

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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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>FERRO CORPORATION PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>028</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>FERRO CORPORATION</u> <u>6060 PARKLAND BOULEVARD</u> <u>MAYFIELD HEIGHTS, OH 44124</u>	1c Effective date of plan <u>01/01/1981</u>	2b Employer Identification Number (EIN) <u>34-0217820</u>
	2c Sponsor's telephone number <u>216-875-5600</u>	2d Business code (see instructions) <u>327900</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.	<u>10/13/2014</u>	<u>JENNIFER MACKIN</u>
	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 FERRO CORPORATION 6060 PARKLAND BOULEVARD MAYFIELD HEIGHTS, OH 44124		3b Administrator's EIN 34-0217820
		3c Administrator's telephone number 216-875-5600
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5	5486
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants	6a	727
b Retired or separated participants receiving benefits	6b	1968
c Other retired or separated participants entitled to future benefits.....	6c	2243
d Subtotal. Add lines 6a , 6b , and 6c	6d	4938
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	452
f Total. Add lines 6d and 6e	6f	5390
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	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 3H 1I		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>2</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110
		2013
		This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013		
A Name of plan FERRO CORPORATION PENSION PLAN	B Three-digit plan number (PN) ▶	028
C Plan sponsor's name as shown on line 2a of Form 5500 FERRO CORPORATION	D Employer Identification Number (EIN) 34-0217820	

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

(a) Name of insurance carrier

PRUDENTIAL RETIREMENT INSURANCE & ANNUITY CO.

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	001495	166	01/01/2013	12/31/2013

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

(a) Total amount of commissions paid	(b) Total amount of fees paid

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4 Current value of plan's interest under this contract in the general account at year end	4	768768
5 Current value of plan's interest under this contract in separate accounts at year end	5	3892443

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶ **N/A**

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

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☒ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	858891
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c Additions: (1) Contributions deposited during the year	7c(1)	0	
(2) Dividends and credits	7c(2)	0	
(3) Interest credited during the year	7c(3)	44860	
(4) Transferred from separate account	7c(4)	840705	
(5) Other (specify below)	7c(5)	3583	
▶ MARKET VALUE CREDIT			

(6) Total additions

7c(6)

889148

d Total of balance and additions (add lines 7b and 7c(6))	7d	1748039
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	473413	
(2) Administration charge made by carrier	7e(2)	0	
(3) Transferred to separate account	7e(3)	480000	
(4) Other (specify below)	7e(4)	25859	

▶ **ADMINISTRATIVE EXPENSE, GPS FEE**

(5) Total deductions

7e(5)

979272

f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	768767
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Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	0
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

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

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

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
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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 FERRO CORPORATION PENSION PLAN	B Three-digit plan number (PN) ▶ 028
C Plan sponsor's name as shown on line 2a of Form 5500 FERRO CORPORATION	D Employer Identification Number (EIN) 34-0217820

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

(a) Name of insurance carrier AETNA LIFE INSURANCE COMPANY
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-6033492	60054	002951	259	01/01/2013	12/31/2013

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

(a) Total amount of commissions paid	(b) Total amount of fees paid

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4 Current value of plan's interest under this contract in the general account at year end **4** 1284756**5** Current value of plan's interest under this contract in separate accounts at year end **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶ N/A**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☐ other ▶**b** Balance at the end of the previous year **7b** 1348995**c** Additions: (1) Contributions deposited during the year **7c(1)**(2) Dividends and credits **7c(2)**(3) Interest credited during the year **7c(3)** 72724(4) Transferred from separate account **7c(4)**(5) Other (specify below) **7c(5)** 40

▶ PRIOR PERIOD INTEREST RATE CHANGES

(6) Total additions **7c(6)** 72764**d** Total of balance and additions (add lines **7b** and **7c(6)**) **7d** 1421759**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 115573(2) Administration charge made by carrier **7e(2)** 21429(3) Transferred to separate account **7e(3)**(4) Other (specify below) **7e(4)**(5) Total deductions **7e(5)** 137002**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f** 1284757

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	0
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

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

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

SCHEDULE 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>FERRO CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>028</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>FERRO CORPORATION</u>	D Employer Identification Number (EIN) <u>34-0217820</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>307040600</u>
b Actuarial value	2b <u>296948497</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>2238</u> <u>189419264</u>
b For terminated vested participants.....	3b <u>2390</u> <u>90189023</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>4339691</u>
(2) Vested benefits	3c(2) <u>59671619</u>
(3) Total active.....	3c(3) <u>878</u> <u>64011310</u>
d Total.....	3d <u>5506</u> <u>343619597</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>6.30</u> %
6 Target normal cost	6 <u>1668890</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>09/30/2014</u>
	Signature of actuary	Date
<u>JEFFRY P. BLASZKOWSKI</u>		<u>14-06646</u>
	Type or print name of actuary	Most recent enrollment number
<u>MERCER</u>		<u>248-945-5500</u>
	Firm name	Telephone number (including area code)
<u>ONE TOWN SQUARE</u> <u>SUITE 1100</u> <u>SOUTHFIELD, MI 48076</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)	429	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	429	0
10 Interest on line 9 using prior year's actual return of <u>15.46</u> %	66	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1339
b Interest on (a) using prior year's effective interest rate of <u>7.01</u> % except as otherwise provided (see instructions)		94
c Total available at beginning of current plan year to add to prefunding balance		1433
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	495	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	86.41 %
15 Adjusted funding target attainment percentage	15	86.41 %
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	87.24 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/12/2013	3914000	0			
07/15/2013	3914000	0			
10/15/2013	3914000	0			
12/31/2013	7350000	0			
01/15/2014	3914000	0			
01/28/2014	18075000	0			
Totals ►			18(b)	41081000	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	38883172

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

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

21 Discount rate:			
a Segment rates:	1st segment: 4.94%	2nd segment: 6.15%	3rd segment: 6.76 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 0
22 Weighted average retirement age			22 62
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	1668890
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment.....		46671100	17013179
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...		34	18682069
	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		18682069
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37		38883172
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	20201103
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

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

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

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

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013	
A Name of plan FERRO CORPORATION PENSION PLAN	B Three-digit plan number (PN) ▶ 028
C Plan sponsor's name as shown on line 2a of Form 5500 FERRO CORPORATION	D Employer Identification Number (EIN) 34-0217820

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

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

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

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

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

SEI

23-3060382

(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?
21 51	NONE	702438	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

TEGRIT RETIREMENT PLAN SERVICES

26-2068982

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15	NONE	161036	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MERCER

13-2834414

(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?
11	NONE	144506	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

SQUIRE SANDERS (US) LLP

34-0648199

(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?
29	NONE	85057	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FIDUCIARY COUNSELORS INC.

22-3709903

(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	NONE	40000	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

SS&G FINANCIAL SERVICES

34-1411795

(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?
10	NONE	24243	Yes ☒ No ☐	Yes ☒ No ☐	0	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)

AETNA

06-6033492

(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?
51 13	NONE	21429	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PRUDENTIAL RETIREMENT INS.

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	NONE	15993	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

GLOBAL PORTFOLIO STRATEGIES INC.

06-1055669

(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	NONE	9866	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
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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>FERRO CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) <u>028</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>FERRO CORPORATION</u>	D Employer Identification Number (EIN) <u>34-0217820</u>

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

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>DRYDEN S&P INDEX</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-123</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1519214</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>CORE PLUS BOND/REAMS FUND</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-040</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1327557</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIVATE PLACEMENT FUND</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-042</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>468165</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>OPEN-END REAL ESTATE FUND</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-176</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>13</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRUDENTIAL SHORT-TERM</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-041</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>221022</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FERRO CORP. DEF. BEN. MASTER TRUST</u>			
b Name of sponsor of entity listed in (a): <u>FERRO CORPORATION</u>			
c EIN-PN <u>34-0217820-038</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INTERNATIONAL BLEND/WELLINGTON</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-349</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>356472</u>	

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

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

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
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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 FERRO CORPORATION PENSION PLAN	B Three-digit plan number (PN) ▶	028
C Plan sponsor's name as shown on line 2a of Form 5500 FERRO CORPORATION	D Employer Identification Number (EIN) 34-0217820	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	0	0
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions.....	1b(1)	4476000	3914000
	(2) Participant contributions.....	1b(2)	0	0
	(3) Other.....	1b(3)	267369	291124
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	723	7353097
	(2) U.S. Government securities	1c(2)	18255944	15047951
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)	0	0
	(B) All other.....	1c(3)(B)	0	0
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)	0	0
	(B) Common.....	1c(4)(B)	0	3632186
	(5) Partnership/joint venture interests	1c(5)	0	0
	(6) Real estate (other than employer real property).....	1c(6)	7975000	15678496
	(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)	3791942	3892443
	(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)	268301484	306721652
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	2207885	2053524
	(15) Other.....	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	1775041	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	307051388	358584473

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	307051388	358584473
---	-----------	-----------	-----------

Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	23010581	
(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)		23010581

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	72724	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		72724

(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	7493842	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		7493842

(3) Rents	2b(3)		0
-----------------	--------------	--	---

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	49536653	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	51387538	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-1850885

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	1178496	
(B) Other	2b(5)(B)	2340916	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		3519412

		(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)		393814
(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)		43011745
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		75651233

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	21779270	
(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)		21779270
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)	414842	
(2) Contract administrator fees.....	2i(2)	37422	
(3) Investment advisory and management fees.....	2i(3)	691262	
(4) Other.....	2i(4)	1195352	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		2338878
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		24118148

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		51533085
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		0

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: **SS&G, INC.**

(2) EIN: **34-1945695**

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		1000000
4e	X		1000000
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.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

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

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

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

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

A Name of plan <u>FERRO CORPORATION PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>028</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>FERRO CORPORATION</u>	D Employer Identification Number (EIN) <u>34-0217820</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>23-3060382</u> <u>06-1050034</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>13</u>

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

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

Part III	Amendments
-----------------	-------------------

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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: 66.8% Investment-Grade Debt: 23.2% High-Yield Debt: 5.7% Real Estate: 4.3% Other: 0.0%

- 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):

**FERRO CORPORATION
PENSION PLAN**

***FINANCIAL
STATEMENTS***

***FOR THE
YEARS ENDED
DECEMBER 31,
2013 AND 2012***

FERRO CORPORATION PENSION PLAN

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INDEPENDENT AUDITORS' REPORT

Cleveland Office
32125 Solon Road
Cleveland, OH 44139
440-248-8787
fax: 440-248-0841
www.SSandG.com

Ferro Corporation Plan Administrator
Ferro Corporation Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Ferro Corporation Pension Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by SEI Private Trust Company, Aetna Life and Casualty Insurance Company Group and Prudential Retirement Insurance & Annuity Company, the trustees and custodians 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 trustees and custodians hold the Plan's investment assets and execute investment transactions. The Plan Administrator has obtained a certification from the trustees and custodians as of and for the years ended December 31, 2013 and 2012, that the information provided to the Plan Administrator by the trustees and custodians is complete and accurate.

