

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>NATIONAL PENN BANCSHARES, INC. PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1974</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>01/01/1974</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>01/01/1974</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>NATIONAL PENN BANCSHARES, INC.</u> <u>645 HAMILTON STREET, SUITE 800</u> <u>ALLENTOWN, PA 18101</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>23-2215075</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>610-674-1316</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>522110</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>23-2215075</u>	2c Sponsor's telephone number <u>610-674-1316</u>	2d Business code (see instructions) <u>522110</u>	
2b Employer Identification Number (EIN) <u>23-2215075</u>					
2c Sponsor's telephone number <u>610-674-1316</u>					
2d Business code (see instructions) <u>522110</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2014	PAUL FISTNER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:		3c Administrator's telephone number	
a Sponsor's name		4b EIN	
5 Total number of participants at the beginning of the plan year		4c PN	
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		5 1674	
a Active participants		6a 1054	
b Retired or separated participants receiving benefits		6b 237	
c Other retired or separated participants entitled to future benefits		6c 312	
d Subtotal. Add lines 6a , 6b , and 6c		6d 1603	
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e 11	
f Total. Add lines 6d and 6e		6f 1614	
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h 6	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1I			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)	
(1) ☐ Insurance		(1) ☐ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts		(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust		(3) ☒ Trust	
(4) ☐ General assets of the sponsor		(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		b General Schedules	
(1) ☒ R (Retirement Plan Information)		(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary		(2) ☐ I (Financial Information – Small Plan)	
(3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		(3) ☐ 0 A (Insurance Information)	
		(4) ☒ C (Service Provider Information)	
		(5) ☐ D (DFE/Participating Plan Information)	
		(6) ☐ G (Financial Transaction Schedules)	

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

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

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

A Name of plan <u>NATIONAL PENN BANCSHARES, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>NATIONAL PENN BANCSHARES, INC.</u>	D Employer Identification Number (EIN) <u>23-2215075</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2013</u>	
2 Assets:	
a Market value	2a <u>41410135</u>
b Actuarial value	2b <u>40914054</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>213</u> <u>13945613</u>
b For terminated vested participants.....	3b <u>305</u> <u>8398494</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>127596</u>
(2) Vested benefits	3c(2) <u>17140681</u>
(3) Total active.....	3c(3) <u>1157</u> <u>17268277</u>
d Total.....	3d <u>1675</u> <u>39612384</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 <u>6.73 %</u>
6 Target normal cost	6 <u>158000</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>10/10/2014</u>
	Signature of actuary	Date
<u>DENISE M. POLIN, F.S.A.</u>		<u>14-05665</u>
	Type or print name of actuary	Most recent enrollment number
<u>CONRAD SIEGEL ACTUARIES</u>		<u>717-652-5633</u>
	Firm name	Telephone number (including area code)
<u>P.O. BOX 5900, 501 CORPORATE CIRCLE</u> <u>HARRISBURG, PA 17110-0900</u>		
	Address of the firm	

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

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

Schedule SB (Form 5500) 2013
v. 130118

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	1619117	1194759
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	119000	0
9 Amount remaining (line 7 minus line 8)	1500117	1194759
10 Interest on line 9 using prior year's actual return of <u>11.00</u> %	165013	131423
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b Interest on (a) using prior year's effective interest rate of <u>7.10</u> % except as otherwise provided (see instructions)		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	1665130	1326182

Part III Funding Percentages		
14 Funding target attainment percentage	14	95.73 %
15 Adjusted funding target attainment percentage	15	103.28 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.47 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
(4) 4th	0	

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

21 Discount rate:				
a Segment rates:	1st segment: 5.23%	2nd segment: 6.51%	3rd segment: 7.16%	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	158000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	158000	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	735934	0	735934
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

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

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

A Name of plan NATIONAL PENN BANCSHARES, INC. PENSION PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL PENN BANCSHARES, INC.	D Employer Identification Number (EIN) 23-2215075

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)..... ☒ 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
NATIONAL PENN INVESTORS TRUST CO 2201 RIDGEWOOD ROAD, SUITE 180
WYOMISSING, PA 19610

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

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

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

CONNORS INVESTOR SERVICES

23-1716484

(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?
28 51	NONE	27224	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

HAVERFORD TRUST COMPANY

23-2329854

(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 51	NONE	18669	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

SUNGARD BROKERAGE & SECURITIES SERV

74-3086513

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
33 71	NONE	0	Yes ☒ No ☐	Yes ☐ No ☒	12059	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)

ARTISAN FUNDS

39-1811840

(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?
28 52	NONE	0	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

HENDERSON GLOBAL INVESTORS (NA) INC

36-4447766

(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?
28 52	NONE	0	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

GOLDMAN SACHS ASSET MANAGEMENT

13-4019460

(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?
28 52	NONE	0	Yes ☒ No ☐	Yes ☐ No ☒	0	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
ARTISAN FUNDS	28 52	0
(d) Enter name and EIN (address) of source of indirect compensation		
ARTISAN INTERNATIONAL INV 39-1811840		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.		
1.20% OF ASSETS		
(a) Enter service provider name as it appears on line 2		
HENDERSON GLOBAL INVESTORS (NA) INC	28 52	0
(d) Enter name and EIN (address) of source of indirect compensation		
HENDERSON INTERNATIONAL OPPORTUNITI 36-4447766		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.		
1.17% OF ASSETS		
(a) Enter service provider name as it appears on line 2		
GOLDMAN SACHS ASSET MANAGEMENT	28 52	0
(d) Enter name and EIN (address) of source of indirect compensation		
GOLDMAN SACHS SATELLITE STRATEGIES 13-4019460		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.		
1.04% OF ASSETS		

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
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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: PARENTEBEARD LLC	b EIN: 23-2932984
c Position: AUDITOR	
d Address: ONE WINDSOR PLAZA 7535 WINDSOR DRIVE SUITE 300 ALLENTOWN, PA 18195-1014	e Telephone: 610-336-8180
Explanation: PARENTEBEARD AGREEMENT WITH BDO	

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 H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013		
A Name of plan NATIONAL PENN BANCSHARES, INC. PENSION PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL PENN BANCSHARES, INC.		D Employer Identification Number (EIN) 23-2215075

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	13311	104
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	101086	112761
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	2904998	410893
(2) U.S. Government securities	1c(2)	8767384	8605270
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	4506760	4980230
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	22362343	25234456
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	0	0
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	2697152	8239047
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	88620	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	41441654	47582761

Liabilities

g Benefit claims payable	1g	3748	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	27771	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	31519	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	41410135	47582761
---	-----------	----------	----------

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)	0	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	4176	
(B) U.S. Government securities	2b(1)(B)	220254	
(C) Corporate debt instruments	2b(1)(C)	175581	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		400011
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	491265	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	108973	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		600238
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	29552271	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	28326605	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		1225666
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	4986488	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		4986488

		(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)		
(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)		856895
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		8069298

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1712410	
(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)		1712410
f Corrective distributions (see instructions).....	2f		0
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)	0	
(3) Investment advisory and management fees.....	2i(3)	45893	
(4) Other.....	2i(4)	138369	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		184262
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1896672

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		6172626
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: **BDO USA, LLP**

(2) EIN: **13-5381590**

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		30000000
4e	X		30000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?		X	
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?		X	
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.)	X		
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.)	X		
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
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.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>NATIONAL PENN BANCSHARES, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NATIONAL PENN BANCSHARES, INC.</u>	D Employer Identification Number (EIN) <u>23-2215075</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>23-0906608</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>52</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a		
b Enter the amount contributed by the employer to the plan for this plan year.....	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?.....	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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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
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
 Stock: 63.6% Investment-Grade Debt: 28.5% High-Yield Debt: 0.0% Real Estate: 0.0% Other: 7.9%

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):



National Penn Bancshares, Inc. Pension Plan

Financial Statements and Supplemental Schedules

December 31, 2013 and 2012

National Penn Bancshares, Inc. Pension Plan

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Ten Penn Center
Philadelphia, PA 19103

Independent Auditor's Report

Participants and Plan Administrator
National Penn Bancshares, Inc. Pension Plan
Allentown, Pennsylvania

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the National Penn Bancshares, Inc. Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2013, and the related statements of changes in net assets available for benefits for the year 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 ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 9, which was certified by National Penn Investors Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2013, that the information provided to the plan administrator by the trustee is complete and accurate.



