# Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Short Form Annual Return/Report of Small Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

**2013**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

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

**A** This return/report is for: [X] a single-employer plan [ ] a multiple-employer plan (not multiemployer) [ ] a one-participant plan

**B** This return/report is: [ ] the first return/report [ ] the final return/report
[ ] an amended return/report [ ] a short plan year return/report (less than 12 months)

**C** Check box if filing under: [X] Form 5558 [ ] automatic extension [ ] DFVC program
[ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
HOWARD KELLY DBA KELLY QSR GROUP LLC DEFINED BENEFIT PLAN & TRUST

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/2000

**2a** Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)
HOWARD KELLY DBA KELLY QSR GROUP LLC

24626 CASSELBERRY DR
PORTER, TX 77365

**2b** Employer Identification Number (EIN) 11-3762404

**2c** Sponsor's telephone number 281-449-8980

**2d** Business code (see instructions) 722513

**3a** Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

**3b** Administrator's EIN

**3c** Administrator's telephone number

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report.
**a** Sponsor's name HOWARD KELLY DBA MCDONALDS

**4b** EIN 76-0354568

**4c** PN 001

| | | |
|---|---|---|
| **5a** Total number of participants at the beginning of the plan year | **5a** | 34 |
| **b** Total number of participants at the end of the plan year | **5b** | 42 |
| **c** Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item) | **5c** | |

**6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) [X] Yes [ ] No

**b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) [X] Yes [ ] No

**If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**

**c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? [X] Yes [ ] No [ ] Not determined

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | | |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |

Preparer's name (including firm name, if applicable) and address; include room or suite number (optional)

Preparer's telephone number (optional)

## Part III Financial Information

| 7 Plan Assets and Liabilities | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| a Total plan assets | 7a | 388119 | 468796 |
| b Total plan liabilities | 7b | | |
| c Net plan assets (subtract line 7b from line 7a) | 7c | 388119 | 468796 |
| **8** Income, Expenses, and Transfers for this Plan Year | | **(a) Amount** | **(b) Total** |
| a Contributions received or receivable from: (1) Employers | 8a(1) | 40000 | |
| (2) Participants | 8a(2) | 0 | |
| (3) Others (including rollovers) | 8a(3) | 0 | |
| b Other income (loss) | 8b | 40677 | |
| c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) | 8c | | 80677 |
| d Benefits paid (including direct rollovers and insurance premiums to provide benefits) | 8d | 0 | |
| e Certain deemed and/or corrective distributions (see instructions) | 8e | | |
| f Administrative service providers (salaries, fees, commissions) | 8f | | |
| g Other expenses | 8g | | |
| h Total expenses (add lines 8d, 8e, 8f, and 8g) | 8h | | 0 |
| i Net income (loss) (subtract line 8h from line 8c) | 8i | | 80677 |
| j Transfers to (from) the plan (see instructions) | 8j | | |

## Part IV Plan Characteristics

**9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 3D

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

## Part V Compliance Questions

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

## Part VI Pension Funding Compliance

**11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) — [X] Yes [ ] No

**11a** Enter the unpaid minimum required contribution for current year from Schedule SB (Form 5500) line 39 — 11a: 0

**12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? — [ ] Yes [X] No

(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)

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

**If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.**

**b** Enter the minimum required contribution for this plan year — 12b:

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

## Part VII Plan Terminations and Transfers of Assets

| | | |
|---|---|---|
| **13a** Has a resolution to terminate the plan been adopted in any plan year? | | ☐ Yes ☒ No |
| If "Yes," enter the amount of any plan assets that reverted to the employer this year | **13a** | |
| **b** Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | | ☐ Yes ☒ No |

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

| **13c(1)** Name of plan(s): | **13c(2)** EIN(s) | **13c(3)** PN(s) |
|---|---|---|
| | | |