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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 Matter

The supplemental schedules of assets (held at end of year) and of reportable transactions are required by the Department of Labor'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 the supplemental schedules referred to above.

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

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



October 6, 2014

SS&G

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FERRO CORPORATION PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	DECEMBER 31,	
	<u>2013</u>	<u>2012</u>
ASSETS		
Investments, at fair value:		
Money Market Fund	\$ 7,353,097	\$ 723
U.S. Government Securities	15,047,951	18,255,944
Ferro Corporation Common Stock	3,632,186	1,775,041
Equity Mutual Funds	222,362,611	184,527,676
Fixed Income Mutual Funds	84,359,041	83,773,808
Real Estate Fund	15,678,496	7,975,000
Prudential Trust Company pooled separate accounts	<u>3,892,443</u>	<u>3,791,942</u>
	352,325,825	300,100,134
Investments, at cost which approximates fair value:		
Prudential Trust Company general account	768,768	858,890
Aetna Life and Casualty Insurance Company group annuity contract	<u>1,284,756</u>	<u>1,348,995</u>
	<u>2,053,524</u>	<u>2,207,885</u>
Total investments	354,379,349	302,308,019
Accrued income	291,124	267,369
Contribution receivable from employer	<u>3,914,000</u>	<u>4,476,000</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 358,584,473</u>	<u>\$ 307,051,388</u>

See accompanying notes to financial statements.

FERRO CORPORATION PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	FOR THE YEARS ENDED DECEMBER 31,	
	<u>2013</u>	<u>2012</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Plan interest in Ferro Corporation Defined Benefit		
Master Trust investment income	\$ -	\$ 2,304,024
Net appreciation in fair value of investments	45,074,086	22,072,680
Dividends	7,493,842	6,085,917
Interest income	72,724	79,940
Employer contributions	<u>23,010,581</u>	<u>11,136,000</u>
	75,651,233	41,678,561
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	21,779,270	14,394,416
Administrative expenses	<u>2,338,878</u>	<u>1,715,695</u>
Total deductions	24,118,148	16,110,111
Transfer in of Ferro Corporation Retirement Plan assets	<u>-</u>	<u>216,163,501</u>
Net increase	51,533,085	241,731,951
Net assets available for benefits:		
Beginning of year	<u>307,051,388</u>	<u>65,319,437</u>
End of year	<u>\$ 358,584,473</u>	<u>\$ 307,051,388</u>

See accompanying notes to financial statements.

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Description of the Plan

The following brief description of the Ferro Corporation Pension Plan (the Plan), formerly the Retirement Plan for Hourly-Rate Employees of Ferro Corporation at Various Plants, is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan is a frozen defined benefit pension plan sponsored by Ferro Corporation (the Company) under which hourly-rate employees at various facilities of the Company have frozen accrued benefits.

Effective June 1, 2012, the Ferro Corporation Retirement Plan was merged into the Retirement Plan for Hourly-Rate Employees of Ferro Corporation at Various Plants Plan and such merged plan was renamed the Ferro Corporation Pension Plan. Additionally, effective June 1, 2012, all plan assets held by Mellon Bank, N.A. were transferred to SEI Private Trust Company. Prior to June 1, 2012 the assets were held in the Ferro Corporation Defined Benefit Master Trust and with the transfer of the assets to SEI Private Trust Company, the Master Trust was eliminated.

Benefits

As of December 31, 2010, no participants are accruing benefits under the Plan. Under terms of the Plan document, participants are eligible for monthly normal retirement benefit payments upon retirement after reaching age 65, or they may retire on or after age 55 (age 60 at the Baton Rouge, Niagara Falls and Nashville facilities) and receive early retirement benefits provided they are credited with at least 10 years of Credited Service (15 years of Credited Vesting Service at the Niagara Falls and Nashville facilities). Normal monthly benefits are determined by multiplying the number of years of credited service by a monthly benefit factor. Refer to the Plan document for a more complete description of the different applicable benefit factors and the dates on which benefit accruals ceased at the covered locations.

Death and disability benefits

Prior to January 1, 2011, the Plan provided for disability benefits for active participants who terminated employment due to permanent and total disability. Five years of Credited Vesting Service were needed to become vested in accrued benefits under the Plan.

If a participant eligible for vested benefits dies before benefit payments begin, the surviving spouse may be entitled to a death benefit equal to the survivor portion under the Plan's joint and 50% survivor annuity. Any active participant who became eligible for disability retirement payments under the Plan prior to January 1, 2011, receives disability benefits that are equal to his or her accrued benefit as of the time of disability.

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Description of the Plan, continued

Cash-outs

If a participant terminates employment, and the present value of his or her vested accrued benefit on his or her severance date does not exceed \$1,000, the Plan will distribute the present value of such vested accrued benefit to the participant.

Trustees and custodians

Through May 30, 2012, under terms of an agreement between Mellon Bank, N.A. and the Plan, Mellon Bank, N.A. was trustee of a master trust fund (Master Trust), made up of both fixed income and equity income earning assets, on behalf of this and other plans sponsored by the Company. Through May 30, 2012, Goldman Sachs Asset Management, Northern Trust Asset Management, Rothchild Small Cap Trust, Mellon Equity, Fiduciary Counselors, Inc. and PIMCO had each been granted discretionary authority concerning purchases and sales of investments within the Master Trust, a collective investment fund. Those investments as of December 31, 2011 and the related investment income or loss of the Master Trust for the period January 1, 2011 through May 31, 2012 (as disclosed in the accompanying financial statements) were certified and reported to the Plan by Mellon Bank, N.A. as having been determined through the use of fair market values.

As of June 1, 2012, SEI Private Trust Company was granted discretionary authority concerning purchases and sales of investments within the Plan assets. The investments as of December 31, 2012 and December 31, 2013 and investment income or loss of the Plan assets for the period June 1, 2012 through December 31, 2012 and January 1, 2013 through December 31, 2013 (as disclosed in the accompanying financial statements) have been certified and reported to the Plan by SEI Private Trust Company, as having been determined through the use of fair market values.

Under the terms of the fiduciary agreement between Prudential Retirement Insurance & Annuity Company (Prudential) and the Plan, Prudential manages assets of the Plan and has been granted discretionary authority concerning purchases and sales of investments in the trust fund. The investments of the Plan are maintained by Prudential in a general account and several separate pooled investment accounts. The investments as of December 31, 2013 and 2012 and investment income for the years then ended (as disclosed in the accompanying financial statements) have been certified as complete and accurate as reported to the Plan by Prudential.

Under the terms of the fiduciary agreement between Aetna Life and Casualty Insurance Company (Aetna) and the Plan, Aetna manages assets of the Plan and has been granted discretionary authority concerning purchases and sales of investments in the trust fund. The investments of the Plan are maintained by Aetna in a general annuity contract. The investments as of December 31, 2013 and 2012 and investment income for the years then ended (as disclosed in the accompanying financial statements) have been certified as complete and accurate as reported to the Plan by Aetna.

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - Summary of significant accounting policies

Administrative expenses

All expenses of administering the Plan are paid from the Plan assets. Expenses directly related to the Plan are paid from the Plan unless the Company elects to pay them.

Basis of presentation

The accompanying financial statements and schedules are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Investments

Prior to June 1, 2012, the Plan's investments were predominately in the Master Trust which was established for the investment of assets of the Plan and several other Company-sponsored retirement plans. Each participating retirement plan had an undivided interest in the Master Trust. The assets of the Master Trust were held by Mellon Bank, N.A. as trustee through May 30, 2012. As of June 1, 2012, the Master Trust was terminated and the assets held by Mellon Bank, N.A. were transferred to SEI Private Trust Company, the trustee of the Plan beginning June 1, 2012.

Fair market value is measured by the quoted market price as of the end of the Plan year. Purchases and sales of mutual funds are recorded on a settlement-date basis and purchases and sales of stocks are recorded on a trade-date basis plus one day. Realized gains and losses are recorded on the same day as the sales. The above method does not have a material impact on the financial statements when compared to recording on a trade-date basis.

As of December 31, 2013 and 2012 and for the years then ending, the Plan invested in assets held by Prudential Retirement Insurance & Annuity Company. Assets contained in the general account consist of an immediate participation guarantee contract, which is invested primarily in publicly traded and privately placed debt securities and mortgage loans. The investment is valued at cost, which approximates fair value. Assets contained in the pooled separate accounts consist principally of investments in intermediate-term, privately placed debt securities; high-grade, publicly traded debt securities; publicly marketed equity securities; and real estate equities. The investments and changes therein of the pooled separate accounts have been reported to the Plan by Prudential Retirement Insurance & Annuity Company at fair value.

As of December 31, 2013 and 2012 and for the years then ending, the Plan also invested in a group annuity contract with Aetna Life and Casualty Insurance Company. The valuation of the investment and changes therein are stated on a cost basis which approximates fair market value.

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - Summary of significant accounting policies, continued

Risks and uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits. Plan contributions are made and the actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to the uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Accumulated plan benefits

Accumulated plan benefits are those future periodic payments 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 payable under all circumstances - retirement, death, disability, and termination of employment - are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Use of estimates

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

Evaluation of subsequent events

The Company has evaluated subsequent events through October 6, 2014, which is the date the financial statements were available to be issued.

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE C - Certified information

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator has obtained certifications from the trustees and custodian of the Plan that all of the information provided by them is complete and accurate. Information included in the accompanying financial statements as to investments administered by the trustees, accrued investment income, and net investment income is presented in reliance solely upon those certificates.

The following table presents the fair values of investments at December 31, 2013 and 2012 that represent 5% or more of the Plan's net assets:

	<u>2013</u>	<u>2012</u>
SEI Large Cap Fund	\$ 131,542,183	\$ 109,978,042
SEI World Equity Ex-US Fund	72,682,127	61,360,021
SEI Long Duration Corporate Bond – A	37,166,740	43,131,966
SEI High Yield Bond Fund	18,675,763	16,994,397
SEI Small Cap Fund	18,138,301	(a)

(a) Assets did not represent 5% or more of the fair value at year-end.