Disclaimer of Opinion

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

Other Matters - Supplemental Schedules

The supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) and Schedule H, Line 4(j) - Schedule of Reportable Transactions as of December 31, 2013 are required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

Other Matter - 2012 Financial Statements

The financial statements of the plan as of December 31, 2012 were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditors not to perform and they did not perform any auditing procedures with respect to the information certified by National Penn Investors Trust Company. Their report, dated October 10, 2013, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and, accordingly, they did not express an opinion on the financial statements and (b) the form and content of the information included in the financial statements other than that derived from the information certified by National Penn Investors Trust Company were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance With DOL Rules and Regulations

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

BDO USA, LLP

Philadelphia, Pennsylvania
October 3, 2014

Financial Statements

National Penn Bancshares, Inc. Pension Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2013	2012
Assets		
Investments, at fair value:		
Cash and money market funds	\$ 410,893	\$ 2,904,998
U.S. government agency securities	1,907,937	1,855,063
U.S. Treasury notes and bonds	3,319,199	2,611,316
U.S. government secured mortgage-backed	3,378,134	4,301,005
Corporate bonds and notes	4,980,230	4,506,760
Common stock	25,234,456	22,450,963
Mutual funds	8,239,047	2,697,152
 Total investments	 47,469,896	 41,327,257
 Cash (non-interest bearing)	 104	 13,311
 Accrued interest and dividends	 112,761	 101,086
 Total Assets	 47,582,761	 41,441,654
 Liabilities		
Due to brokers	-	27,771
Benefits payable	-	3,748
 Total Liabilities	 -	 31,519
 Net Assets Available for Benefits	 \$ 47,582,761	 \$ 41,410,135

See accompanying notes to financial statements.

National Penn Bancshares, Inc. Pension Plan
Statements of Changes in Net Assets Available for Benefits

<i>Years Ended December 31,</i>	2013	2012
Additions to Net Assets Attributed to		
Investment income:		
Net appreciation in fair value of investments	\$ 7,069,049	\$ 3,135,460
Interest and dividends	1,000,249	1,045,917
Total investment income	8,069,298	4,181,377
Deductions from Net Assets Attributed to		
Benefits paid to participants	1,712,410	1,516,847
Administrative expenses	184,262	150,475
Total Deductions	1,896,672	1,667,322
Net increase in net assets available for benefits	6,172,626	2,514,055
Net Assets Available for Benefits, Beginning of Year	41,410,135	38,896,080
Net Assets Available for Benefits, End of Year	\$ 47,582,761	\$ 41,410,135

See accompanying notes to financial statements.

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

1. Description of the Plan

The following description of the National Penn Bancshares, Inc. Pension Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a noncontributory defined benefit pension plan covering substantially all employees of National Penn Bancshares, Inc. and subsidiaries (the "Company") who have attained 20-1/2 years of age and have completed one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Years of credited service were frozen as of March 31, 2010; however, years of service for vesting continue to apply. Therefore, no new participants are eligible to enter the Plan after March 31, 2010.

The Plan is administered by a committee made up of National Penn Bancshares, Inc. management that has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings and monitors investment performance.

The Plan evaluated subsequent events for recognition or disclosure through October 3, 2014, the date the financial statements were available to be issued.

Funding Policy

The Company's funding policy is to make annual contributions to the Plan as determined by the Plan's independent actuary in amounts necessary to provide the Plan with assets sufficient to fund participants' benefits by the time they retire. No participant contributions are permitted. The minimum funding requirements of ERISA were met for 2013 and 2012.

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

Pension Benefits

Participants are eligible for normal retirement benefits at age 65 or early retirement at age 55 and 10 years of service. Retirement benefits can be paid in the form of a lump sum payment, 50%, 75%, and 100% joint and survivor annuity, or life annuity with certain period based upon the participant's election. The retirement pension is payable monthly as long as the participant lives, with payments ceasing upon the participant's death if a life annuity. Depending on the joint survivor option elected, upon the participant's death, their beneficiary will continue to receive a retirement pension payable monthly until their death. If the present value of the pension does not exceed \$1,000, the participant automatically receives a lump-sum payment. If the present value of the pension is between \$1,000 and \$5,000, the participant has not attained normal retirement age, and the participant does not make an election, the payment will be paid to an individual retirement account in the participant's name at National Penn Bank.

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

Upon termination of employment other than by retirement, disability, or death, a participant may elect to receive a lump sum payment equal to the present value of the pension if the value is \$10,000 or less, as soon as administratively possible after termination of employment.

The amount of the monthly benefit, as defined in the Plan document, depends upon, among other things, the years of service of the employee, and the employee's compensation during the service periods. Beginning on April 1, 2006, eligible compensation was limited to \$50,000 per year.

Death and Disability Benefits

The Plan provides for death benefits as defined in the plan document. In the event of death, the amount of benefit received will depend upon, among other things, the employee's status as of the date of death, and whether the participant was already receiving normal retirement benefits. The Plan does not provide for disability benefits.

Administrative Costs

The Company provides accounting and other administrative services to the Plan at no charge. Such activities are exempt from the Prohibited Transaction Rules of ERISA. Other administrative costs such as Pension Benefit Guaranty Corporation ("PBGC") premiums, professional services and safekeeping fees are paid by the Plan.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

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

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for a discussion of fair value measurements.

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

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their last five years of credited service. Beginning on April 1, 2006, eligible compensation was limited to \$50,000 per year. The accumulated plan benefits for active employees are based on their average compensation during the five years ending on the date as of which the Plan was frozen (March 31, 2010). Benefits payable under all circumstances such as retirement, death and termination of employment are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits presented below is determined by the Plan's actuary, Conrad Siegel Actuaries, as of January 1, 2013. The actuarial present value of accumulated plan benefits is that amount that results from applying actuarial assumptions to adjust the Accumulated Plan Benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, withdrawal or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of January 1, 2013 is as follows:

	2013
Vested benefits:	
Retired participants and beneficiaries currently receiving payments	\$ 13,171,045
Other participants	23,960,703
Total vested benefits	37,131,748
Non-vested benefits	117,456
Total Actuarial Present Value of Accumulated Plan Benefits	\$ 37,249,204

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

The changes in the actuarial present value of the accumulated plan benefits for the year ended December 31, 2012 are summarized as follows:

	2012
Actuarial present value of accumulated plan benefits, at beginning of year	\$ 32,459,566
Increase (decrease) during the year attributable to:	
Benefits accumulated	252,635
Increase for interest due to decrease in discount period	2,531,031
Benefits paid	(1,516,847)
Change in actuarial assumptions	3,522,819
Net increase	4,789,638
Actuarial Present Value of Accumulated Plan Benefits, at End of Year	\$ 37,249,204

Significant actuarial assumptions underlying the actuarial computations are as follows:

- a) Mortality - Post-retirement and pre-retirement mortality is based on the IRS 2013 Static Table.
- b) Retirement age - A retirement table for actives and an age 63 assumption for vested former members.
- c) Interest rate - 7.25%.

The interest rate changed from 8.00% to 7.25% in line with the Company's expected long-term return on plan assets and contributed significantly to the \$3,522,819 increase in the actuarial present value of accumulated plan benefits for the year ended December 31, 2013.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

3. Fair Value Measurements

The Plan measures its investments at fair value on a recurring basis in accordance with U.S. GAAP. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement. The levels of the fair value hierarchy are as follows:

Level 1 - Fair value is based on unadjusted quoted prices in active markets that are accessible to the Plan for identical assets. These generally provide the most reliable evidence and are used to measure fair value whenever available.

Level 2 - Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets or liabilities, quoted market prices in inactive markets for identical or similar assets, and other observable inputs.

Level 3 - Fair value would be based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows, and similar techniques.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used or transfers between levels during the years ended December 31, 2013 and 2012.

Investments in interest-bearing cash are stated at carrying value, which approximates fair value.

The fair values of money market and mutual funds, which are deemed to be actively traded, are based on quoted net asset value ("NAV") of the shares held by the Plan at year-end.

The fair values of common stock and U.S. Treasury notes and bonds are valued at the closing price reported in the active market on which the individual securities are traded.