## Part VIII Trust Information (optional)

| **14a** Name of trust | **14b** Trust's EIN |
|---|---|
| HOWARD KELLY DBA KELLY QSR GROUP LL | 760354568 |

# 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**

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
HOWARD KELLY DBA KELLY QSR GROUP LLC DEFINED BENEFIT PLAN & TRUST

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
HOWARD KELLY DBA KELLY QSR GROUP LLC

**D** Employer Identification Number (EIN)
11-3762404

**E** Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

**F** Prior year plan size: [X] 100 or fewer [ ] 101-500 [ ] More than 500

## Part I Basic Information

**1** Enter the valuation date: Month 01 Day 01 Year 2013

**2** Assets:

| | | |
|---|---|---|
| **a** Market value | **2a** | 386648 |
| **b** Actuarial value | **2b** | 386648 |

**3** Funding target/participant count breakdown:

| | | (1) Number of participants | (2) Funding Target |
|---|---|---|---|
| **a** For retired participants and beneficiaries receiving payment | **3a** | 0 | |
| **b** For terminated vested participants | **3b** | 13 | 37453 |
| **c** For active participants: | | | |
| **(1)** Non-vested benefits | **3c(1)** | | 337572 |
| **(2)** Vested benefits | **3c(2)** | | 0 |
| **(3)** Total active | **3c(3)** | 29 | 337572 |
| **d** Total | **3d** | 42 | 375025 |

**4** If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

| | | |
|---|---|---|
| **a** Funding target disregarding prescribed at-risk assumptions | **4a** | |
| **b** Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | **4b** | |

| | | |
|---|---|---|
| **5** Effective interest rate | **5** | 6.61 % |
| **6** Target normal cost | **6** | 0 |

**Statement by Enrolled Actuary**

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

**SIGN HERE**

Signature of actuary — Date: 09/30/2014

THOMAS D. HANSEN
Type or print name of actuary

14-01626
Most recent enrollment number

PERSONALIZED PENSIONS, INC.
Firm name

480-596-4015
Telephone number (including area code)

10197 N. 92ND STREET
1
SCOTTSDALE, AZ 85258
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 [ ]

## Part II Beginning of Year Carryover and Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 0 | 703 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 0 | 703 |
| 10 | Interest on line 9 using prior year's actual return of 4.38 % | 0 | 31 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 41424 |
| | b Interest on (a) using prior year's effective interest rate of 6.97 % except as otherwise provided (see instructions) | | 2887 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 44311 |
| | d Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 0 | 734 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 102.90 % |
| 15 | Adjusted funding target attainment percentage | 15 | 103.09 % |
| 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 | 88.86 % |
| 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 |
|---|---|---|---|---|---|
| 03/23/2014 | 10000 | 0 | | | |
| 05/19/2014 | 10000 | 0 | | | |
| 06/24/2014 | 10000 | 0 | | | |
| 07/09/2014 | 10000 | 0 | | | |
| | | | | | |
| | | | | | |
| | | | Totals ► 18(b) | 40000 | 18(c) |

| | | | |
|---|---|---|---|
| 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 | 36489 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

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

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

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | |
|---|---|---|---|
| 5.23% | 6.51% | 7.16 % | ☐ N/A, full yield curve used |

| | | |
|---|---|---|
| **b** Applicable month (enter code) | **21b** | 1 |
| **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** | 0 |
| **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** | 0 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | 0 | 0 | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | **36** | 0 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | **37** | 36489 |

**38** Present value of excess contributions for current year (see instructions)

| | | |
|---|---|---|
| **a** Total (excess, if any, of line 37 over line 36) | **38a** | 36489 |
| **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** | |

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

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

| | | |
|---|---|---|
| **42** Amount of acceleration adjustment | **42** | |
| **43** Excess installment acceleration amount to be carried over to future plan years | **43** | |

# Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Short Form Annual Return/Report of Small Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