For the years ended December 31, 2013 and 2012, the net investment appreciation of the Plan was:

	<u>2013</u>	<u>2012</u>
U.S Government Securities	\$ (2,317,044)	\$ (437,648)
Ferro Corporation Corporate Stock	2,807,076	1,775,042
Equity Mutual Funds	49,412,112	21,396,715
Fixed Income Mutual Funds	(6,400,368)	2,192,425
Real Estate Fund	1,178,496	-
Prudential Pooled Separate Accounts	<u>393,814</u>	<u>322,750</u>
	<u>\$ 45,074,086</u>	<u>\$ 25,249,284</u>

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE D - Fair value measurements

Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosure*, defines fair value and provides guidance for measuring fair value and expands disclosures about fair value measurements in accordance with accounting principles generally accepted in the United States of America. ASC 820 does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements. ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobserved inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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

Level 2: Inputs to the valuation methodology include:

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

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

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

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE D - Fair value measurements, continued

Following is a description of the valuation methodologies used for assets measured at fair value.

Common stocks, including Ferro common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Registered investment companies/Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Collective/common trusts and pooled separate accounts: Valued at the NAV of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

Group annuity contract: Valued on a cost basis, which approximates fair market value.

U.S. government securities: Valued using pricing models maximizing the use of observable inputs for similar assets.

Real estate fund: Represents commingled funds invested in non-public real estate development and investment companies. Valued from reports provided by investment managers based on estimated capitalization factors applied to the earnings streams from the portfolio properties and fee income, discounted cash flows of development projects, and estimated marked values of undeveloped land, all of which are reduced by reported liabilities and appropriate taxes.

The methods described above 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 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.

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE D - Fair value measurements, continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013:

	Level 1	Level 2	Level 3	Total
Equity Mutual Funds	\$ 222,362,611	\$ -	\$ -	\$ 222,362,611
Fixed Income Mutual Funds	84,359,041	-	-	84,359,041
U.S. Government Securities	15,047,951	-	-	15,047,951
Real Estate Fund	-	-	15,678,496	15,678,496
Ferro Corporation Stock	3,632,186	-	-	3,632,186
Money Market Fund	7,353,097	-	-	7,353,097
Prudential Trust Company pooled separate accounts	-	3,892,443	-	3,892,443
Prudential general account	-	768,768	-	768,768
Aetna Life and Casualty Insurance Company Group	-	1,284,756	-	1,284,756
Balance at December 31, 2013	<u>\$ 332,754,886</u>	<u>\$ 5,945,967</u>	<u>\$15,678,496</u>	<u>\$ 354,379,349</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2012:

	Level 1	Level 2	Level 3	Total
Equity Mutual Funds	\$ 184,527,676	\$ -	\$ -	\$ 184,527,676
Fixed Income Mutual Funds	83,773,808	-	-	83,773,808
U.S. Government Securities	18,255,944	-	-	18,255,944
Real Estate Fund	-	-	7,975,000	7,975,000
Ferro Corporation Stock	1,775,041	-	-	1,775,041
Money Market Fund	723	-	-	723
Prudential Trust Company pooled separate accounts	-	3,791,942	-	3,791,942
Prudential general account	-	858,890	-	858,890
Aetna Life and Casualty Insurance Company Group	-	1,348,995	-	1,348,995
Balance at December 31, 2012	<u>\$ 288,333,192</u>	<u>\$ 5,999,827</u>	<u>\$ 7,975,000</u>	<u>\$ 302,308,019</u>

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE D - Fair value measurements, continued

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the years ended December 31, 2013 and 2012:

Balance, January 1, 2012	\$ -
Realized gains/losses	-
Unrealized gains/losses	-
Purchases	7,975,000
Sales	-
Transfers in/out of Level 3	-
Balance, December 31, 2012	\$ 7,975,000
Realized gains/losses	-
Unrealized gains/losses	1,178,496
Purchases	6,525,000
Sales	-
Transfers in/out of Level 3	-
Balance, December 31, 2013	<u>\$ 15,678,496</u>

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE E - Actuarial present value of accumulated plan benefits

The actuarial present value of accumulated plan benefits was determined by an actuarial consulting firm, and it is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the probability of payment and the time-value of money between the valuation date and the expected date of payment. The significant actuarial assumptions used to calculate the value of vested benefits and accrued benefits for the years ended December 31, 2013 and 2012 include:

- Assumed discount rate of 4.30% in 2013 and 2012;
- Assumed rates of mortality, turnover, and disability based on published statistical data;
- Assumed 85% of participants are married, with males having spouses who are three years younger and females having spouses who are three years older;
- Normal retirement at age 65,
- Administrative expenses will continue to be paid from the trust.

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.

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

	<u>2013</u>	<u>2012</u>
Vested benefits:		
Participants currently receiving payments	\$ 163,255,622	\$ 167,509,558
Other participants	<u>115,361,467</u>	<u>108,141,006</u>
Total vested benefits	278,617,089	275,650,564
Nonvested benefits	<u>3,307,603</u>	<u>3,380,857</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 281,924,692</u>	<u>\$ 279,031,421</u>

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE E - Actuarial present value of accumulated plan benefits, continued

The change in the actuarial present value of accumulated plan benefits from the previous benefit information date is as follows:

	<u>2013</u>	<u>2012</u>
Actuarial present value of accumulated plan benefits as of January 1, 2012 and 2011	\$ 279,031,421	\$ 269,879,989
Increase (decrease) during the year attributable to:		
Benefits accumulated and losses (gains)	3,291,330	(199,215)
Increase for interest due to decrease in discount period	21,890,589	22,000,601
Benefits paid	(22,288,648)	(20,398,872)
Changes in actuarial assumptions	<u>-</u>	<u>7,748,918</u>
Actuarial present value of accumulated plan benefits as of January 1, 2013 and 2012	<u>\$ 281,924,692</u>	<u>\$ 279,031,421</u>

NOTE F - Funding policy

The Company has voluntarily agreed to make contributions to the Plan sufficient to provide the Plan with assets with which to pay pension benefits to Plan participants. The Company's contributions are determined pursuant to an actuarial cost method and are designed to meet the minimum funding requirements of ERISA; the Company's contributions for 2013 and 2012 met the ERISA minimum funding requirements as determined by independent actuaries.

NOTE G - Plan termination

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 provisions set forth in ERISA.

Under provisions of ERISA, if the Plan is terminated, the Company may be obligated to make termination payments to the Plan and participants may be eligible for continuation of benefits under insurance provided by the Pension Benefit Guaranty Corporation (PBGC).

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.

FERRO CORPORATION PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE G - Plan termination, continued

In the event of a complete termination of the Plan, the assets then remaining in the Plan, after providing for expenses of administration, shall be allocated, to the extent that they shall be sufficient, for the purpose of funding the accrued benefits to the date of termination of the Plan for all pensioners, participants, vested former participants, and beneficiaries in the manner and order of precedence required under the terms of Section 4044 of ERISA. Any funds remaining in the Plan after funding in full all of the accrued benefits to the termination date of the Plan shall revert to the Company. In the event of a partial termination of the Plan, the portion of the assets of the Plan relating to the terminated portion of the Plan shall be allocated as aforesaid for the purpose of funding the accrued benefits of pensioners, participants, vested former participants, and beneficiaries whose benefit rights are affected by such partial termination.

NOTE H - Party-in-interest transactions

Certain Plan investments were/are managed by Mellon Bank, N.A. (trustee for the period January 1, 2012 through May 31, 2012), SEI Private Trust Company (trustee for the period June 1, 2012 through December 31, 2013), Prudential Retirement Insurance & Annuity Company (custodian) and Aetna Life and Casualty Insurance Company (custodian). The Plan paid certain expenses related to plan operations and investment activities to these service providers.

NOTE I - Federal income tax status

The Plan obtained its latest determination letter on April 4, 2013, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The plan administrator and the Plan's tax counsel believe that the Plan is currently designed and is being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the tax authorities. 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 asset) 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.

FERRO CORPORATION PENSION PLAN

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

EIN: 34-0217820

PLAN NO: 028

DECEMBER 31, 2013

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment	Cost	Current value
* Ferro Corporation Stock		Common Equity Security	\$ 6,395,700	\$ 3,632,186
* Prudential Retirement Insurance & Annuity Company		General Account	768,768	768,768
* Aetna Life and Casualty Insurance Company		Group Annuity Contract GA-2951	1,284,756	1,284,756
	Prime Obligation Fund	Money Market Fund	7,353,097	7,353,097
* Prudential Retirement Insurance & Annuity Company		Pooled Separate Accounts	2,710,249	3,892,443
* SEI Core Property Co. Investment		Real Estate Fund	15,678,496	15,678,496
* SEI Large Cap Fund		Registered Investment Company	105,940,190	131,542,183
* SEI World Equity Ex-US Fund		Registered Investment Company	58,949,852	72,682,127
* SEI Long Duration Corporate Bond-A		Registered Investment Company	41,810,455	37,166,740
* SEI High Yield Bond Fund		Registered Investment Company	18,591,847	18,675,763
* SEI Emerging Markets Debt Fund		Registered Investment Company	15,131,159	12,714,072
* SEI Small Cap Fund		Registered Investment Company	12,051,754	18,138,301
* SEI Core Fixed Income Fund		Registered Investment Company	16,230,702	15,802,465
	U.S. Treasury Strips Z-CPN 11/15/20	U.S. Government Security	2,128,723	2,143,023
	U.S. Treasury Strips Z-CPN 11/15/23	U.S. Government Security	4,523,035	4,536,031
	U.S. Treasury Strips Z-CPN 11/15/28	U.S. Government Security	4,519,976	4,491,774
	U.S. Treasury Strips Z-CPN 5/15/33	U.S. Government Security	1,857,535	1,830,185
	U.S. Treasury Strips Z-CPN 8/15/43	U.S. Government Security	2,126,589	2,046,939
			<u>\$ 318,052,883</u>	<u>\$ 354,379,349</u>

* Indicates party-in-interest to the Plan

See accompanying notes to financial statements.