Corporate bonds and notes and U.S. governmental agency obligations are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

<i>December 31, 2013</i>		Assets at Fair Value			
	Level 1	Level 2	Level 3	Total	
Cash and money market funds	\$ 410,893	\$ -	\$ -	\$ 410,893	
U.S. government agency securities	-	1,907,937	-	1,907,937	
U.S. Treasury notes and bonds	3,319,199	-	-	3,319,199	
U.S. government secured mortgage-backed	-	3,378,134	-	3,378,134	
Corporate bonds and notes:					
Financial institutions	1,800,553	-	-	1,800,553	
Industrial	2,832,727	-	-	2,832,727	
Utilities	346,950	-	-	346,950	
Common stock:					
Foreign	123,330	-	-	123,330	
Domestic:					
Consumer discretion	3,672,111	-	-	3,672,111	
Consumer staples	2,522,628	-	-	2,522,628	
Energy	1,502,691	-	-	1,502,691	
Financials	3,591,108	-	-	3,591,108	
Healthcare	3,458,729	-	-	3,458,729	
Industrials	3,524,626	-	-	3,524,626	
Information technology	5,453,907	-	-	5,453,907	
Materials	849,837	-	-	849,837	
Telecom services	146,898	-	-	146,898	
Utilities	276,059	-	-	276,059	
American depository receipts	112,532	-	-	112,532	
Mutual funds:					
Foreign equity funds	5,025,386	-	-	5,025,386	
Balanced	3,213,661	-	-	3,213,661	
	\$ 42,183,825	\$ 5,286,071	\$ -	\$ 47,469,896	

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

<i>December 31, 2012</i>	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Cash and money market funds	\$ 2,904,998	\$ -	\$ -	\$ 2,904,998
U.S. government agency securities	-	1,855,063	-	1,855,063
U.S. Treasury notes and bonds	2,611,316	-	-	2,611,316
U.S. government secured mortgage-backed	-	4,301,005	-	4,301,005
Corporate bonds and notes:				
Financial institutions	1,580,138	-	-	1,580,138
Industrial	2,628,430	-	-	2,628,430
Utilities	298,192	-	-	298,192
Common stock:				
Foreign	99,750	-	-	99,750
Domestic:				
Consumer discretion	2,765,518	-	-	2,765,518
Consumer staples	2,503,807	-	-	2,503,807
Energy	2,159,073	-	-	2,159,073
Financials	2,388,458	-	-	2,388,458
Healthcare	3,337,598	-	-	3,337,598
Industrials	3,169,670	-	-	3,169,670
Information technology	4,459,034	-	-	4,459,034
Materials	797,547	-	-	797,547
Telecom services	316,469	-	-	316,469
Utilities	365,419	-	-	365,419
American depository receipts	88,620	-	-	88,620
Mutual funds, foreign equity funds	2,697,152	-	-	2,697,152
	\$ 35,171,189	\$ 6,156,068	\$ -	\$ 41,327,257

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

4. Plan Termination

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a) Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.
- b) Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC") (a U.S. government agency) up to applicable limitations (discussed subsequently).
- c) All other vested accrued benefits (that is, vested benefits not insured by PBGC).
- d) All non-vested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a ceiling, which is adjusted periodically, on the amount of monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC.

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

5. Investments

Investments that represent 5% or more of the Plan's net assets available for benefits consist of the following as of December 31, 2013 or 2012:

	2013	2012
Artisan International FD-INV	\$ 2,508,966	\$ 1,406,440 *
Henderson International FD-Inv	2,516,420	1,290,712 *
Goldman Sachs Satellite Strategies	3,213,662	- *
	\$ 8,239,048	\$ 2,697,152

* Does not represent 5% or more of the Plan's net assets for the respective year-end. Presented for comparative purposes.

In 2013 and 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	2013	2012
U.S. government agency securities	\$ (66,928)	\$ (7,655)
U.S. Treasury notes and bonds	(117,005)	57,260
U.S. government secured mortgage-backed	(152,713)	(118,509)
Corporate bonds and notes	(231,722)	86,091
Common stock	6,780,522	2,630,903
Mutual funds	856,895	487,370
Net Appreciation in Fair Value of Investments	\$ 7,069,049	\$ 3,135,460

6. Related Party Transactions

Certain of the Plan's investments are managed by a subsidiary of the Company, National Penn Investors Trust Company, which is also the Plan's trustee. In addition, the Plan also holds as a plan investment a money market deposit product of the plan sponsor. These transactions qualify as parties-in-interest transactions and relate to normal plan management, investment and administrative services, and the related payment of fees.

Additionally, certain administrative functions of the Plan are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

National Penn Bancshares, Inc. Pension Plan

Notes to Financial Statements

7. Tax Status

The Internal Revenue Service ("IRS") determined and informed the Company by a letter dated May 23, 2012 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC") and the Plan is tax exempt. The plan administrator believes that the Plan is currently designed and operating in accordance with IRC.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2013, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

8. Risks and Uncertainties

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

In addition, 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 Statements of Net Assets Available for Benefits.

9. Information Certified by Trustee

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA for 2013 and 2012. Accordingly, National Penn Investors Trust Company, the trustee of the Plan, has certified to the completeness and accuracy of all investments reported in the accompanying Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012, the supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2013, and the related investment activity reported in the Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2013 and 2012.

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

Supplemental Schedules

National Penn Bancshares, Inc. Pension Plan

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

EIN: 23-2215075
Plan Number: 002

December 31, 2013

(a)	Identity of Issue (b)	Description of Investment (c)	Number of Shares or Principal Amount	Cost (d)	Current Value (e)
*	National Penn Bank Cash Management #1	Cash and money market fund	410,893	\$ 410,893	\$ 410,893
	Federal National Mortgage Association Note, 0.875%, due 05/21/2018	U.S. government agency securities	290,000	288,944	280,520
	Federal National Mortgage Association Note, 1.625%, due 11/27/2018	U.S. government agency securities	385,000	382,163	381,789
	Federal Home Loan Mortgage Corporation Note, 2.375%, due 1/13/2022	U.S. government agency securities	430,000	440,813	411,067
	Federal National Mortgage Association Note, 1.00%, due 3/8/2017	U.S. government agency securities	485,000	483,160	485,791
	Federal National Mortgage Association Note, 5.375%, due 6/12/2017	U.S. government agency securities	305,000	349,913	348,770
				1,944,993	1,907,937
	U.S. Treasury Note, 1.25%, due 11/30/2018	U.S. Treasury notes and bonds	355,000	348,413	347,399
	U.S. Treasury Inflation Note, 1.375%, due 7/15/2018	U.S. Treasury notes and bonds	390,000	406,694	457,821
	U.S. Treasury Inflation Index Note, 0.50%, due 4/15/2015	U.S. Treasury notes and bonds	575,000	602,439	633,305
	U.S. Treasury Note, 2.625%, due 11/15/2020	U.S. Treasury notes and bonds	305,000	305,088	309,956
	U.S. Treasury Note, 2.375%, due 6/30/2018	U.S. Treasury notes and bonds	300,000	302,532	311,133
	U.S. Treasury Note Inflation Index Note, 0.625%, due 7/15/2021	U.S. Treasury notes and bonds	365,000	390,517	383,944
	U.S. Treasury Note, 1.50%, due 8/31/2018	U.S. Treasury notes and bonds	315,000	316,062	313,400
	U.S. Treasury Note, 1.75%, due 5/15/2023	U.S. Treasury notes and bonds	240,000	222,588	216,319
	U.S. Treasury Note, 1.375%, due 5/31/2020	U.S. Treasury notes and bonds	365,000	350,246	345,922
				3,244,579	3,319,199
	Federal Home Loan Mortgage Corporation Gold Pool 5.0%, due 7/1/2018	U.S. government secured mortgage-backed	16,683	17,168	17,667
	Federal Home Loan Mortgage Corporation Pool 5.5%, due 11/1/2037	U.S. government secured mortgage-backed	27,872	29,144	30,375
	Federal Home Loan Mortgage Corporation Pool 5.5%, due 1/1/2038	U.S. government secured mortgage-backed	22,657	23,351	24,692

