3,664 units)		185,741
*	Principal Life Insurance Company	Principal Life Time 2040 Separate Account (8,023 units)		178,427
*	Principal Life Insurance Company	Principal Equity Income Separate Account (7,716 units)		164,036
*	Principal Life Insurance Company	Principal Bond Market Index Separate Account (12,224 units)		139,892
*	Principal Life Insurance Company	Principal Mid Cap Growth III Separate Account (6,024 units)		134,192
*	Principal Life Insurance Company	Principal Life Time 2050 Separate Account (6,071 units)		131,265
*	Principal Life Insurance Company	Principal Small Cap Value II Separate Account (2,684 units)		59,692
*	Principal Life Insurance Company	Principal Small Cap Growth I Separate Account (2,561 units)		50,889
*	Principal Life Insurance Company	Principal Life Time Str Inc Separate Account (968 units)		17,567
*	Principal Life Insurance Company	Principal Finance Group Inc. Stock Separate Account (432 units)		13,542
*	Principal Life Insurance Company	Principal International Emerging Markets Separate Account (104 units)		5,731
				6,155,763
	SOLVAY BANK CORP.:			
*	Solvay Bank Corp.	Common Stock (12,784 units)		316,563
				6,753,538
	NOTES RECEIVABLE FROM PARTICIPANTS:			
*	Notes receivable from participants	Interest rates ranging from 3.25% to 8.25% maturing at various dates through 2019		281,861
				$ 7,035,399

* Denotes party-in-interest.
** Cost omitted as these are participant directed.

The accompanying notes are an integral part of this schedule.

F051TF

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

SOLVAY BANK EMPLOYEE SAVINGS AND PROTECTION P

EIN 15 0454140
PLAN NUMBER 002
PLAN YEAR 01/01/2013 TO 12/31/2013

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Life Insurance Company	Insurance Company General Guaranteed Interest	$ 0.00	$ 281,211.94
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Bond and Mortgage SA-R6	$ 0.00	$ 250,952.12
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Bond Market Index SA-R6	$ 0.00	$ 139,892.10
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Diversified Intl SA-R6	$ 0.00	$ 292,471.55
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Equity Income SA-R6	$ 0.00	$ 164,036.32
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Fin Grp, Inc. Stock SA-R6	$ 0.00	$ 13,541.63
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Intl Emerg Markets SA-R6	$ 0.00	$ 5,731.32
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Intl SmallCap Sep Acct-R6	$ 0.00	$ 211,616.26
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LargeCap Growth I SA-R6	$ 0.00	$ 221,506.02
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LgCap S&P 500 Index SA-R6	$ 0.00	$ 1,002,055.26
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime Strat Inc SA-R6	$ 0.00	$ 17,566.67
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2010 Sep Acct-R6	$ 0.00	$ 213,246.94
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2020 Sep Acct-R6	$ 0.00	$ 886,632.11
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2030 Sep Acct-R6	$ 0.00	$ 344,071.98
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2040 Sep Acct-R6	$ 0.00	$ 178,427.28

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

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SOLVAY BANK EMPLOYEE SAVINGS AND PROTECTION P

EIN 15 0454140
PLAN NUMBER 002
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(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2050 Sep Acct-R6	$ 0.00	$ 131,265.06
*	Principal Life Insurance Company	Pooled Separate Accounts Prin MidCap Growth III SA-R6	$ 0.00	$ 134,191.90
*	Principal Life Insurance Company	Pooled Separate Accounts Prin MidCap Sep Acct-R6	$ 0.00	$ 632,751.15
*	Principal Life Insurance Company	Pooled Separate Accounts Prin MidCap Value III SA-R6	$ 0.00	$ 396,912.56
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Money Market Sep Acct-R6	$ 0.00	$ 185,740.80
*	Principal Life Insurance Company	Pooled Separate Accounts Prin SmallCap Growth I SA-R6	$ 0.00	$ 50,889.03
*	Principal Life Insurance Company	Pooled Separate Accounts Prin SmallCap Value II SA-R6	$ 0.00	$ 59,692.32
*	Principal Life Insurance Company	Pooled Separate Accounts Prin SmCap S&P 600 Index SA-R6	$ 0.00	$ 622,572.39
*	Solvay Bank Corporation	Employer Security Solvay Bank Corp. Stock	$ 0.00	$ 316,563.12
	Participant Loans	Range of Interest Rates Rates Range From 3.25% To 9.00%	$ 0.00	$ 265,362.00

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

Bonadio & Co., LLP
Certified Public Accountants

October 6, 2014

To the Plan Administrator of the
Solvay Bank Employees Savings and Protection Plan:

We have conducted a DOL limited-scope audit of the financial statements of Solvay Bank Employees Savings and Protection Plan (the Plan) for the year ended December 31, 2013, and have issued our report thereon dated October 6, 2014. 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 to those financial statements. Because of the significance of the information that we did not audit, we are unable to, and have not, expressed an opinion on those financial statements and supplemental schedule taken as a whole. We did, however, audit the form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustees of the Plan, in accordance with auditing standards generally accepted in the United States of America and found them to be presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 17, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2013. We noted no transactions entered into by the plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was the trustees' estimate of the fair value of Plan investments. As indicated in our engagement letter dated March 17, 2014, we relied on the trustees' estimate of fair value and did not evaluate key factors or assumptions used to develop the fair value of Plan investments.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We noted no particularly sensitive disclosures.

The financial statement disclosures are neutral, consistent, and clear.

115 Solar Street, Suite 100
Syracuse, New York 13204
p (315) 214-7575
f (315) 471-2128

www.bonadio.com

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were identified during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter which is dated concurrent with the date of this letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Plan Administrator and management of the Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Bonadio & Co., LLP