FERRO CORPORATION PENSION PLAN

SCHEDULE H, Line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

EIN: 34-0217820

PLAN NO: 028

FOR THE YEAR ENDED DECEMBER 31, 2013

(a) & (b)	(c)	(d)	(g)	(h)	(i)
Description of Asset and Identity of Party Involved	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Category (i) - Single transactions in excess of 5% of plan assets - none					
Category (iii) - Series of transactions in excess of 5% of plan assets					
SEI Large Cap Fund					
106 Sales		\$ 18,933,033	22,845,543	18,933,033	\$ (3,912,510)

See accompanying notes to financial statements.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											0
25–29											0
30–34		1	5								6
35–39		2	31	2							35
40–44		6	54	16	6						82
45–49		1	67	25	36	17	2				148
50–54		8	82	26	31	37	19	2			205
55–59		5	95	12	24	19	28	18			201
60–64		7	67	10	12	13	11	27			147
65–69		2	32	2	3	5	3	5	1		53
70 & up			1								1
Total	0	32	434	93	112	91	63	52	1	0	878

In each cell, the number is the count of active participants for each age/service combination.

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

Discount rate sponsor elections

- | | |
|-------------------------------------|---------|
| • Segment rates or full yield curve | Segment |
| • Look-back months | 0 |
| • First 5 years | 4.94% |
| • Next 15 years | 6.15% |
| • Over 20 years | 6.76% |
-

Mortality sponsor elections

- | | | |
|--------------------------|--|---|
| • Healthy participants | Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA. | |
| • Pre-1995 disabilities | None. | |
| • Post-1994 disabilities | <u>Former Corporate Plan</u>
Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits. | <u>Former Hourly Plan</u>
Same as healthy. |
-

Other economic assumptions

- | | |
|---------------------------------|---|
| • Salary increases | Not applicable. |
| • Flat-dollar benefit increases | Not applicable. |
| • Social Security wage base | Not applicable. |
| • Inflation | Not applicable. |
| • Expected investment return | 8.50% per year for years 2010 and 2011, 8.20% for 2012. |
| • Expenses | \$1,644,633 added to current year normal cost. |
-

Demographic assumptions

- | | | |
|--------------|--|--|
| • Withdrawal | <u>Former Corporate Plan</u>
See table of sample rates. | <u>Former Hourly Plan</u>
For employees with less than five years of service, 20% withdrawal rate is assumed for all ages. For employees with five to ten years of service, 10% withdrawal rate is assumed for all ages. For participants with more than ten years of service, see table of sample rates. |
|--------------|--|--|

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

- Disability incidence The assumed incidence of disability is based on rates from the 1985 Pension Disability Table, Class 1, for male and females. See table of sample rates. The assumed incidence of disability is based on rates from the 1985 Pension Disability Table, Class 3, for male and females. See table of sample rates.

- Retirement age for Former Corporate Plan

Attained age	Percentage
Under 55	0%
55	5%
56	5%
57	5%
58	5%
59	5%
60	15%
61	15%
62	15%
63	25%
64	25%
65	40%
66	40%
67 and above	100%

- Retirement age for Former Hourly Plan

Attained Age	All Employees (except Cleveland Participants with 30+ years of credit benefit service)	Attained Age	Cleveland Participants with 30+ years of credited benefit service
60	10.00%	55-59	15.00%
61	10.00%	60	15.00%
62	20.00%	61	15.00%
63	15.00%	62	40.00%
64	15.00%	63	40.00%
65	40.00%	64	40.00%
66	40.00%	65	100.00%
67	100.00%		

- Benefit commencement age for
 - Future vested deferred 65
 - Current vested deferred 65

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

Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
— Percentage married for Former Corporate Plan	70%	70%
— Percentage married for Former Hourly Plan	85%	85%
— Spouse age difference	3 years younger	3 years older
Form of payment for Former Corporate Plan	<u>Life annuity with 10 years certain</u>	<u>50% Joint & Survivor with 10 years certain</u>
Active retirements	30%	70%
Future vested deferred	30%	70%
Future disabilities	30%	70%
Future deaths	0%	100%
Current vested deferred	30%	70%
Form of payment for Former Hourly Plan	<u>Single life</u>	<u>50% J&S</u>
Active retirements	50%	50%
Future vested deferred	50%	50%
Future disabilities	100%	0%
Future deaths	0%	100%
Current vested deferred	50%	50%
100% of Cleveland participants are assumed to take a life annuity for active retirement, future vested deferred, and current vested deferred benefits.		
Unpredictable contingent event assumptions	Not applicable.	
At-risk assumptions		
Special retirement rates	Active and deferred inactive participants who are eligible for immediate retirement and withdrawal benefits in the first 11 plan years are assumed to 100% retire in the first year of eligibility following the valuation year.	
Most valuable form of payment	Participants who have not yet commenced benefits are assumed to take a single life annuity form of payment. Liabilities for Cleveland male participants are loaded 1% and Buffalo male participants are loaded 1.5% to adjust for their most valuable form of payment. There is no load for female participants or other groups.	

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Table of Sample Rates for Former Corporate Plan**

Attained Age	Percentage		
	Withdrawal	Disability incidence	
		Male	Female
20	24.00%	0.0290%	0.0300%
25	24.00	0.0380	0.0470
30	18.20	0.0480	0.0800
35	14.70	0.0690	0.1360
40	12.90	0.1170	0.2110
45	12.10	0.2020	0.3230
50	11.60	0.3580	0.5330
55	10.40	0.7220	0.9520
60	9.40	1.2560	1.1590
65	0.00	1.7530	1.3580

Table of Sample Rates for Former Hourly Plan

Attained age	Percentage		
	Withdrawal (with more than 10 years of service)	Disability incidence	
		Male	Female
20	12.30%	0.151%	0.089%
25	10.30%	0.219%	0.150%
30	8.20%	0.309%	0.252%
35	6.40%	0.431%	0.388%
40	5.00%	0.597%	0.547%
45	3.90%	0.829%	0.777%
50	3.00%	1.224%	1.201%
55	2.30%	2.118%	1.962%
60	1.70%	3.240%	2.326%
65	0.00%	4.369%	2.718%

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

Actuarial Methods for Funding

Asset Methods

The asset valuation method is an average of the adjusted market value for each year during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

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

Participant Methods

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

- **Participants included:** The plan sponsor provides us with data for only those employees who have completed the plan's eligibility requirements and are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** Liabilities and assets from insurance contracts have been included in the valuation.

Minimum Funding Methods

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

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- This plan provides benefits that are not a function of a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the ratio of the participant's service at the beginning of the plan year to their service at each decrement age and is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.

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

- This plan provides disability/death benefits that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

FERRO CORPORATION PENSION PLAN

SCHEDULE H, Line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

EIN: 34-0217820

PLAN NO: 028

FOR THE YEAR ENDED DECEMBER 31, 2013

(a) & (b)	(c)	(d)	(g)	(h)	(i)
Description of Asset and Identity of Party Involved	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Category (i) - Single transactions in excess of 5% of plan assets - none					
Category (iii) - Series of transactions in excess of 5% of plan assets					
SEI Large Cap Fund					
106 Sales		\$ 18,933,033	22,845,543	18,933,033	\$ (3,912,510)

See accompanying notes to financial statements.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

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 FERRO CORPORATION PENSION PLAN		B Three-digit plan number (PN) ▶ <u>028</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF FERRO CORPORATION		D Employer Identification Number (EIN) 34-0217820
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	307040600
b Actuarial value		2b	296948497
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....		3a	2238
b For terminated vested participants.....		3b	2390
c For active participants:			
(1) Non-vested benefits		3c(1)	
(2) Vested benefits		3c(2)	4339691
(3) Total active.....		3c(3)	59671619
d Total.....		3d	878
			64011310
			5506
			343619597
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	6.30%
6 Target normal cost.....		6	1668890

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>JPB</u>	Signature of actuary
JEFFRY P. BLASZKOWSKI		Type or print name of actuary
MERCER		Firm name
ONE TOWNE SQUARE SUITE 1100 SOUTHFIELD MI 48076		Address of the firm
		Date 1406646
		Most recent enrollment number 248-945-5500
		Telephone number (including area code)

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

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	429	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	429	0
10 Interest on line 9 using prior year's actual return of <u>15.46%</u>	66	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1339
b Interest on (a) using prior year's effective interest rate of <u>7.01%</u> except as otherwise provided (see instructions).....		94
c Total available at beginning of current plan year to add to prefunding balance		1433
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	495	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

14	Funding target attainment percentage.....	14	86.41 %
15	Adjusted funding target attainment percentage	15	86.41 %
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	87.24 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

18 Contributions made to the plan for the plan year by employer(s) and employees:

[illegible]

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	0
---	------------	---

C Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	38883172
--	-----	----------

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

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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
4.94%2nd segment:
6.15%3rd segment:
6.76%☐ N/A, full yield curve used**b** Applicable month (enter code).....**21b**

0

22 Weighted average retirement age**22**

62

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**

1668890

b Excess assets, if applicable, but not greater than line 31a**31b**

0

32 Amortization installments:**a** Net shortfall amortization installment.....

Outstanding Balance

Installment

46671100

17013179

b Waiver amortization installment

0

0

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

18682069

35 Balances elected for use to offset funding requirement.....

Carryover balance

Prefunding balance

Total balance

0

0

0

36 Additional cash requirement (line 34 minus line 35).....**36**

18682069

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....**37**

38883172

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

20201103

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances**38b**

0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)**39**

0

40 Unpaid minimum required contributions for all years**40**

0

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

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

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 62.