**2013**

This Form is Open to Public Inspection

## Part I Annual Report Identification Information

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

A This return/report is for: [X] a single-employer plan [ ] a multiple-employer plan (not multiemployer) [ ] a one-participant plan

B This return/report is: [ ] the first return/report [ ] the final return/report
[ ] an amended return/report [ ] a short plan year return/report (less than 12 months)

C Check box if filing under: [X] Form 8558 [ ] automatic extension [ ] DFVC program
[ ] special extension (enter description)

## Part II Basic Plan Information — enter all requested information

1a Name of plan
Howard Kelly dba Kelly QSR Group LLC Defined Benefit Plan & Trust

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2000

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

24626 Casselberry Dr

US Porter TX 77365

2b Employer Identification Number (EIN) 11-3762404

2c Sponsor's telephone number (281) 449-8980

2d Business code (see instructions) 722513

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report.
a Sponsor's name Howard Kelly dba McDonalds

4b EIN 76-0364560

4c PN 001

| | | | |
|---|---|---|---|
| 5a | Total number of participants at the beginning of the plan year | 5a | 34 |
| b | Total number of participants at the end of the plan year | 5b | 42 |
| c | Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item) | 5c | |

6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) [X] Yes [ ] No

b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) [X] Yes [ ] No

If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.

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

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| SIGN HERE | Howard Kelly<br>Signature of plan administrator | 7/10/14<br>Date | Howard Kelly<br>Enter name of individual signing as plan administrator |
| SIGN HERE | Howard Kelly<br>Signature of employer/plan sponsor | 7/10/14<br>Date | Howard Kelly<br>Enter name of individual signing as employer or plan sponsor |

Preparer's name (including firm name, if applicable) and address; include room or suite number (optional)

Preparer's telephone number (optional)

## Part III Financial Information

| 7 Plan Assets and Liabilities | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| a Total plan assets | 7a | 388,119 | 468,796 |
| b Total plan liabilities | 7b | | |
| c Net plan assets (subtract line 7b from line 7a) | 7c | 388,119 | 468,796 |
| **8 Income, Expenses, and Transfers for this Plan Year** | | **(a) Amount** | **(b) Total** |
| a Contributions received or receivable from: (1) Employers | 8a(1) | 40,000 | |
| (2) Participants | 8a(2) | 0 | |
| (3) Others (including rollovers) | 8a(3) | 0 | |
| b Other income (loss) | 8b | 40,677 | |
| c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) | 8c | | 80,677 |
| d Benefits paid (including direct rollovers and insurance premiums to provide benefits) | 8d | 0 | |
| e Certain deemed and/or corrective distributions (see instructions) | 8e | | |
| f Administrative service providers (salaries, fees, commissions) | 8f | | |
| g Other expenses | 8g | | |
| h Total expenses (add lines 8d, 8e, 8f, and 8g) | 8h | | 0 |
| i Net income (loss) (subtract line 8h from line 8c) | 8i | | 80,677 |
| j Transfers to (from) the plan (see instructions) | 8j | | |

## Part IV Plan Characteristics

9a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

## Part V Compliance Questions

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

## Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) ☒ Yes ☐ No

11a Enter the unpaid minimum required contribution for current year from Schedule SB (Form 5500) line 39 | 11a | 0

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ☐ Yes ☒ No

(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)

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

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year | 12b |

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

## Part VII Plan Terminations and Transfers of Assets

| | | | |
|---|---|---|---|
| 13a | Has a resolution to terminate the plan been adopted in any plan year? | | ☐ Yes ☒ No |
| | If "Yes," enter the amount of any plan assets that reverted to the employer this year | 13a | |
| b | Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | | ☐ Yes ☒ No |

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

| 13c(1) Name of plan(s): | 13c(2) EIN(s) | 13c(3) PN(s) |
|---|---|---|
| | | |

## Part VIII Trust Information (optional)

| 14a Name of trust | 14b Trust's EIN |
|---|---|
| Howard Kelly dba Kelly QSR Group LL | 76-0354568 |

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

## Howard Kelly Defined Benefit Plan

**11-3762404 / 001**

**For the plan year 01/01/2013 through 12/31/2013**

The age reported is the average of the assumed retirement ages for all active participants as of the valuation date rounded to the nearest whole age. For an active late retiree, the assumed retirement age may be later than the Plan's normal retirement age. Each participant's rate of retirement is assumed to be 100% of his/her assumed retirement age.