National Penn Bancshares, Inc. Pension Plan

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

EIN: 23-2215075
Plan Number: 002

December 31, 2013

(a)	Identity of Issue (b)	Description of Investment (c)	Number of Shares or Principal Amount	Cost (d)	Current Value (e)
	Federal Home Loan Mortgage Corporation Pool 4.5%, due 5/1/2040	U.S. government secured mortgage-backed	47,567	\$ 50,049	\$ 50,402
	Federal Home Loan Mortgage Corporation Pool 5.0%, due 2/1/2022	U.S. government secured mortgage-backed	26,921	27,981	29,069
	Federal Home Loan Mortgage Corporation Pool 4.5%, due 5/1/2039	U.S. government secured mortgage-backed	109,775	117,562	116,251
	Federal Home Loan Mortgage Corporation Pool 4.5%, due 10/1/2039	U.S. government secured mortgage-backed	200,146	215,845	211,955
	Federal Home Loan Mortgage Corporation Pool 4.0%, due 3/1/2024	U.S. government secured mortgage-backed	22,756	23,118	24,028
	Federal Home Loan Mortgage Corporation Pool 4.0%, due 12/1/2040	U.S. government secured mortgage-backed	238,622	256,221	245,232
	Federal Home Loan Mortgage Corporation Pool 4.0%, due 1/1/2041	U.S. government secured mortgage-backed	151,671	156,718	155,872
	Federal Home Loan Mortgage Corporation Pool 4.5%, due 1/1/2041	U.S. government secured mortgage-backed	316,189	338,224	335,097
	Federal Government Loan Mortgage Corporation Gold Pool 5.0%, due 2/1/2034	U.S. government secured mortgage-backed	28,957	29,110	31,320
	Federal Government Loan Mortgage Corporation Gold Pool 5.0%, due 2/1/2034	U.S. government secured mortgage-backed	14,868	14,917	16,081
	Federal National Mortgage Association Pool 5.5%, due 1/1/2025	U.S. government secured mortgage-backed	32,234	33,049	35,431
	Federal National Mortgage Association Pool 5.5%, due 11/1/2018	U.S. government secured mortgage-backed	29,361	30,306	31,739
	Federal National Mortgage Association Pool 5.5%, due 5/1/2028	U.S. government secured mortgage-backed	76,348	77,422	83,922
	Federal National Mortgage Association Pool 4.5%, due 4/1/2041	U.S. government secured mortgage-backed	388,799	411,989	412,010
	Federal National Mortgage Association Pool 6.0%, due 9/1/2033	U.S. government secured mortgage-backed	68,669	70,944	77,068
	Federal National Mortgage Association Pool 5.5%, due 7/1/2033	U.S. government secured mortgage-backed	29,820	30,509	32,805
	Federal National Mortgage Association Pool 5.5%, due 4/01/2034	U.S. government secured mortgage-backed	65,256	69,192	71,789
	Federal National Mortgage Association Pool 5.0%, due 6/01/2035	U.S. government secured mortgage-backed	113,335	119,560	123,048

National Penn Bancshares, Inc. Pension Plan

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

EIN: 23-2215075
Plan Number: 002

December 31, 2013

(a)	Identity of Issue (b)	Description of Investment (c)	Number of Shares or Principal Amount	Cost (d)	Current Value (e)
	Federal National Mortgage Association Pool 5.5%, due 1/1/2021	U.S. government secured mortgage-backed	48,910	\$ 49,254	\$ 53,425
	Federal National Mortgage Association Pool 5.0%, due 2/1/2036	U.S. government secured mortgage-backed	81,214	86,391	88,109
	Federal National Mortgage Association Pool 4.0%, due 11/1/2020	U.S. government secured mortgage-backed	38,324	39,192	40,631
	Federal National Mortgage Association Pool 5.5%, due 4/1/2035	U.S. government secured mortgage-backed	33,534	33,570	36,867
	Federal National Mortgage Association Pool 5.5%, due 1/1/2020	U.S. government secured mortgage-backed	128,901	131,058	140,695
	Federal National Mortgage Association Pool 5.5%, due 2/1/2037	U.S. government secured mortgage-backed	87,322	92,280	95,914
	Federal National Mortgage Association Pool 4.5%, due 1/1/2039	U.S. government secured mortgage-backed	37,652	38,617	39,885
	Federal National Mortgage Association Pool 5%, due 4/1/2023	U.S. government secured mortgage-backed	16,756	16,871	18,035
	Federal National Mortgage Association Pool 5.5%, due 1/1/2023	U.S. government secured mortgage-backed	37,331	37,348	40,933
	Federal National Mortgage Association Pool 4.5%, due 4/1/2039	U.S. government secured mortgage-backed	25,693	27,472	27,220
	Federal National Mortgage Association Pool 4.5%, due 12/1/2039	U.S. government secured mortgage-backed	222,458	236,833	235,672
	Federal National Mortgage Association Pool 4%, due 12/1/2040	U.S. government secured mortgage-backed	63,596	66,389	65,498
	Federal National Mortgage Association Pool 4%, due 7/1/2040	U.S. government secured mortgage-backed	208,106	220,007	214,286
	Government National Mortgage Association Pool 6%, due 4/15/2037	U.S. government secured mortgage-backed	34,351	34,834	38,195
	Government National Mortgage Association Pool 6.0%, due 9/15/2034	U.S. government secured mortgage-backed	56,762	59,009	63,624
	Government National Mortgage Association Pool 6.0%, due 9/15/2038	U.S. government secured mortgage-backed	20,945	21,181	23,292
				3,332,685	3,378,134

National Penn Bancshares, Inc. Pension Plan

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

EIN: 23-2215075
Plan Number: 002

December 31, 2013

(a)	Identity of Issue (b)	Description of Investment (c)	Number of Shares or Principal Amount	Cost (d)	Current Value (e)
	Bank of NY Mellon, 3.55 %, 9/23/2021	Corporate bonds and notes	380,000	\$ 403,781	\$ 388,793
	General Electric Cap. Corp., 4.625%, 1/7/2021	Corporate bonds and notes	305,000	317,659	332,587
	JP Morgan Chase & Co., 4.25%, 10/15/2020	Corporate bonds and notes	425,000	426,111	450,517
	US Bancorp, 2.45%, 7/27/2015	Corporate bonds and notes	305,000	314,620	313,574
	Wells Fargo Company, 3.50%, 3/8/2022	Corporate bonds and notes	315,000	329,735	315,082
	Coca Cola Co., 4.875%, 03/15/2019	Corporate bonds and notes	310,000	344,104	347,510
	GlaxoSmithKline, 5.65%, 5/15/2018	Corporate bonds and notes	305,000	332,624	351,098
	International Bus. Machines Corp., 5.7%, 9/14/2017	Corporate bonds and notes	475,000	522,606	545,443
	Merck & Co Inc., 3.875%, 1/15/2021	Corporate bonds and notes	425,000	430,411	448,260
	Occidental Petroleum Corp., 4.1%, 2/1/2021	Corporate bonds and notes	235,000	241,111	246,689
	SBC Communications Inc., 5.625%, 6/15/2016	Corporate bonds and notes	410,000	436,771	452,467
	Target Corp., 2.90% 1/15/2022	Corporate bonds and notes	460,000	476,185	441,260
	Consolidated Edison Co of NY, 5.85% 4/1/2018	Corporate bonds and notes	300,000	325,943	346,950
				4,901,661	4,980,230
	AT & T Inc.	Common stock	4,178	115,755	146,898
	Advance Auto Parts Inc.	Common stock	950	59,896	105,146
	Aerovironment Inc.	Common stock	1,960	43,047	57,114
	American Express Co.	Common stock	1,000	75,842	90,730
	American Financial Group Inc.	Common stock	2,510	66,509	144,877
	Ametek Inc.	Common stock	4,551	48,804	239,701
	Amgen Inc.	Common stock	4,032	236,373	459,970
	Apple Inc.	Common stock	1,247	269,753	699,592
	AptarGroup Inc.	Common stock	1,630	84,402	110,530
	Astronics Corp.	Common stock	2,797	32,311	142,647
	Ball Corp.	Common stock	7,945	292,323	410,439
	Baxter INTL Inc. Corp.	Common stock	3,855	231,923	268,115
	Becton Dickinson & Co.	Common stock	1,000	56,553	110,490
	Big Lots Inc.	Common stock	1,295	50,057	41,815
	Blackrock Inc.	Common stock	500	79,211	158,235
	Broadridge Finl. Sol LLC	Common stock	2,555	41,033	100,974
	Bryn Mawr Bank Corp.	Common stock	1,584	32,105	47,805
	C.H. Robinson Worldwide Inc.	Common stock	3,965	229,786	231,358
	CVS/Caremark Corp.	Common stock	2,700	97,633	193,239
	Cadence Design Systems, Inc.	Common stock	4,845	62,543	67,927
	Callidus Software Inc.	Common stock	12,095	55,961	166,064
	Cantel Medical Corp.	Common stock	2,135	21,324	72,398
	Carter's Inc.	Common stock	1,155	65,487	82,917