Group A**Retirement Rate for Cleveland Participants with 30+ Years of Credited Vesting Service**

(A) Retirement age	(B) Retirement percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	15%	100,000	15,000	825,000
56	15%	85,000	12,750	714,000
57	15%	72,250	10,838	617,738
58	15%	61,413	9,212	534,289
59	15%	52,201	7,830	461,976
60	15%	44,371	6,656	399,335
61	15%	37,715	5,657	345,092
62	40%	32,058	12,823	795,031
63	40%	19,235	7,694	484,713
64	40%	11,541	4,616	295,444
65	100%	6,924	6,924	450,090
Total			100,000	5,922,706
Average				59.23

Schedule SB, line 22 — Description of Weighted Average Retirement Age**Group B****Retirement Rate for Participants at all former Various Plan Locations except Cleveland Participants with 30+ Years of Credited Vesting Service**

(A) Retirement age	(B) Retirement percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	0%	100,000	0	0
56	0%	100,000	0	0
57	0%	100,000	0	0
58	0%	100,000	0	0
59	0%	100,000	0	0
60	10%	100,000	10,000	600,000
61	10%	90,000	9,000	549,000
62	20%	81,000	16,200	1,004,400
63	15%	64,800	9,720	612,360
64	15%	55,080	8,262	528,768
65	40%	46,818	18,727	1,217,268
66	40%	28,091	11,236	741,597
67	100%	16,854	16,854	1,129,250
Total			100,000	6,382,643
Average				63.83

Schedule SB, line 22 — Description of Weighted Average Retirement Age**Group C Retirement Rate for Participants of former Corporate Plan**

(A) Retirement age	(B) Retirement percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5%	100,000	5,000	275,000
56	5%	95,000	4,750	266,000
57	5%	90,250	4,513	257,213
58	5%	85,738	4,287	248,639
59	5%	81,451	4,073	240,279
60	15%	77,378	11,607	696,403
61	15%	65,771	9,866	601,808
62	15%	55,906	8,386	519,923
63	25%	47,520	11,880	748,437
64	25%	35,640	8,910	570,238
65	40%	26,730	10,692	694,977
66	40%	16,038	6,415	423,402
67	100%	9,623	9,623	644,725
Total				6,187,044
Average				61.87

Development of Average Retirement Age

	(1) Number of Active Participants	(2) Weighted Average Retirement Age	(3) (1) x (2)
Group A	51	59.23	3,020.73
Group B	210	63.83	13,404.30
Group C	617	61.87	38,173.79
Total	878		54,598.82

Item 22: Weighted Average Retirement Age = 62.19
Total (3) / Total (1)

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

Discount rate sponsor elections

- | | |
|-------------------------------------|---------|
| • Segment rates or full yield curve | Segment |
| • Look-back months | 0 |
| • First 5 years | 4.94% |
| • Next 15 years | 6.15% |
| • Over 20 years | 6.76% |
-

Mortality sponsor elections

- | | | |
|--------------------------|--|---|
| • Healthy participants | Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA. | |
| • Pre-1995 disabilities | None. | |
| • Post-1994 disabilities | <u>Former Corporate Plan</u>
Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits. | <u>Former Hourly Plan</u>
Same as healthy. |
-

Other economic assumptions

- | | |
|---------------------------------|---|
| • Salary increases | Not applicable. |
| • Flat-dollar benefit increases | Not applicable. |
| • Social Security wage base | Not applicable. |
| • Inflation | Not applicable. |
| • Expected investment return | 8.50% per year for years 2010 and 2011, 8.20% for 2012. |
| • Expenses | \$1,644,633 added to current year normal cost. |
-

Demographic assumptions

- | | | |
|--------------|--|--|
| • Withdrawal | <u>Former Corporate Plan</u>
See table of sample rates. | <u>Former Hourly Plan</u>
For employees with less than five years of service, 20% withdrawal rate is assumed for all ages. For employees with five to ten years of service, 10% withdrawal rate is assumed for all ages. For participants with more than ten years of service, see table of sample rates. |
|--------------|--|--|

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

- Disability incidence The assumed incidence of disability is based on rates from the 1985 Pension Disability Table, Class 1, for male and females. See table of sample rates. The assumed incidence of disability is based on rates from the 1985 Pension Disability Table, Class 3, for male and females. See table of sample rates.

- Retirement age for Former Corporate Plan

Attained age	Percentage
Under 55	0%
55	5%
56	5%
57	5%
58	5%
59	5%
60	15%
61	15%
62	15%
63	25%
64	25%
65	40%
66	40%
67 and above	100%

- Retirement age for Former Hourly Plan

Attained Age	All Employees (except Cleveland Participants with 30+ years of credit benefit service)	Attained Age	Cleveland Participants with 30+ years of credited benefit service
60	10.00%	55-59	15.00%
61	10.00%	60	15.00%
62	20.00%	61	15.00%
63	15.00%	62	40.00%
64	15.00%	63	40.00%
65	40.00%	64	40.00%
66	40.00%	65	100.00%
67	100.00%		

- Benefit commencement age for
 - Future vested deferred 65
 - Current vested deferred 65

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

Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
— Percentage married for Former Corporate Plan	70%	70%
— Percentage married for Former Hourly Plan	85%	85%
— Spouse age difference	3 years younger	3 years older
Form of payment for Former Corporate Plan	<u>Life annuity with 10 years certain</u>	<u>50% Joint & Survivor with 10 years certain</u>
Active retirements	30%	70%
Future vested deferred	30%	70%
Future disabilities	30%	70%
Future deaths	0%	100%
Current vested deferred	30%	70%
Form of payment for Former Hourly Plan	<u>Single life</u>	<u>50% J&S</u>
Active retirements	50%	50%
Future vested deferred	50%	50%
Future disabilities	100%	0%
Future deaths	0%	100%
Current vested deferred	50%	50%
100% of Cleveland participants are assumed to take a life annuity for active retirement, future vested deferred, and current vested deferred benefits.		
Unpredictable contingent event assumptions	Not applicable.	
At-risk assumptions		
Special retirement rates	Active and deferred inactive participants who are eligible for immediate retirement and withdrawal benefits in the first 11 plan years are assumed to 100% retire in the first year of eligibility following the valuation year.	
Most valuable form of payment	Participants who have not yet commenced benefits are assumed to take a single life annuity form of payment. Liabilities for Cleveland male participants are loaded 1% and Buffalo male participants are loaded 1.5% to adjust for their most valuable form of payment. There is no load for female participants or other groups.	

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Table of Sample Rates for Former Corporate Plan**

Attained Age	Percentage		
	Withdrawal	Disability incidence	
		Male	Female
20	24.00%	0.0290%	0.0300%
25	24.00	0.0380	0.0470
30	18.20	0.0480	0.0800
35	14.70	0.0690	0.1360
40	12.90	0.1170	0.2110
45	12.10	0.2020	0.3230
50	11.60	0.3580	0.5330
55	10.40	0.7220	0.9520
60	9.40	1.2560	1.1590
65	0.00	1.7530	1.3580

Table of Sample Rates for Former Hourly Plan

Attained age	Percentage		
	Withdrawal (with more than 10 years of service)	Disability incidence	
		Male	Female
20	12.30%	0.151%	0.089%
25	10.30%	0.219%	0.150%
30	8.20%	0.309%	0.252%
35	6.40%	0.431%	0.388%
40	5.00%	0.597%	0.547%
45	3.90%	0.829%	0.777%
50	3.00%	1.224%	1.201%
55	2.30%	2.118%	1.962%
60	1.70%	3.240%	2.326%
65	0.00%	4.369%	2.718%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Methods for Funding*****Asset Methods***

The asset valuation method is an average of the adjusted market value for each year during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

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

Participant Methods

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

- **Participants included:** The plan sponsor provides us with data for only those employees who have completed the plan's eligibility requirements and are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** Liabilities and assets from insurance contracts have been included in the valuation.

Minimum Funding Methods

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

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- This plan provides benefits that are not a function of a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the ratio of the participant's service at the beginning of the plan year to their service at each decrement age and is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.

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

- This plan provides disability/death benefits that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

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

Effective date and plan year	<u>Former Corporate Plan</u> Original plan: December 31, 1976 Restated plan: December 31, 1997 Plan year: the twelve-month period commencing each January 1 and terminating each subsequent December 31	<u>Former Hourly Plan</u> Original plan: January 1, 1981 Restated plan: January 1, 1997 Plan year: the twelve-month period commencing each January 1 and terminating each subsequent December 31
Status of the plan	The plan is frozen to all new participants and benefit accruals are frozen for all locations.	
Significant events that occurred during the year	The Ferro Corporation Retirement Plan and the Retirement Plan for Hourly-Rate Employees of Ferro Corporation at Various plants merged as of 5/31/2012 to form the Ferro Corporation Pension Plan.	

Definitions

- Covered employees**

All hourly employees of the Toccoa, Orrville, Edison (PDI), Shreve (Diamonite), Evansville, Stryker, Baton Rouge, Penn Yan, Wayside, Walton Hills, Buffalo, and Crooksville plants of Ferro Corporation (other than leased workers and independent contractors).

All bargaining unit employees of the Cleveland, East 56th Plant of Ferro Corporation, who have completed one year of credited vesting service.

Any salaried covered employee, plus members of certain groups of hourly paid employees hired before July 1, 2003

Locations closed to new participants:

Location Name	Closed to new participants after:
Baton Rouge	December 31, 2007
Buffalo	October 30, 1992
Cleveland (E. 56th St.)	October 12, 1998
Crooksville	June 29, 2003
East Liverpool	October 31, 2002
Edison	December 31, 2007
Evansville	December 31, 2007
Niagara Falls	August 26, 2001
Orrville	December 31, 2010
Penn Yan	December 31, 2007
Stryker	April 26, 1999
Toccoa	January 23, 2001
Wayside	June 30, 2004
Walton Hills	September 10, 2005

Schedule SB, Part V — Summary of Plan Provisions

All locations are closed as of December 31, 2010.

• Employee contributions	<u>Baton Rouge Participants:</u> Effective September 1, 1990, employee contributions shall no longer be permitted <u>Niagara Falls Participants:</u> For periods on and after November 1, 2001, each active participant employed at the employer's Niagara Falls, New York plant shall contribute toward the cost of his benefits \$28.00 for each of the first 180 months of his participation in the plan. <u>All other locations:</u> Participants shall make no contributions under the plan.	
• Service considered	<u>For the Crooksville location:</u> All service measured in full and fractional years from the employee's last hiring date. For Service prior to June 1, 1976, a full year was earned for each year with at least 1,600 hours. A fractional year was earned if hours worked were between 400 and 1,600. No service was credited for less than 400 hours. For Service after June 1, 1976, a full year is earned for each year with at least 1,000 hours. A fractional year is earned if hours worked are between 250 and 1,000. No service is credited for less than 250 hours. For past service before June 1, 1969, Service is limited to 25 years. Benefit accruals were frozen on June 29, 2003 for Crooksville, and October 31, 2002 for East Liverpool. <u>For all other locations:</u> All service measured in full and fractional years from the employee's last hiring date. All benefit accruals are frozen as of December 31, 2010.	
• Pensionable earnings	<u>Former Corporate Plan</u> Includes regular salary or wages and overtime, but excludes bonuses, commissions, and incentive pay	<u>Former Hourly Plan</u> Earnings are defined as all wages including incentive compensation and reduced for certain reimbursements and fringe benefits. Earnings are limited in accordance with Internal Revenue Code Section 401(a)(17).
• Final average earnings	<u>Former Corporate Plan</u> Highest average monthly basic compensation over any 5 consecutive calendar years of employment. If compensation in the year of termination or retirement is used, the final rate of pay is projected to the end of the year	<u>Former Hourly Plan</u> Highest 60 consecutive calendar months of Earnings, divided by 60.