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

# Schedule SB, line 8 -
# Late Election to Apply Balances to Quarterly Installments

## Howard Kelly Defined Benefit Plan

**11-3762404 / 001**

**For the plan year 01/01/2013 through 12/31/2013**

---

At least one election to use the funding standard carryover balance and/or the prefunding balance to offset the amount of a required quarterly installment for the prior plan year was made after the due date of the installment. Thus, the amount on line 8 of the current year Schedule SB is not the same as the amount reported on line 35 of the prior year Schedule SB.

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

# Schedule SB, line 19 - Discounted Employer Contributions

## Howard Kelly Defined Benefit Plan

**11-3762404 / 001**

**For the plan year 01/01/2013 through 12/31/2013**

**Valuation Date: 01/01/2013**

| | Date | Amount | Adjusted Contribution | Adjusted Prior Year Contribution | Adjusted Quarterly | Effective Rate | Penalty Rate |
|---|---|---|---|---|---|---|---|
| **Deposited Contribution** | **03/23/2014** | **$10,000** | | | | | |
| Applied to Additional Contribution | 01/01/2013 | 10,000 | 9,248 | 0 | 0 | 6.61 | 0 |
| **Deposited Contribution** | **05/19/2014** | **$10,000** | | | | | |
| Applied to Additional Contribution | 01/01/2013 | 10,000 | 9,156 | 0 | 0 | 6.61 | 0 |
| **Deposited Contribution** | **06/24/2014** | **$10,000** | | | | | |
| Applied to Additional Contribution | 01/01/2013 | 10,000 | 9,098 | 0 | 0 | 6.61 | 0 |
| **Deposited Contribution** | **09/15/2014** | **$10,000** | | | | | |
| Applied to Additional Contribution | 01/01/2013 | 10,000 | 8,967 | 0 | 0 | 6.61 | 0 |
| Totals for Deposited Contribution | | $40,000 | $36,469 | $0 | $0 | | |

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

# Schedule SB, Part V
# Summary of Plan Provisions

## Howard Kelly Defined Benefit Plan
### 11-3762404 / 001
### For the plan year 01/01/2013 through 12/31/2013

**Employer:** Kelly QSR Group

Type of Entity - Sole-Proprietorship

EIN: 11-3762404 TIN: Plan #: 001 Plan Type: Defined Benefit

**Dates:** Effective - 01/01/2000 Year end - 12/31/2013 Valuation - 01/01/2013

Top Heavy Years - 2010, 2011, 2012, 2013

**Eligibility:** All employees excluding non-resident aliens, members of an excluded class and union

Minimum age - 21 Months of service - 6

Hours Required for - Eligibility - 1000 Benefit accrual - 1000 Vesting - 1000

Plan Entry - First day of plan year during which eligibility satisfied

**Retirement:** Normal - First of month coincident with or next following attainment of age 65 and completion of 5 years of participation

Early - Not provided

**Average Compensation:** Highest 3 consecutive years of service

Top Heavy Minimum Benefit - Highest 5 consecutive top heavy years of participation

**Plan Benefits:** Retirement - Derived from the unit credit benefit formula below rounded to the nearest dollar:

3.5% of average monthly compensation per year of participation after 01/01/2000 before 12/31/2006 beginning year 1 limited to 7 year(s)

per year of participation after 12/31/2006 beginning year 7 limited to 15 year(s)