National Penn Bancshares, Inc. Pension Plan

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

EIN: 23-2215075

Plan Number: 002

December 31, 2013

(a)	Identity of Issue (b)	Description of Investment (c)	Number of Shares or Principal Amount	Cost (d)	Current Value (e)
	Charles River Labs International, Inc.	Common stock	2,135	\$ 75,930	\$ 113,240
	Chevron Corp.	Common stock	3,826	288,280	477,906
	Church and Dwight Co. Inc.	Common stock	1,780	76,826	117,978
	Cisco Systems Inc.	Common stock	21,515	440,400	482,581
	Coca Cola Co.	Common stock	1,600	39,897	66,096
	Colgate Palmolive Co.	Common stock	7,816	380,007	509,681
	Commerce Bancshares Inc.	Common stock	3,280	119,721	147,305
	Corelogic Inc.	Common stock	2,320	59,419	82,430
	Corporate Office Properties	Common stock	3,193	85,391	75,642
	Cryolife Inc.	Common stock	6,650	51,118	73,749
	Deluxe Corporation	Common stock	3,105	125,389	162,050
	Disney (Walt) Company Holdings	Common stock	3,300	87,441	252,120
	Discover Financial Services Co.	Common stock	10,070	270,305	563,417
	Dover Corp.	Common stock	3,730	335,774	360,094
	E I Du Pont De Nemours Co.	Common stock	2,025	56,293	131,564
	Exco Resources, Inc.	Common stock	9,437	70,863	50,110
	Exxon Mobil Corporation	Common stock	5,075	289,476	513,590
	Factset Research Systems Inc.	Common stock	1,077	65,712	116,941
	Fuel Systems Solutions Inc.	Common stock	4,135	80,210	57,352
	Arthur J Gallagher & Co.	Common stock	2,480	85,987	116,386
	Hanesbrands Inc.	Common stock	1,495	75,686	105,054
	Harris Corp.	Common stock	1,883	87,396	131,452
	Hormel Foods Corp.	Common stock	2,020	32,226	91,243
	Hubbell Inc. CL B	Common stock	965	31,871	105,089
	Imax Corp.	Common stock	2,375	34,289	70,015
	Intel Corp.	Common stock	16,000	416,363	415,280
	International Bus Machs Corp.	Common stock	2,862	334,549	536,825
	iRobot Corporation	Common stock	2,300	47,417	79,971
	JPMorgan Chase & Co.	Common stock	2,400	99,100	140,352
	Johnson & Johnson	Common stock	6,830	404,994	625,560
	J2 Global Inc.	Common stock	1,990	48,559	99,520
	L-3 Communications Holdings	Common stock	1,208	77,410	129,087
	Laboratory Corp. of American Holdings	Common stock	4,127	325,732	377,084
	Leapfrog Enterprises Inc.	Common stock	8,256	70,001	65,553
	Liquidity Services Inc.	Common stock	2,435	53,000	55,177
	Liveperson Inc.	Common stock	8,548	57,482	126,682
	Macys Inc.	Common stock	9,395	403,180	501,693
	Marsh and McLennan Co.	Common stock	11,240	385,806	543,566
	Mattel Inc.	Common stock	8,880	375,969	422,510
	McCormick & Company Inc.	Common stock	5,177	187,043	356,799
	McDonalds Corp.	Common stock	1,500	108,455	145,545
	McGrath Rentcorp	Common stock	1,795	43,279	71,441
	McKesson HBOC Inc.	Common stock	3,519	204,847	567,967
	Meridian Bioscience Inc.	Common stock	3,300	70,113	87,549
	Microsoft Corp.	Common stock	14,904	410,391	557,559
	Minerals Technologies Inc.	Common stock	1,000	38,221	60,070
	NVE Corp.	Common stock	1,096	42,016	63,875
	Nutrisystem, Inc.	Common stock	5,265	68,208	86,557
	Oceaneering International Inc.	Common stock	710	36,940	56,005
	Omnicare Inc.	Common stock	1,765	60,320	106,535
	Oracle Corp.	Common stock	12,912	205,783	494,013

National Penn Bancshares, Inc. Pension Plan

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

EIN: 23-2215075
Plan Number: 002

December 31, 2013

(a)	Identity of Issue (b)	Description of Investment (c)	Number of Shares or Principal Amount	Cost (d)	Current Value (e)
	Panera Bread Company CL A	Common stock	520	\$ 38,187	\$ 91,879
	Pepsico Inc.	Common stock	6,617	373,570	548,814
	Pioneer Energy Services Corp.	Common stock	6,780	52,501	54,308
	PowerSecure International Inc.	Common stock	6,575	42,698	112,893
	Procter & Gamble Co.	Common stock	1,200	60,694	97,692
	Qualcomm Inc.	Common stock	6,823	353,748	506,608
	Quality Systems Inc.	Common stock	2,835	64,891	59,705
	Raytheon Co.	Common stock	4,270	241,397	387,289
	Reinsurance Group of America Inc.	Common stock	1,645	109,124	127,339
	Rosetta Resources Inc.	Common stock	950	13,421	45,638
	Ross Stores	Common stock	1,878	28,769	140,719
	Schlumberger Ltd.	Common stock	1,300	97,942	117,143
	Seachange International Inc.	Common stock	5,185	58,028	63,050
	Shutterfly Inc.	Common stock	1,690	54,102	86,072
	TJX Companies Inc.	Common stock	12,140	367,004	773,682
	Torchmark Corp.	Common stock	6,880	417,930	537,672
	Toro Co.	Common stock	2,472	56,694	157,219
	Triangle Capital Corp.	Common stock	1,625	24,874	44,931
	Tupperware Brands Corp.	Common stock	1,130	38,360	106,819
	II-VI Inc.	Common stock	3,800	46,386	66,804
	Tyler Technologies Inc.	Common stock	1,325	23,288	135,322
	UGI Corp.	Common stock	1,380	52,780	57,215
	U.S. Bancorp	Common stock	13,480	434,516	544,592
	Union Pacific Corp.	Common stock	2,840	338,298	477,120
	United Technologies Corp.	Common stock	4,940	250,370	562,172
	United Therapeutics Corp.	Common stock	1,615	124,908	182,624
	UnitedHealth Group Inc.	Common stock	1,500	92,039	112,950
	VF Corporation	Common stock	8,180	170,839	509,941
	Valspar Corp.	Common stock	1,925	73,792	137,233
	Vectren Corp.	Common stock	2,005	56,331	71,178
	Waddell & Reed Financial Inc.	Common stock	1,945	86,312	126,658
	Walgreen Co.	Common stock	9,420	254,092	541,085
	Watsco Inc.	Common stock	1,040	74,992	99,902
	Wells Fargo & Co.	Common stock	4,000	110,202	181,600
	John Wiley & Sons, Inc.	Common stock	1,863	85,510	102,838
	Wisconsin Energy Corp.	Common stock	3,572	107,311	147,666
	World Fuel Services Corp.	Common stock	1,740	49,887	75,098
	Zebra Technologies Corp.	Common stock	1,510	67,787	81,661
	Covidien PLC	Common stock	1,900	93,053	129,390
	Eaton Corp. PLC	Common stock	2,700	106,014	205,524
	Perrigo Co.	Common stock	1,115	169,709	171,108
	TE Connectivity LTD	Common stock	5,890	264,836	324,598
	Novartis Ag Spon Adr	Common stock	1,400	76,853	112,533
	Accenture PLC CL	Common stock	1,500	58,219	123,331
				16,031,974	25,234,456

National Penn Bancshares, Inc. Pension Plan
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

EIN: 23-2215075
Plan Number: 002

December 31, 2013

(a)	Identity of Issue (b)	Description of Investment (c)	Number of Shares or Principal Amount	Cost (d)	Current Value (e)
	Artisan International FD-Inv	Mutual fund	82,315	\$ 2,072,769	\$ 2,508,966
	Henderson International FD-Inv	Mutual fund	93,235	1,933,010	2,516,420
	Goldman Sachs Satellite Strategies	Mutual fund	394,314	3,190,000	3,213,661
				7,195,779	8,239,047
				\$ 37,062,564	\$ 47,469,896

* A party-in-interest as defined by ERISA.