Schedule SB, Part V — Summary of Plan Provisions

Accrued benefit for Former Corporate Plan	The product of (i) and (ii): i. the greater of 60% of Credited Basic Compensation minus 50% of the Primary Social Security Benefit, and \$750; and ii. The fraction whose numerator is Credited Benefit Service at the determination date (not greater than 30), and whose denominator is 30. Benefit accruals are frozen as of March 31, 2006. Former TAM Plan participants: benefits previously earned under the TAM Plan based on credited service accrued under that plan, plus benefits earned under the Retirement Plan based on credited service accrued after December 31, 1999. Former DMC2 Plan participants: benefits previously earned under the DMC2 Plan based on credited service accrued under that plan, plus benefits earned under the Retirement Plan based on credited service accrued after September 7, 2001.
Accrued benefit for Former Hourly Plan	<u>For the Penn Yan plant:</u> Greater of \$36.00 or 1.1% of average monthly earnings, multiplied by Credited Benefit Service at any date of determination. Average monthly earnings are computed by dividing total earnings for the 60 full consecutive calendar months prior to termination by 60. Special rules apply if the participant has worked fewer than 60 months, or if breaks in service have occurred. <u>For the Cleveland location:</u> Average monthly earnings times 33% plus 1.2% for each year of service in excess of 30 if 30 or more years of service, or 1.1% for each year of service if less than 30. This amount determined above is then increased by 15% effective October 12, 1993. Average monthly earnings times present benefit level based on years of service. <u>Minimum pension for Cleveland location equal to:</u> \$17.50 for each of the 1st 15 years of service plus \$19.00 for each of the next 15 years plus \$20.50 for each additional year

Schedule SB, Part V — Summary of Plan Provisions

- Accrued benefit for Former Hourly Plan (continued)

For all other locations

The accrued benefit is service multiplied by the appropriate benefit level outlined below:

Plant	Level	Effective
Baton Rouge:	\$21.50	July 4, 1999
	\$23.50	July 2, 2000
Buffalo: (sold location)	\$25.00	August 28, 1992
Crooksville:	\$32.50	December 1, 1999
(sold location)	\$34.00	December 1, 2000
	\$36.00	December 1, 2001
	\$36.50	December 1, 2002
	\$37.00	December 1, 2003
East Liverpool:	\$27.50	June 24, 2000
(sold location)	\$29.50	June 24, 2001
	\$30.50	June 24, 2002
Edison (PDI):	\$27.50	June 1, 1998
Stryker:	\$22.50	April 19, 2001
	\$23.50	April 19, 2002
	\$24.50	April 19, 2003
	\$25.50	April 19, 2004
Evansville:	\$15.50	January 1, 1995
	\$18.00	January 1, 2001
Niagara Falls:	\$36.00	November 1, 2000
(sold location)	\$37.00	November 1, 2002
	\$38.00	November 1, 2003
	\$39.00	November 1, 2004
	\$40.00	November 1, 2005
Orrville:	\$21.00	December 10, 2000
	\$23.00	December 10, 2001
	\$24.00	December 10, 2002
	\$25.00	December 10, 2003
	\$27.00	December 10, 2004
Toccoa:	\$14.50	January 1, 1998
Wayside:	\$25.00	July 1, 2003
Walton Hills:	\$35.00	September 10, 1999
	\$38.00	September 10, 2000
	\$41.00	September 10, 2001
	\$45.00	September 10, 2002
	\$50.00	September 10, 2003

Schedule SB, Part V — Summary of Plan Provisions

Accrued benefit for Former Hourly Plan (continued)	Locations where benefit accruals were frozen and the effective date of the freeze are summarized as follows:	
	Location Name	Effective Date:
	Buffalo	October 30, 1992
	Toccoa	February 10, 2001
	Cleveland (E. 56th St.)	August 31, 2007
	Penn Yan	December 31, 2007
	Edison	December 31, 2007
	Baton Rouge	December 31, 2007
	Evansville	December 31, 2007
	Wayside	December 31, 2007
	Stryker	December 31, 2008
	Walton Hills	December 31, 2008
	Orrville	December 31, 2010
Normal retirement		
Eligibility	First of the month coinciding with or next following 65th birthday. (For Cleveland, 30 years of service regardless of age)	
Benefit	Accrued benefit, payable on the normal retirement date	
Early retirement		
Eligibility	<u>Former Corporate Plan</u> Age 55 with 10 years of vesting service	<u>Former Hourly Plan</u> Age 55 with 10 years of vesting service, except as noted below: <u>For the Buffalo, Cleveland, and Niagara Falls plants:</u> Age 60 with 15 years of Credited Vesting Service <u>For the Baton Rouge plant:</u> Age 60 with 10 years of Credited Vesting Service <u>For the Walton Hills plant:</u> Age 60 with 5 years of Credited Vesting Service

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	<u>Former Corporate Plan Non-DMC2 participants:</u> The Accrued Benefit, fractionally reduced by 1/2% per month for each month prior to age 65 to a maximum of 30%, plus 1/3% per month for each month prior to age 60. <u>DMC2 participants:</u> The Accrued Benefit, fractionally reduced by 1/4% per month for each month prior to age 65.	<u>Former Hourly Plan For the Baton Rouge and Crooksville plants Retirements:</u> Accrued benefit, deferred to age 65 or reduced amount (by 5/9 of 1% for each month early) starting immediately. <u>For the Cleveland plant Retirements:</u> Accrued benefit, deferred to age sixty-five or actuarially reduced amount starting immediately. <u>For the Wayside plant Retirements:</u> Accrued benefit, deferred to age sixty-five or reduced amount (by 5/9ths of 1% for each month early up to 60 and by 5/18ths of 1% for each month early in excess of 60). <u>For Walton Hills plant Retirements:</u> Accrued benefit, deferred to age sixty-five or starting immediately, reduced by 1/4 of a percent for each month benefits start before age sixty-five. <u>For all other plants Retirements:</u> Accrued benefit, deferred to age 65 or reduced amount (by .5% for each month early) starting immediately.
Deferred vested		
• Eligibility	Five years of vesting service.	
• Benefit	Accrued benefit at termination, payable at age 65.	

Schedule SB, Part V — Summary of Plan Provisions

Disability		
• Eligibility	<u>Former Corporate Plan</u> Ten years of vesting service.	<u>Former Hourly Plan</u> <u>For the Crooksville, Wayside, and Walton Hills plants:</u> Totally and permanently disabled with at least 5 years of Credited Vesting Service. <u>For the Cleveland plant:</u> Totally and permanently disabled with at least 15 years of Credited Vesting Service. <u>For all other plants:</u> Totally and permanently disabled with at least 10 years of Credited Vesting Service.
• Benefit	<u>Former Corporate Plan</u> Accrued benefit as of the termination date.	<u>Former Hourly Plan</u> <u>For the Cleveland plant:</u> Accrued benefit as of date of disability increased by \$230/mo. until age 62 and unreduced for early commencement. <u>For all other plants:</u> Accrued benefit as of date of disability unreduced for early commencement.
Pre-retirement death		
• Eligibility	Five years of vesting service.	

Schedule SB, Part V — Summary of Plan Provisions

Primary death benefit	<u>Former Corporate Plan</u> Ten years certain annuity, payable to the named beneficiary on the earliest date the participant would have been eligible to receive a benefit (or deferred to no later than the participant's Normal Retirement Date). In the event of the death of an active vested participant, the monthly payments will equal the amount the participant would have been eligible to receive on the Commencement Date had employment been terminated on the date of death. Otherwise, the benefit will equal the amount the participant would have been eligible to receive on the Commencement Date had the death not occurred.	<u>Former Hourly Plan</u> The benefit is equal to one-half of the benefit the employee could have received by electing early retirement payments under a 50% joint and survivor option commencing on the earliest retirement age. This benefit will commence following the month in which the earliest retirement age occurs and will continue until the death of the spouse.
Supplemental spouse's benefit	<u>Former Corporate Plan</u> Single life annuity payable to the Qualified Spouse, equal to one-half of the Primary Death Benefit amount, commencing with the month following the final payment of the Primary Death Benefit.	<u>Former Hourly Plan</u> <u>For the Cleveland Plant only:</u> An employee with 15 years of service who is eligible to retire with an immediate benefit, or a participant who is receiving retirement benefits, who at the date of death has been married to his spouse continuously for one year will be entitled to a supplemental spouse's death benefit. The benefit will be equal to one-half of the accrued benefit as of the date of death. The benefit will commence following the month in which death occurs and will continue until the month in which the death of the spouse occurs.
Form of benefits		
Automatic form for unmarried participants	<u>Former Corporate Plan</u> Ten year certain and life.	<u>Former Hourly Plan</u> Single life annuity.
Automatic form for married participants	Joint and 50% Survivor with ten years certain.	Joint and 50% survivor annuity.

Schedule SB, Part V — Summary of Plan Provisions

• Optional forms	<u>Former Corporate Plan</u>	<u>Former Hourly Plan</u>
	• Joint and 75% Survivor. No other optional forms are available, except as follows: • TAM participants (only with respect to the TAM portion of the accrued benefit): • Life annuity, 10 year certain and life annuity, life and 50% or 100% continued. • DMC2 participants (only with respect to the DMC2 portion of the accrued benefit): • Life annuity; Joint and 50% or 100% Survivor; 5, 10, or 15 years certain and life annuity; life with level income annuity. DMC2 participants who are former participants in the Degussa Corporation Retirement Plan have further options available.	• Optional forms differ by location: • Joint and Survivor-Full, Two-thirds, or half. • Niagara Falls participants also have the option of Joint and Survivor–specified percentage where the specified percentage is between 50% and 100%. • Penn Yan participants also have the option of Ten or Five years certain.