Accrued Benefit - Unit credit based on participation

Minimum Benefit - None

Maximum Benefit - None

Maximum allowable distribution is lump sum equivalent of normal form not to exceed 415 maximum allowable distribution, which is the lesser amount computed using a) 5.5% interest and the Applicable Mortality Table or b) plan actuarial equivalence interest and mortality

Death Benefit - Present Value of Accrued Benefit

**Top Heavy Minimum:** 2% of average compensation per top heavy year of participation excluding years prior to the adoption date of the plan and 1984 (if earlier), limited to 10 years

**IRS Limitations:** 415 Limits - Percent: 100 Dollar: $205,000

Maximum 401(a)(17) compensation - $255,000

**Normal Form:** Life Annuity

**Optional Forms:** Lump Sum
Life Annuity Guaranteed for 10 Years
Joint with 50%, 75% or 100% Survivor Benefit

**Vesting Schedule:**

| Years | Percent |
|---|---|
| 0-1 | 0% |
| 2 | 20% |
| 3 | 40% |
| 4 | 60% |
| 5 | 80% |
| 6 | 100% |

Service is calculated using all years of service except years prior to plan effective date

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

# Schedule SB, Part V
# Summary of Plan Provisions

## Howard Kelly Defined Benefit Plan

**11-3762404 / 001**

**For the plan year 01/01/2013 through 12/31/2013**

**Present Value of Accrued Benefit:** Based on the greater of 417(e) or Actuarial Equivalence

**417(e):**

Interest Rates -

| Segment # | Years | Rate % |
|---|---|---|
| Segment 1 | 0 - 5 | 1.00 |
| Segment 2 | 6 - 20 | 3.57 |
| Segment 3 | > 20 | 4.77 |

Mortality Table - 13E - 2013 Applicable Mortality Table for 417(e) (unisex)

**Actuarial Equivalence:**

Pre-Retirement - Interest - 6%
Mortality Table - None

Post-Retirement - Interest - 5%
Mortality Table - G83 - 1983 Group Annuity

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

# 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

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
Howard Kelly dba Kelly QSR Group LLC Defined Benefit Plan & Trus

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
Howard Kelly dba Kelly QSR Group LLC

**D** Employer Identification Number (EIN)
11-3762404

**E** Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

**F** Prior year plan size: [X] 100 or fewer [ ] 101-500 [ ] More than 500

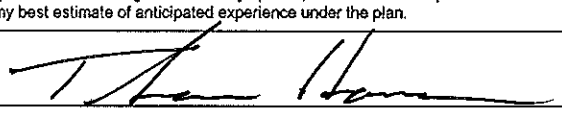
## Part I Basic Information

| | | | | |
|---|---|---|---|---|
| 1 | Enter the valuation date: Month 01 Day 01 Year 2013 | | | |
| 2 | Assets: | | | |
| | a Market value | 2a | | 386,648 |
| | b Actuarial value | 2b | | 386,648 |
| 3 | Funding target/participant count breakdown: | | (1) Number of participants | (2) Funding Target |
| | a For retired participants and beneficiaries receiving payment | 3a | 0 | |
| | b For terminated vested participants | 3b | 13 | 37,453 |
| | c For active participants: | | | |
| | (1) Non-vested benefits | 3c(1) | | 337,572 |
| | (2) Vested benefits | 3c(2) | | 0 |
| | (3) Total active | 3c(3) | 29 | 337,572 |
| | d Total | 3d | 42 | 375,025 |
| 4 | If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ] | | | |
| | a Funding target disregarding prescribed at-risk assumptions | 4a | | |
| | b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | 4b | | |
| 5 | Effective interest rate | 5 | | 6.61 % |
| 6 | Target normal cost | 6 | | 0 |

**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**



09/30/2014
Signature of actuary — Date

Thomas D. Hansen — 14-01626
Type or print name of actuary — Most recent enrollment number

Personalized Pensions, Inc. — (480) 596-4015
Firm name — Telephone number (including area code)