National Penn Bancshares, Inc. Pension Plan

Schedule H, Line 4(j) - Schedule of Reportable Transactions

EIN: 23-2215075
Plan Number: 002

Year Ended December 31, 2013

Identity of Party (a)	Description of Asset (b)	Number of Transactions	Purchase Price (c)	Selling Price (d)	Lease Rental (e)	Expenses (f)	Cost (g)	Current Value (h)	Net Gain (Loss) (i)
Single Transactions Exceeding 5% of Plan Assets									
National Penn Bank Cash Management #1	Money Market Savings	464	\$ 13,817,643	\$ -	\$ -	-	\$ 13,817,643	\$ 13,817,643	\$ -
National Penn Bank Cash Management #1	Money Market Savings	109	-	16,311,747	-	-	16,311,747	16,311,747	-
Series of Transactions Exceeding 5% of Plan Assets									
Goldman Sachs Satellite Strategies	Mutual Funds - Balanced	1	3,000,000	-	-	-	3,000,000	2,988,861	(11,139)

* A party-in-interest as defined by ERISA.

ATTACHMENT TO SCHEDULE SB LINE 26 - SCHEDULE OF ACTIVE PARTICIPANT DATA

EIN: 23--2215075

PLAN NUMBER: 002

NATIONAL PENN BANCSHARES, INC. PENSION PLAN

(File Gov't Forms)

DISTRIBUTION OF ACTIVE MEMBERS BY AGE, SERVICE & COMPENSATION AS OF 01/01/2013

Attained Age	Years of Credited Service to Date										Total
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	0	7	0	0	0	0	0	0	0	0	7
25-29	1	57 \$604	5	0	0	0	0	0	0	0	63 \$660
30-34	4	54 \$715	17	4	0	0	0	0	0	0	79 \$1,104
35-39	3	57 \$772	24 \$2,235	9	0	0	0	0	0	0	93 \$1,446
40-44	1	67 \$816	26 \$2,478	12	7	1	0	0	0	0	114 \$2,155
45-49	2	100 \$802	25 \$2,783	11	10	7	4	0	0	0	159 \$2,636
50-54	1	119 \$750	42 \$2,970	23 \$5,442	9	5	3	2	0	0	204 \$2,382
55-59	3	112 \$814	44 \$2,755	22 \$6,991	10	8	7	3	4	0	213 \$4,126
60-64	2	82 \$697	34 \$2,751	18	15	5	3	0	1	1	161 \$3,351
65-69	1	22 \$825	19	4	2	0	0	0	2	1	51 \$4,024
70+	0	9	1	3	0	0	0	0	0	0	13
Total	18	686	237	106	53	26	17	5	7	2	1,157

Average Age: 49.4 Years Average Service to Date: 6.0 Years

The plan is hard frozen. Average annual accrued benefits are shown in lieu of compensation.

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

Name of Plan: National Penn Bancshares, Inc. Pension Plan

EIN: 23-2215075

PN: 002

Plan Year: 1/1/2013 - 12/31/2013

Interest Rates

	<u>MAP-21</u>	<u>Pre MAP-21</u>
First Segment (1 to 60 months):	4.94%	1.75%
Second Segment (61 to 240 months):	6.15%	4.62%
Third Segment (Beyond 240 months):	6.76%	5.72%
(Results in an Effective Interest Rate of 6.36% under MAP-21)		

Salary

0.00% Annual Increase

Withdrawal

Rates vary by length of service:

<u>Years</u>	<u>Rate</u>	<u>Years</u>	<u>Rate</u>	<u>Years</u>	<u>Rate</u>
0-1	23.0000%	4	12.5000%	10-14	6.0000%
2	19.5000%	5-9	9.0000%	15 or more	3.0000%
3	16.0000%				

Mortality

IRS 2013 Static Table

Incorporated into the table are rates for annuitants projected 7 years and rates for non-annuitants projected 15 years using Scale AA to reflect mortality improvement.

Disability

No disability was assumed.

Retirement

Rates of retirement for active participants eligible to retire:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
Less than 55	0.0000%	58	2.0000%	62	10.0000%
55	2.0000%	59	2.0000%	63	10.0000%
56	2.0000%	60	5.0000%	64	17.5000%
57	2.0000%	61	5.0000%	65+	100.0000%

Weighted average retirement age: 63

The weighted average retirement age is computed by first determining, for each possible retirement age, the probability that an eligible employee would retire at that age, given survival to the earliest possible retirement age. Then these probabilities at each age are multiplied (or weighted) by the age and summed. This sum, rounded to the nearest integral age, is the weighted average retirement age.

Eligible vested former participants assumed to retire at age 63.

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

Name of Plan: National Penn Bancshares, Inc. Pension Plan

EIN: 23-2215075

PN: 002

Plan Year: 1/1/2013 - 12/31/2013

Preretirement Death Benefit

Liabilities computed on the assumption that all participants will have spouses of the same age at the date of eligibility for the benefit.

Expenses

Plan-related expenses expected to be paid from plan assets during the plan year.

Actuarial Value of Assets

Average of the Adjusted Market Values as of the valuation date and the 2 preceding valuation dates. The averaging is adjusted for contributions, distributions and expected earnings, using an assumed interest rate of 7.25% (but not in excess of the applicable third segment rate for that year). The resulting value may not be less than 90% nor more than 110% of the Adjusted Market Value of Assets.

Changes in Non-Prescribed Actuarial Assumptions and Methods

	Prior	Current
Retirement	Normal Retirement Age	See Above

Schedule H, line 4j – Schedule of Reportable Transactions

Plan Name: National Penn Bancshares, Inc. Pension Plan
Employer I.D. #: 23-2215075
Plan Number: 002

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
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Schedule of Reportable Transactions is contained in the attached audit report.

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

► Round off amounts to nearest dollar.

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

A Name of plan NATIONAL PENN BANCSHARES, INC. PENSION PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF NATIONAL PENN BANCSHARES, INC.	D Employer Identification Number (EIN) 23-2215075	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information																											
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2013</u>																											
2 Assets: <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">a Market value</td> <td style="width:10%; text-align: center;">2a</td> <td style="width:20%; text-align: right;">41410135</td> </tr> <tr> <td>b Actuarial value</td> <td style="text-align: center;">2b</td> <td style="text-align: right;">40914054</td> </tr> </table>				a Market value	2a	41410135	b Actuarial value	2b	40914054																		
a Market value	2a	41410135																									
b Actuarial value	2b	40914054																									
3 Funding target/participant count breakdown: <table style="width:100%; border-collapse: collapse;"> <tr> <th style="width:50%;"></th> <th style="width:25%; text-align: center;">(1) Number of participants</th> <th style="width:25%; text-align: center;">(2) Funding Target</th> </tr> <tr> <td>a For retired participants and beneficiaries receiving payment</td> <td style="text-align: center;">3a</td> <td style="text-align: right;">213</td> </tr> <tr> <td>b For terminated vested participants</td> <td style="text-align: center;">3b</td> <td style="text-align: right;">305</td> </tr> <tr> <td colspan="3">c For active participants:</td> </tr> <tr> <td>(1) Non-vested benefits</td> <td style="text-align: center;">3c(1)</td> <td style="text-align: right;">127596</td> </tr> <tr> <td>(2) Vested benefits</td> <td style="text-align: center;">3c(2)</td> <td style="text-align: right;">17140681</td> </tr> <tr> <td>(3) Total active</td> <td style="text-align: center;">3c(3)</td> <td style="text-align: right;">1157</td> </tr> <tr> <td>d Total</td> <td style="text-align: center;">3d</td> <td style="text-align: right;">1675</td> </tr> </table>					(1) Number of participants	(2) Funding Target	a For retired participants and beneficiaries receiving payment	3a	213	b For terminated vested participants	3b	305	c For active participants:			(1) Non-vested benefits	3c(1)	127596	(2) Vested benefits	3c(2)	17140681	(3) Total active	3c(3)	1157	d Total	3d	1675
	(1) Number of participants	(2) Funding Target																									
a For retired participants and beneficiaries receiving payment	3a	213																									
b For terminated vested participants	3b	305																									
c For active participants:																											
(1) Non-vested benefits	3c(1)	127596																									
(2) Vested benefits	3c(2)	17140681																									
(3) Total active	3c(3)	1157																									
d Total	3d	1675																									
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐ <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">a Funding target disregarding prescribed at-risk assumptions</td> <td style="width:10%; text-align: center;">4a</td> <td style="width:20%;"></td> </tr> <tr> <td>b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor</td> <td style="text-align: center;">4b</td> <td></td> </tr> </table>				a Funding target disregarding prescribed at-risk assumptions	4a		b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b																			
a Funding target disregarding prescribed at-risk assumptions	4a																										
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b																										
5 Effective interest rate		5	6.73%																								
6 Target normal cost		6	158000																								