Schedule SB, Part V — Summary of Plan Provisions

Optional form conversion factors	<u>Former Corporate Plan</u> - Interest - "applicable interest rate" under code Section 417(e)(3)(C), which is the adjusted first, second, and third segment rates applied under rules similar to the rules of Code Section 430(h)(2)(C) for the second full calendar month immediately preceding the start of the calendar quarter in which the distribution is made. - Mortality - the applicable mortality table published by the Internal Revenue Service under Code Section 417(e)(3). - TAM participants use an interest rate of 7%. - DMC2 participants use adjustment factors from the normal form of a life annuity.	<u>Former Hourly Plan</u> <u>For the Buffalo and Cleveland plants:</u> Amount of an alternative form of benefit (other than a lump sum) which has a value equivalent to the benefit or benefits otherwise payable under the plan, computed on the basis of an 8% compound annual interest rate and the 1971 Group Annuity Mortality Table with a two-year set-back for males and an eight-year set-back for females. <u>For the Crooksville plant:</u> Amount of an alternative form of benefit (other than a lump sum) which has a value equivalent to the benefit or benefits otherwise payable under the plan, computed on the basis of a 2.5% compound annual interest rate and the 1951 Group Annuity Table with six-year set-back. <u>All other members of the Former Hourly Plan:</u> Amount of an alternative form of benefit (other than a lump sum) which has a value equivalent to the benefit or benefits otherwise payable under the plan, computed on the basis of a 7% compound annual interest rate and the Unisex Pension 1984 Mortality Table with no year set-back.
Miscellaneous		
Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2013, the limit is \$205,000.	

Schedule SB, Part V — Summary of Plan Provisions***Benefits Included or Excluded***

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

- **Most recent plan amendments included:** Amendment #6 is included because it was adopted by the valuation date.
- **Plan amendments excluded:** None
- **Late retirement increases:**
 - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½. This valuation includes increases for current participants over age 70.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Sections 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

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

- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes Since Prior Valuation

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

Effective May 31, 2012, the Corporate Plan was merged into the Various Plan, creating the Ferro Corporation Pension Plan. This change did not affect benefits available to any participants.

Schedule SB, line 24 — Change in Actuarial Assumptions

- The expense component of normal cost increased from \$1,387,002 to \$1,644,633 to reflect our expectations for the current plan year.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											0
25–29											0
30–34		1	5								6
35–39		2	31	2							35
40–44		6	54	16	6						82
45–49		1	67	25	36	17	2				148
50–54		8	82	26	31	37	19	2			205
55–59		5	95	12	24	19	28	18			201
60–64		7	67	10	12	13	11	27			147
65–69		2	32	2	3	5	3	5	1		53
70 & up			1								1
Total	0	32	434	93	112	91	63	52	1	0	878

In each cell, the number is the count of active participants for each age/service combination.

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2013 Installment
2008	\$	14,768,721	2	\$ 7,562,340
2009		8,895,756	3	3,109,317
2010		18,430,040	4	4,945,909
2011		29,096,489	5	6,393,554
2012		(41,095,738)	6	(7,764,314)
2013		16,575,832	7	2,766,373
Total	\$	46,671,100		\$ 17,013,179

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

Effective date and plan year	<u>Former Corporate Plan</u> Original plan: December 31, 1976 Restated plan: December 31, 1997 Plan year: the twelve-month period commencing each January 1 and terminating each subsequent December 31	<u>Former Hourly Plan</u> Original plan: January 1, 1981 Restated plan: January 1, 1997 Plan year: the twelve-month period commencing each January 1 and terminating each subsequent December 31
Status of the plan	The plan is frozen to all new participants and benefit accruals are frozen for all locations.	
Significant events that occurred during the year	The Ferro Corporation Retirement Plan and the Retirement Plan for Hourly-Rate Employees of Ferro Corporation at Various plants merged as of 5/31/2012 to form the Ferro Corporation Pension Plan.	

Definitions

- Covered employees**

All hourly employees of the Toccoa, Orrville, Edison (PDI), Shreve (Diamonite), Evansville, Stryker, Baton Rouge, Penn Yan, Wayside, Walton Hills, Buffalo, and Crooksville plants of Ferro Corporation (other than leased workers and independent contractors).

All bargaining unit employees of the Cleveland, East 56th Plant of Ferro Corporation, who have completed one year of credited vesting service.

Any salaried covered employee, plus members of certain groups of hourly paid employees hired before July 1, 2003

Locations closed to new participants:

Location Name	Closed to new participants after:
Baton Rouge	December 31, 2007
Buffalo	October 30, 1992
Cleveland (E. 56th St.)	October 12, 1998
Crooksville	June 29, 2003
East Liverpool	October 31, 2002
Edison	December 31, 2007
Evansville	December 31, 2007
Niagara Falls	August 26, 2001
Orrville	December 31, 2010
Penn Yan	December 31, 2007
Stryker	April 26, 1999
Toccoa	January 23, 2001
Wayside	June 30, 2004
Walton Hills	September 10, 2005

Schedule SB, Part V — Summary of Plan Provisions

All locations are closed as of December 31, 2010.

• Employee contributions	<u>Baton Rouge Participants:</u> Effective September 1, 1990, employee contributions shall no longer be permitted <u>Niagara Falls Participants:</u> For periods on and after November 1, 2001, each active participant employed at the employer's Niagara Falls, New York plant shall contribute toward the cost of his benefits \$28.00 for each of the first 180 months of his participation in the plan. <u>All other locations:</u> Participants shall make no contributions under the plan.	
• Service considered	<u>For the Crooksville location:</u> All service measured in full and fractional years from the employee's last hiring date. For Service prior to June 1, 1976, a full year was earned for each year with at least 1,600 hours. A fractional year was earned if hours worked were between 400 and 1,600. No service was credited for less than 400 hours. For Service after June 1, 1976, a full year is earned for each year with at least 1,000 hours. A fractional year is earned if hours worked are between 250 and 1,000. No service is credited for less than 250 hours. For past service before June 1, 1969, Service is limited to 25 years. Benefit accruals were frozen on June 29, 2003 for Crooksville, and October 31, 2002 for East Liverpool. <u>For all other locations:</u> All service measured in full and fractional years from the employee's last hiring date. All benefit accruals are frozen as of December 31, 2010.	
• Pensionable earnings	<u>Former Corporate Plan</u> Includes regular salary or wages and overtime, but excludes bonuses, commissions, and incentive pay	<u>Former Hourly Plan</u> Earnings are defined as all wages including incentive compensation and reduced for certain reimbursements and fringe benefits. Earnings are limited in accordance with Internal Revenue Code Section 401(a)(17).
• Final average earnings	<u>Former Corporate Plan</u> Highest average monthly basic compensation over any 5 consecutive calendar years of employment. If compensation in the year of termination or retirement is used, the final rate of pay is projected to the end of the year	<u>Former Hourly Plan</u> Highest 60 consecutive calendar months of Earnings, divided by 60.

Schedule SB, Part V — Summary of Plan Provisions

Accrued benefit for Former Corporate Plan	The product of (i) and (ii): i. the greater of 60% of Credited Basic Compensation minus 50% of the Primary Social Security Benefit, and \$750; and ii. The fraction whose numerator is Credited Benefit Service at the determination date (not greater than 30), and whose denominator is 30. Benefit accruals are frozen as of March 31, 2006. Former TAM Plan participants: benefits previously earned under the TAM Plan based on credited service accrued under that plan, plus benefits earned under the Retirement Plan based on credited service accrued after December 31, 1999. Former DMC2 Plan participants: benefits previously earned under the DMC2 Plan based on credited service accrued under that plan, plus benefits earned under the Retirement Plan based on credited service accrued after September 7, 2001.
Accrued benefit for Former Hourly Plan	<u>For the Penn Yan plant:</u> Greater of \$36.00 or 1.1% of average monthly earnings, multiplied by Credited Benefit Service at any date of determination. Average monthly earnings are computed by dividing total earnings for the 60 full consecutive calendar months prior to termination by 60. Special rules apply if the participant has worked fewer than 60 months, or if breaks in service have occurred. <u>For the Cleveland location:</u> Average monthly earnings times 33% plus 1.2% for each year of service in excess of 30 if 30 or more years of service, or 1.1% for each year of service if less than 30. This amount determined above is then increased by 15% effective October 12, 1993. Average monthly earnings times present benefit level based on years of service. <u>Minimum pension for Cleveland location equal to:</u> \$17.50 for each of the 1st 15 years of service plus \$19.00 for each of the next 15 years plus \$20.50 for each additional year

Schedule SB, Part V — Summary of Plan Provisions

- Accrued benefit for Former Hourly Plan (continued)

For all other locations

The accrued benefit is service multiplied by the appropriate benefit level outlined below:

Plant	Level	Effective
Baton Rouge:	\$21.50	July 4, 1999
	\$23.50	July 2, 2000
Buffalo: (sold location)	\$25.00	August 28, 1992
Crooksville:	\$32.50	December 1, 1999
(sold location)	\$34.00	December 1, 2000
	\$36.00	December 1, 2001
	\$36.50	December 1, 2002
	\$37.00	December 1, 2003
East Liverpool:	\$27.50	June 24, 2000
(sold location)	\$29.50	June 24, 2001
	\$30.50	June 24, 2002
Edison (PDI):	\$27.50	June 1, 1998
Stryker:	\$22.50	April 19, 2001
	\$23.50	April 19, 2002
	\$24.50	April 19, 2003
	\$25.50	April 19, 2004
Evansville:	\$15.50	January 1, 1995
	\$18.00	January 1, 2001
Niagara Falls:	\$36.00	November 1, 2000
(sold location)	\$37.00	November 1, 2002
	\$38.00	November 1, 2003
	\$39.00	November 1, 2004
	\$40.00	November 1, 2005
Orrville:	\$21.00	December 10, 2000
	\$23.00	December 10, 2001
	\$24.00	December 10, 2002
	\$25.00	December 10, 2003
	\$27.00	December 10, 2004
Toccoa:	\$14.50	January 1, 1998
Wayside:	\$25.00	July 1, 2003
Walton Hills:	\$35.00	September 10, 1999
	\$38.00	September 10, 2000
	\$41.00	September 10, 2001
	\$45.00	September 10, 2002
	\$50.00	September 10, 2003