10197 N. 92nd Street
1
US Scottsdale AZ 85258
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 [ ]

## Part II Beginning of Year Carryover and Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 0 | 703 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 0 | 703 |
| 10 | Interest on line 9 using prior year's actual return of 4.38% | 0 | 31 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 41,424 |
| | b Interest on (a) using prior year's effective interest rate of 6.97% except as otherwise provided (see instructions) | | 2,887 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 44,311 |
| | d Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d - line 12) | 0 | 734 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | % |
| 15 | Adjusted funding target attainment percentage | 15 | % |
| 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 | % |
| 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 |
|---|---|---|---|---|---|
| 03/23/2014 | 10,000 | | | | |
| 05/19/2014 | 10,000 | | | | |
| 06/24/2014 | 10,000 | | | | |
| 07/09/2014 | 10,000 | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | Totals ▶ 18(b) | 40,000 | 18(c) |

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 | |
| b Contributions made to avoid restrictions adjusted to valuation date | 19b | |
| c Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 36,489 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

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

## Part V Assumptions Used To Determine Funding Target and Target Normal Cost

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | ☐ N/A, full yield curve used |
|---|---|---|---|
| 5.23 % | 6.51 % | 7.16 % | |

**b** Applicable month (enter code) . . . . . **21b** 1

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

## Part VIII Minimum Required Contribution For Current Year

**31** Target normal cost and excess assets (see instructions):

| | | |
|---|---|---|
| **a** Target normal cost (line 6) . . . . . | **31a** | 0 |
| **b** Excess assets, if applicable, but not greater than line 31a . . . . . | **31b** | |

| **32** Amortization installments: | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment . . . . . | | |
| **b** Waiver amortization installment . . . . . | | |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month_____ Day_____ Year _____) and the waived amount . . . . . | **33** | |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | **34** | 0 |

| | Carryover balance | Prefunding Balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement . . . . . | | | |

| | | |
|---|---|---|
| **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** | 36,489 |
| **38** Present value of excess contributions for current year (see instructions) | | |
| **a** Total (excess, if any, of line 37 over line 36) . . . . . | **38a** | 36,489 |
| **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** | |

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

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected . . . . . ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made . . . . . ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

| | | |
|---|---|---|
| **42** Amount of acceleration adjustment . . . . . | **42** | |
| **43** Excess installment acceleration amount to be carried over to future plan years . . . . . | **43** | |

KELLY09

# Schedule SB (Form 5500)

September 30, 2014

## Howard Kelly Defined Benefit Plan

### 11-3762404 / 001

### For the plan year 01/01/2013 through 12/31/2013

**Basic Information**

1. Valuation date: 01/01/2013
2. Assets:
   - a. Market value: 386,648
   - b. Actuarial value: 386,648
3. Funding target/participant count breakdown

| | 1. Number of Participants | 2. Funding Target |
|---|---|---|
| a. Retired participants and beneficiaries receiving payments | 0 | 0 |
| b. Terminated vested participants | 13 | 37,453 |
| c. Active participants | | |
| i. Non-vested benefits | | 0 |
| ii. Vested benefits | | 337,572 |
| iii. Total active | 29 | 337,572 |
| d. Total | 42 | 375,025 |

4. At-risk
   - a. Funding target disregarding prescribed at-risk assumptions
   - b. Funding target reflecting at-risk assumptions, but disregarding transition rule (at-risk <5 cons yrs) and loading factor
5. Effective interest rate: 6.61%
6. Target normal cost: 0