Statement by Enrolled Actuary

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

<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%; text-align: center;">SIGN HERE</td> <td style="width:90%; text-align: center;"> </td> </tr> </table> <p style="text-align: center;">Signature of actuary</p> <p>Denise M. Polin, F.S.A.</p> <p style="text-align: center;">Type or print name of actuary</p> <p>Conrad Siegel Actuaries</p> <p style="text-align: center;">Firm name</p> <p>P.O. Box 5900, 501 Corporate Circle</p> <p>Harrisburg PA 17110-0900</p> <p style="text-align: center;">Address of the firm</p>	SIGN HERE		<p style="text-align: center; font-size: 1.2em;">10-10-2014</p> <p style="text-align: center;">Date</p> <p style="text-align: center;">1405665</p> <p style="text-align: center;">Most recent enrollment number</p> <p style="text-align: center;">717-652-5633</p> <p style="text-align: center;">Telephone number (including area code)</p>
SIGN HERE			

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

Part II Beginning of Year Carryover Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	1619117	1194759
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	119000	0
9 Amount remaining (line 7 minus line 8)	1500117	1194759
10 Interest on line 9 using prior year's actual return of <u>11.00%</u>	165013	131423
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b Interest on (a) using prior year's effective interest rate of <u>7.10%</u> except as otherwise provided (see instructions)		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	1665130	1326182

Part III Funding Percentages

14 Funding target attainment percentage	14	95.73 %
15 Adjusted funding target attainment percentage	15	103.28 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.47 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

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

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

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

21 Discount rate:			
a Segment rates:	1st segment: 5.23%	2nd segment: 6.51%	3rd segment: 7.16%
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 65
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	158000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment.....	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	158000	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	735934	0	735934
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

Schedule C, line 2(h) – Formula Description

Plan Name: National Penn Bancshares, Inc. Pension Plan
Employer I.D. #: 23-2215075
Plan Number: 002

(a) Name of Investment Fund (Source of Compensation)	(b) Name of Investment Adviser (Service Provider)	(c) Formula as Percentage of Assets	(d) Other Formula, if any
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See line 3(e) of Schedule C for a description of the applicable formulas for each fund manager

Schedule SB, line 22 - Description of Weighted Average Retirement Age

Name of Plan: National Penn Bancshares, Inc. Pension Plan

EIN: 23-2215075

PN: 002

Plan Year: 1/1/2013 - 12/31/2013

The description of weighted average retirement age is contained in the first page of the attached Schedule SB, Part V - Statement of Actuarial Assumptions/ Methods.

Schedule SB, Part V - Summary of Plan Provisions
National Penn Bancshares, Inc. Pension Plan
EIN: 23-2215075
Plan Number: 002

National Penn Bancshares, Inc. Pension Plan
Actuarial Valuation as of January 1, 2013
Summary of Plan Provisions

Eligibility to Participate

An employee becomes a participant in the Plan on the January 1 or July 1 following the date he satisfies the following conditions:

- Completion of one year of service.
- Attainment of age 20 1/2.

Provided he is:

- A member of the Covered Class of employees, is a nonunion employee, and is not a leased employee.

Covered Class of employees, prior to April 1, 2006, excluded:

- Any employee of National Penn Mortgage Company who:
 - was hired on or after June 1, 1999, or
 - was a participant in the Plan and transferred to National Penn Mortgage Company after May 31, 2000.

No new participants will enter the Plan after March 31, 2010.

Normal Retirement Benefits

Normal Retirement Date

A participant is eligible for his normal retirement pension after attainment of age 65.

Normal Retirement Benefit

The normal retirement pension is payable monthly as long as the participant lives, with payments ceasing upon the participant's death.

Normal Retirement Pension Formula

If the participant retires as of his normal retirement date, his monthly pension will be equal to 1/12 of the sum of:

The accrued benefit as of March 31, 2006; plus 1.0% of average annual compensation multiplied by years of benefit service earned after March 31, 2006.

"Year of benefit service" is explained under Service Rules.

Benefit accruals ceased March 31, 2010.

National Penn Bancshares, Inc. Pension Plan
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Average Annual Compensation – "Average annual compensation" means the participant's annual compensation averaged over the five consecutive year period which produces the highest average in the last ten consecutive years including the current plan year.

For the purpose of determining average annual compensation, the Plan does not take into account:

- A year in which less than 1,000 hours are credited.

Compensation – For the purposes of the Plan, "compensation" means the participant's total earnings reportable as W-2 wages for the plan year. The Plan does not count bonuses, expense reimbursements of any kind, or income from the exercise of stock options.

For benefit accruals earned after March 31, 2006, compensation for any year is limited to \$50,000.

Accrued Benefit

The accrued benefit on any date other than the normal retirement date is determined according to the normal retirement pension formula, but based upon compensation and benefit service to date.

Benefit accruals ceased March 31, 2010.

Payment Options

A participant may elect to receive his monthly pension in one of these optional forms of payment:

- Lifetime Pension.
- Joint and Survivor Pension with a 100%, 75%, or 50% survivor annuity.
- Lifetime Pension with Certain Period with guaranteed payments for 120 or 180 months.
- Lump Sum, but only if the value of the benefit does not exceed \$10,000. A lump sum payment is automatic if the value of the vested benefit does not exceed \$5,000.

If the participant elects to receive the distribution in a lump sum, the participant may request that the taxable portion of the payment be transferred directly to an individual retirement account (IRA). If the former participant is a member of another qualified retirement plan which accepts rollover contributions, he may elect to have the distribution transferred to that plan.

If the participant is married at the time payments are to begin, the automatic form of payment for him will be a joint and 50% survivor pension with the spouse named as survivor annuitant. If the participant is not married at the time payments are to begin, the automatic form of payment will be a lifetime pension.

Employment after Retirement – If a participant in pay status returns to employment, retirement benefits will not be suspended.

National Penn Bancshares, Inc. Pension Plan
Actuarial Valuation as of January 1, 2013
Summary of Plan Provisions

Distributions under Qualified Domestic Relations Order

With respect to a participant, no distribution will be made before the earlier of: (1) the earliest time as of which the participant qualifies for a distribution, or (2) the later of his attainment of age 50 or the date he could receive distribution if he terminated employment.

Other Retirement Benefits

Late Retirement

If a participant continues working after his normal retirement date, his pension will not commence until he actually retires. The late retirement benefit is the greater of:

- The actuarial equivalent of the normal retirement benefit; or
- The normal retirement benefit determined under the pension formula using current service and compensation.

The normal retirement pension payment options are all available at late retirement.

Early Retirement

A participant is eligible for early retirement after attainment of age 55 and completion of ten years of vesting service. The early retirement benefit is the actuarial equivalent of the pension accrued to the date of early retirement.

Death Benefits

If a vested participant dies before beginning to receive a retirement pension benefit, his surviving spouse is entitled to receive a 50% survivor benefit. Payment will begin on the date on which the participant first would have been eligible for retirement. The amount of the survivor benefit is equal to the 50% survivor benefit payable under the joint and 50% survivor pension option, based upon the pension accrued to the date of death and reduced for early commencement of benefits, if applicable. The surviving spouse may elect another form of payment.