**Beginning of year carryover and prefunding balances**

| | a. Carryover Balance | b. Prefunding Balance |
|---|---|---|
| 7. Balance at beginning of prior year | 0 | 703 |
| 8. Offset to prior years funding requirement | 0 | 0 |
| 9. Amount remaining (7-8) | 0 | 703 |
| 10. Int on 9 using prior years actual return of 4.38% | 0 | 31 |
| 11. Prior years excess contributions | | |
| a. Excess contributions (line 38 from prior year) | | 41,424 |
| b. Int on (a) using prior years effective rate of 6.97% | | 2,887 |
| c. Total available at beginning of current plan year | | 44,311 |
| d. Portion of (c) added to prefunding balance | | 0 |
| 12. Voluntary or Deemed Reduction | 0 | 0 |
| 13. Balance at beginning of current year (9+10+11d-12) | 0 | 734 |

**Funding percentages**

14. FTAP: 102.90%
15. AFTAP: 103.09%
16. Prior years funding percentage: 88.86%
17. Percentage of funding target (<70%)

**Contributions and liquidity shortfalls**

18. Contributions made to plan: $40,000.00

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

# Schedule SB (Form 5500)



## Howard Kelly Defined Benefit Plan

### 11-3762404 / 001

### For the plan year 01/01/2013 through 12/31/2013

19. Discounted employer contributions:
    a. Contributions to unpaid minimum from prior years: 0
    b. Contributions to avoid restrictions: 0
    c. Contributions to minimum for current year: 36,469

**Assumptions used to determine funding target and target normal cost**

21. Discount rate:
    a. Segment rates

| 1st | 2nd | 3rd |
|---|---|---|
| 5.23 | 6.51 | 7.16 |

☐ N/A, full yield curve used

    b. Applicable month - First month prior to valuation date: 1

22. Weighted average retirement age: 65

23. Mortality table ☑ Prescribed -- combined ☐ Prescribed -- separate ☐ Substitute

**Reconciliation of unpaid required contributions for prior years**

28. Unpaid minimum required contributions: 0
29. Discounted employer contributions: 0
30. Remaining amount (28-29): 0

**Minimum required contribution for current year**

31. Target normal cost and excess assets
    a. Target normal cost: 0
    b. Excess assets, if applicable, but not greater than 31a: 0

32. Amortization installments:

| | Outstanding Balance | Installment |
|---|---|---|
| a. Net shortfall | 0 | 0 |
| b. Waiver | 0 | 0 |

34. Total funding requirement (31a-31b+32a+32b): 0

35. Balances to offset funding requirement

| a. Carryover Balance | b. Prefunding Balance | c. Total Balance |
|---|---|---|
| 0 | 0 | 0 |

36. Additional cash requirement (34-35): 0
37. Contributions to minimum for current year (19c): 36,469
38. Present value of excess contribution for current year
    a. Total (excess, if any, of 37 over 36): 36,469
    b. Portion included in 38a attributable to use of balances: 0
39. Unpaid minimum required contributions for current year: 0
40. Unpaid minimum required contributions for all years: 0

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

# Schedule SB (Form 5500)



## Howard Kelly Defined Benefit Plan

**11-3762404 / 001**

**For the plan year 01/01/2013 through 12/31/2013**

**Pension funding relief under PPA 2010**

41. If shortfall amortization base is being amortized pursant to an alternative amortization schedule:
    a. Schedule elected ☐ 2 plus 7 years ☐ 15 years
    b. Eligible plan year(s) which the election in 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011
42. Amount of acceleration adjustment 0
43. Excess installment acceleration amount to be carried over to future plan years 0

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

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

## Howard Kelly Defined Benefit Plan
### 11-3762404 / 001
### For the plan year 01/01/2013 through 12/31/2013

**Valuation Date:** 01/01/2013

**Funding Method:** As prescribed in IRC Section 430

Age - Eligibility age at last birthday and other ages at last birthday

New participants are not included in current year's valuation

Prospective Compensation - Highest 3 consecutive years of service

Form of Payment - Assumed form of payment for funding is lump sum equivalent of normal form. Funding Target for lump sum is the greater of the present value of accrued benefit computed using funding segment rates and 417(e) Applicable Mortality Table or lump sum at the assumed retirement date of accrued benefit using plan actuarial equivalence discounted using appropriate segment rate. Lump sum on plan actuarial equivalence rates will not exceed 415 maximum allowable distribution, which is the lesser amount computed using a) 5.5% interest and the Applicable Mortality Table or b) plan actuarial equivalence interest and mortality

Interest Rates -

Segment rates for the First Month Prior to Val Date as permitted under IRC 430(h)(2)(C)

| Segment # | Year | Rate % |
|---|---|---|
| Segment 1 | 0 - 5 | 1.66 |
| Segment 2 | 6 - 20 | 4.47 |
| Segment 3 | > 20 | 5.52 |

Segment rates as of September 30, 2012 As permitted under IRC 430(h)(2)(C)(iv)(II) - HATFA

| Segment # | Year | Rate % |
|---|---|---|
| Segment 1 | 0 - 5 | 5.23 |
| Segment 2 | 6 - 20 | 6.51 |
| Segment 3 | > 20 | 7.16 |

Pre-Retirement - Mortality Table - None
Turnover/Disability - None
Salary Scale - 2%
Expense Load - None
Ancillary Ben Load - None

Post-Retirement - Mortality Table - 13C - 2013 Funding Target - Combined - IRC 430(h)(3)(A)
Cost of Living - None
Lump Sum - G83 - 1983 Group Annuity at 5%
or
13E - 2013 Applicable Mortality Table for 417(e) (unisex)

**Asset Valuation Method:** Fair market value of assets adjusted for contributions under IRC 430(g)(4)

**Discrimination Test Assumptions:**

HCE Determination - Based on all employees

Otherwise Excludable - Otherwise Excludable HCEs are included with the Not Otherwise Excludable employees

**410(b)/401(a)(4) Testing:**

Pre-Retirement - Interest - 8%

Post-Retirement - Interest - 8%
Mortality Table - G83M - 1983 Group Annuity (male)

Permissively Aggregated Plans - Not tested As Single Plan

Compensation - Use current compensation to calculate the benefit accrual rate (annual method)

Testing Age - Normal retirement age or attained age, if older

Testing Service - Separate benefiting service for DC and for DB for Accrued-to-Date Method

Normal Form for MVAR - Joint with 50% Survivor Benefits

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

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

## Howard Kelly Defined Benefit Plan

**11-3762404 / 001**

**For the plan year 01/01/2013 through 12/31/2013**

**401(a)(26) Testing:**

Compensation - Use current compensation to calculate the benefit accrual rate for 401(a)(26)

Testing Age - Normal retirement age or attained age, if older

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.

# Schedule SB, line 26 -
# Schedule of Active Participant Data

## Howard Kelly Defined Benefit Plan

**11-3762404/001**

**For the plan year 01/01/2013 through 12/31/2013**

### Years of Credited Service

| Attained Age | Under 1 No. | 1 to 4 No. | 5 to 9 No. | 10 to 14 No. | 15 to 19 No. | 20 to 24 No. | 25 to 29 No. | 30 to 34 No. | 35 to 39 No. | 40 & up No. |
|---|---|---|---|---|---|---|---|---|---|---|
| Under 25 | | | | | | | | | | |
| 25 to 29 | | | 6 | 1 | | | | | | |
| 30 to 34 | | | 2 | | | | | | | |
| 35 to 39 | | | 6 | 3 | | | | | | |
| 40 to 44 | | | 6 | | | | | | | |
| 45 to 49 | | | | | | | | | | |
| 50 to 54 | | | 2 | 1 | | | | | | |
| 55 to 59 | | | | | | | | | | |
| 60 to 64 | | | | | | | | | | |
| 65 to 69 | | | 1 | | | | | | | |
| 70 & up | | | | 1 | | | | | | |

**Warning** Plan does not meet top-heavy minimum contribution requirements. See Notes and Warnings report.