Any excess of the present value of the participant's vested accrued benefit over the present value of the 50% survivor benefit will be payable to the participant's named beneficiary. With the spouse's written consent, the participant may elect to waive payment of the 50% survivor benefit and to have the entire death benefit paid to his named beneficiary upon his death.

If the participant dies, his named beneficiary may elect the form of payment. However, at the time he names the beneficiary, the participant also has the option of electing the form of payment that his beneficiary must receive.

National Penn Bancshares, Inc. Pension Plan
Actuarial Valuation as of January 1, 2013
Summary of Plan Provisions

Termination of Employment Benefits

Vesting in Accrued Benefit

If employment terminates other than by retirement, disability, or death, the amount payable from the Plan is based upon the following vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
0–4 Years	0%
5 or More Years	100%

Time of Payment

No pension payment is available under the Plan prior to retirement or death with one exception. If the present value of the vested accrued benefit is no more than \$10,000 at the time of termination, the lump sum value will be available following a one-year waiting period. However, if the present value of the vested accrued benefit is no more than \$5,000 at the time of termination, the lump sum value will be paid as soon as administratively possible.

Forfeiture and Restoration

Any portion of a participant's accrued benefit that is not vested when his employment terminates will be forfeited:

- If he does not return to employment before incurring a forfeiture break-in-service; or
- If his vested accrued benefit is distributed to him.

A forfeiture break-in-service is a period of five consecutive vesting years of service in which the participant is credited with 500 or fewer hours of service.

Cashout Rule – The cashout rule applies if a participant terminates employment and receives a full distribution of the vested portion of his accrued benefit before completing a full forfeiture break-in-service period. Upon distribution of the vested portion of the accrued benefit, the nonvested portion is forfeited. If the vested accrued benefit is less than \$5,000, it will automatically be distributed. If there is no vested accrued benefit, the nonvested accrued benefit will be forfeited upon the participant's termination.

If the participant returns to employment before incurring a forfeiture break-in-service and he repays the amount previously distributed with interest, the employer is obligated to restore the forfeited portion of the accrued benefit. Repayment must be made by the end of the five-year period ending on the earlier of: (1) the fifth year following reemployment, or (2) the end of the forfeiture break-in-service period.

Employee Contributions

Voluntary Employee Contribution

Voluntary nondeductible employee contributions are not permitted.

National Penn Bancshares, Inc. Pension Plan
Actuarial Valuation as of January 1, 2013
Summary of Plan Provisions

Mandatory Employee Contribution

Mandatory employee contributions have never been required under the Plan.

Rollover Accounts

Rollover or transfer contributions are not permitted.

Service Rules

Eligibility Service Rules

An employee is credited with a year of eligibility service when he completes at least 1,000 hours of service in the 12-month period beginning on his date of employment. Additional eligibility service periods are measured using the plan year beginning with the plan year that commences after the date of employment.

Vesting Service Rules

A participant is credited with a year of vesting service for each vesting period during which he has at least 1,000 hours of service. A participant will incur a break-in-service if he is credited with 500 or fewer hours of service in the vesting period. A "vesting period" is the 12-month period coinciding with the plan year.

The Plan will take into account service with predecessor employers for vesting purposes as noted below.

Benefit Service Rules

For purposes of this section, a "completed month" shall mean a calendar month in which an employee is credited with at least one hour of service.

A participant is credited with a year of benefit service for each benefit period during which the participant completes at least 1,000 hours of service. A "benefit period" is the 12-month period coinciding with the plan year. However, in the initial and final year of employment, service will be credited to the completed month.

If the employee terminates and receives a distribution of his vested accrued pension, upon reemployment the Plan will take into account service credited before the termination. However, his accrued benefit will be reduced by the actuarial equivalent of his distribution.

National Penn Bancshares, Inc. Pension Plan
Actuarial Valuation as of January 1, 2013
Summary of Plan Provisions

The Plan will take into account service with predecessor employers for benefit purposes as noted below:

Service with Predecessor Employers

	Eligibility and Vesting Service	Benefit Service
Sellersville Savings & Loan Association	All Service	January 1, 1991
First Lehigh Bank	All Service	July 1, 1993
Chestnut Hill National Bank	All Service	January 1, 1994
Central Penn Savings Association	All Service	July 1, 1994
Elverson National Bank	All Service	January 1, 1999
Bernville Bank	All Service	January 1, 2001
Kutztown Branch – PNC Bank	All Service	November 16, 2001
First Service Bank	All Service	February 25, 2003
Hometowne Heritage Bank	All Service	December 12, 2003
Peoples Bank of Oxford	All Service	June 10, 2004
Pennsurance, Inc	All Service – Vesting Only	July 1, 2004
D.E. Love Associates, Inc.	All Service – Vesting Only	December 1, 2004
Krombolz Agency, Inc.	All Service – Vesting Only	January 1, 2005
Nittany Financial Corp.	All Service	April 1, 2006
Resources for Retirement, Inc.	All Service	April 10, 2006
KNBT	All Service	July 1, 2008
Christiana Bank	All Service	July 1, 2008
Caruso Benefits Group	All Service	July 1, 2008

Actuarial Equivalent

Actuarial equivalence is determined based on the following mortality and interest assumptions:

Mortality table: UP1984

Interest rate: 7.0%

Early retirement benefits are reduced on the basis of tabular factors incorporated into the Plan. If average pay is over the integration level, special early retirement reduction may apply to the portion of benefit resulting from excess average pay.

For the purpose of determining the amount of a lump sum payment, the actuarial equivalence determination will use the Code section 417 interest rates and the Code section 417 mortality table.

Code section 417 interest rates

The Code section 417 interest rates are the Segment Rates for the second month preceding the first day of the plan year that contains the annuity starting date.

Code Section 417 Mortality Table

The Code section 417 mortality table is the Applicable Mortality Table released annually by the Internal Revenue Service.

National Penn Bancshares, Inc. Pension Plan
Actuarial Valuation as of January 1, 2013
Summary of Plan Provisions

CHANGES IN PLAN PROVISIONS SINCE THE LAST VALUATION

None

SIGNIFICANT EVENTS THAT OCCURRED DURING THE YEAR

None

Schedule H, line 4i – Schedule of Assets (Held At End of Year)

Plan Name: National Penn Bancshares, Inc. Pension Plan
Employer I.D. #: 23-2215075
Plan Number: 002

(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
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Schedule of Assets (Held At End of Year) is contained in the attached audit report.

Schedule SB, line 24 – Change in Actuarial Assumptions

Plan Year: 01/01/2013 to 12/31/2013

Plan Name: National Penn Bancshares, Inc. Pension Plan

EIN: 23-2215075 Plan # 002

The following changes were made in the non-prescribed actuarial assumptions used for the actuarial valuation for the plan and plan year stated above:

Changes in non-prescribed actuarial assumptions

	<u>Prior</u>	<u>Current</u>
Retirement	Normal Retirement Age	Retirement Table – See Below

Rates of retirement for active participants eligible to retire:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
Less than 55	0.0000%	58	2.0000%	62	10.0000%
55	2.0000%	59	2.0000%	63	10.0000%
56	2.0000%	60	5.0000%	64	17.5000%
57	2.0000%	61	5.0000%	65+	100.0000%

Eligible vested former participants assumed to retire at age 63.

The changes in actuarial assumptions described above were made to reflect recent and expected future experience in order that the actuarial assumptions continue to each be reasonable (taking into account the experience of the plan and reasonable expectations) or which would, in the aggregate, continue to result in a total contribution equivalent to that which would be determined if each such assumption were reasonable, and which, in combination, offer the best estimate of anticipated experience under the plan.

Internal Revenue Service approval is not required since

1) The aggregate unfunded vested benefits as of the close of the preceding plan year of this plan and all other plans maintained by the contributing sponsor and members of such sponsor's controlled groups (if any) which are covered by title IV does not exceed \$50 million, OR

2) The change in assumptions (determined after taking into account any changes in interest rate and mortality table) results in a decrease in the funding shortfall of the plan for the current plan year that does not exceed \$50 million, and that does not exceed \$5 million and that is 5% or more of the funding target of the plan before such change.