Schedule SB, Part V — Summary of Plan Provisions

Accrued benefit for Former Hourly Plan (continued)	Locations where benefit accruals were frozen and the effective date of the freeze are summarized as follows:	
	Location Name	Effective Date:
	Buffalo	October 30, 1992
	Toccoa	February 10, 2001
	Cleveland (E. 56th St.)	August 31, 2007
	Penn Yan	December 31, 2007
	Edison	December 31, 2007
	Baton Rouge	December 31, 2007
	Evansville	December 31, 2007
	Wayside	December 31, 2007
	Stryker	December 31, 2008
	Walton Hills	December 31, 2008
	Orrville	December 31, 2010
Normal retirement		
Eligibility	First of the month coinciding with or next following 65th birthday. (For Cleveland, 30 years of service regardless of age)	
Benefit	Accrued benefit, payable on the normal retirement date	
Early retirement		
Eligibility	<u>Former Corporate Plan</u> Age 55 with 10 years of vesting service	<u>Former Hourly Plan</u> Age 55 with 10 years of vesting service, except as noted below: <u>For the Buffalo, Cleveland, and Niagara Falls plants:</u> Age 60 with 15 years of Credited Vesting Service <u>For the Baton Rouge plant:</u> Age 60 with 10 years of Credited Vesting Service <u>For the Walton Hills plant:</u> Age 60 with 5 years of Credited Vesting Service

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	<u>Former Corporate Plan Non-DMC2 participants:</u> The Accrued Benefit, fractionally reduced by 1/2% per month for each month prior to age 65 to a maximum of 30%, plus 1/3% per month for each month prior to age 60. <u>DMC2 participants:</u> The Accrued Benefit, fractionally reduced by 1/4% per month for each month prior to age 65.	<u>Former Hourly Plan For the Baton Rouge and Crooksville plants Retirements:</u> Accrued benefit, deferred to age 65 or reduced amount (by 5/9 of 1% for each month early) starting immediately. <u>For the Cleveland plant Retirements:</u> Accrued benefit, deferred to age sixty-five or actuarially reduced amount starting immediately. <u>For the Wayside plant Retirements:</u> Accrued benefit, deferred to age sixty-five or reduced amount (by 5/9ths of 1% for each month early up to 60 and by 5/18ths of 1% for each month early in excess of 60). <u>For Walton Hills plant Retirements:</u> Accrued benefit, deferred to age sixty-five or starting immediately, reduced by 1/4 of a percent for each month benefits start before age sixty-five. <u>For all other plants Retirements:</u> Accrued benefit, deferred to age 65 or reduced amount (by .5% for each month early) starting immediately.
Deferred vested		
• Eligibility	Five years of vesting service.	
• Benefit	Accrued benefit at termination, payable at age 65.	

Schedule SB, Part V — Summary of Plan Provisions

Disability		
• Eligibility	<u>Former Corporate Plan</u> Ten years of vesting service.	<u>Former Hourly Plan</u> <u>For the Crooksville, Wayside, and Walton Hills plants:</u> Totally and permanently disabled with at least 5 years of Credited Vesting Service. <u>For the Cleveland plant:</u> Totally and permanently disabled with at least 15 years of Credited Vesting Service. <u>For all other plants:</u> Totally and permanently disabled with at least 10 years of Credited Vesting Service.
• Benefit	<u>Former Corporate Plan</u> Accrued benefit as of the termination date.	<u>Former Hourly Plan</u> <u>For the Cleveland plant:</u> Accrued benefit as of date of disability increased by \$230/mo. until age 62 and unreduced for early commencement. <u>For all other plants:</u> Accrued benefit as of date of disability unreduced for early commencement.
Pre-retirement death		
• Eligibility	Five years of vesting service.	

Schedule SB, Part V — Summary of Plan Provisions

Primary death benefit	<u>Former Corporate Plan</u> Ten years certain annuity, payable to the named beneficiary on the earliest date the participant would have been eligible to receive a benefit (or deferred to no later than the participant's Normal Retirement Date). In the event of the death of an active vested participant, the monthly payments will equal the amount the participant would have been eligible to receive on the Commencement Date had employment been terminated on the date of death. Otherwise, the benefit will equal the amount the participant would have been eligible to receive on the Commencement Date had the death not occurred.	<u>Former Hourly Plan</u> The benefit is equal to one-half of the benefit the employee could have received by electing early retirement payments under a 50% joint and survivor option commencing on the earliest retirement age. This benefit will commence following the month in which the earliest retirement age occurs and will continue until the death of the spouse.
Supplemental spouse's benefit	<u>Former Corporate Plan</u> Single life annuity payable to the Qualified Spouse, equal to one-half of the Primary Death Benefit amount, commencing with the month following the final payment of the Primary Death Benefit.	<u>Former Hourly Plan</u> <u>For the Cleveland Plant only:</u> An employee with 15 years of service who is eligible to retire with an immediate benefit, or a participant who is receiving retirement benefits, who at the date of death has been married to his spouse continuously for one year will be entitled to a supplemental spouse's death benefit. The benefit will be equal to one-half of the accrued benefit as of the date of death. The benefit will commence following the month in which death occurs and will continue until the month in which the death of the spouse occurs.
Form of benefits		
Automatic form for unmarried participants	<u>Former Corporate Plan</u> Ten year certain and life.	<u>Former Hourly Plan</u> Single life annuity.
Automatic form for married participants	Joint and 50% Survivor with ten years certain.	Joint and 50% survivor annuity.

Schedule SB, Part V — Summary of Plan Provisions

Optional forms	<u>Former Corporate Plan</u>	<u>Former Hourly Plan</u>
	- Joint and 75% Survivor. No other optional forms are available, except as follows: - TAM participants (only with respect to the TAM portion of the accrued benefit): - Life annuity, 10 year certain and life annuity, life and 50% or 100% continued. - DMC2 participants (only with respect to the DMC2 portion of the accrued benefit): - Life annuity; Joint and 50% or 100% Survivor; 5, 10, or 15 years certain and life annuity; life with level income annuity. DMC2 participants who are former participants in the Degussa Corporation Retirement Plan have further options available.	- Optional forms differ by location: - Joint and Survivor-Full, Two-thirds, or half. - Niagara Falls participants also have the option of Joint and Survivor–specified percentage where the specified percentage is between 50% and 100%. - Penn Yan participants also have the option of Ten or Five years certain.

Schedule SB, Part V — Summary of Plan Provisions

Optional form conversion factors	<u>Former Corporate Plan</u> - Interest - "applicable interest rate" under code Section 417(e)(3)(C), which is the adjusted first, second, and third segment rates applied under rules similar to the rules of Code Section 430(h)(2)(C) for the second full calendar month immediately preceding the start of the calendar quarter in which the distribution is made. - Mortality - the applicable mortality table published by the Internal Revenue Service under Code Section 417(e)(3). - TAM participants use an interest rate of 7%. - DMC2 participants use adjustment factors from the normal form of a life annuity.	<u>Former Hourly Plan</u> <u>For the Buffalo and Cleveland plants:</u> Amount of an alternative form of benefit (other than a lump sum) which has a value equivalent to the benefit or benefits otherwise payable under the plan, computed on the basis of an 8% compound annual interest rate and the 1971 Group Annuity Mortality Table with a two-year set-back for males and an eight-year set-back for females. <u>For the Crooksville plant:</u> Amount of an alternative form of benefit (other than a lump sum) which has a value equivalent to the benefit or benefits otherwise payable under the plan, computed on the basis of a 2.5% compound annual interest rate and the 1951 Group Annuity Table with six-year set-back. <u>All other members of the Former Hourly Plan:</u> Amount of an alternative form of benefit (other than a lump sum) which has a value equivalent to the benefit or benefits otherwise payable under the plan, computed on the basis of a 7% compound annual interest rate and the Unisex Pension 1984 Mortality Table with no year set-back.
Miscellaneous		
Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2013, the limit is \$205,000.	

Schedule SB, Part V — Summary of Plan Provisions***Benefits Included or Excluded***

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

- **Most recent plan amendments included:** Amendment #6 is included because it was adopted by the valuation date.
- **Plan amendments excluded:** None
- **Late retirement increases:**
 - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½. This valuation includes increases for current participants over age 70.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Sections 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

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

- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes Since Prior Valuation

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

Effective May 31, 2012, the Corporate Plan was merged into the Various Plan, creating the Ferro Corporation Pension Plan. This change did not affect benefits available to any participants.

FERRO CORPORATION PENSION PLAN

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

EIN: 34-0217820

PLAN NO: 028

DECEMBER 31, 2013

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment	Cost	Current value
* Ferro Corporation Stock		Common Equity Security	\$ 6,395,700	\$ 3,632,186
* Prudential Retirement Insurance & Annuity Company		General Account	768,768	768,768
* Aetna Life and Casualty Insurance Company		Group Annuity Contract GA-2951	1,284,756	1,284,756
	Prime Obligation Fund	Money Market Fund	7,353,097	7,353,097
* Prudential Retirement Insurance & Annuity Company		Pooled Separate Accounts	2,710,249	3,892,443
* SEI Core Property Co. Investment		Real Estate Fund	15,678,496	15,678,496
* SEI Large Cap Fund		Registered Investment Company	105,940,190	131,542,183
* SEI World Equity Ex-US Fund		Registered Investment Company	58,949,852	72,682,127
* SEI Long Duration Corporate Bond-A		Registered Investment Company	41,810,455	37,166,740
* SEI High Yield Bond Fund		Registered Investment Company	18,591,847	18,675,763
* SEI Emerging Markets Debt Fund		Registered Investment Company	15,131,159	12,714,072
* SEI Small Cap Fund		Registered Investment Company	12,051,754	18,138,301
* SEI Core Fixed Income Fund		Registered Investment Company	16,230,702	15,802,465
	U.S. Treasury Strips Z-CPN 11/15/20	U.S. Government Security	2,128,723	2,143,023
	U.S. Treasury Strips Z-CPN 11/15/23	U.S. Government Security	4,523,035	4,536,031
	U.S. Treasury Strips Z-CPN 11/15/28	U.S. Government Security	4,519,976	4,491,774
	U.S. Treasury Strips Z-CPN 5/15/33	U.S. Government Security	1,857,535	1,830,185
	U.S. Treasury Strips Z-CPN 8/15/43	U.S. Government Security	2,126,589	2,046,939
			<u>\$ 318,052,883</u>	<u>\$ 354,379,349</u>

* Indicates party-in-interest to the Plan

See accompanying notes to financial statements.

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2013 Installment
2008	\$	14,768,721	2	\$ 7,562,340
2009		8,895,756	3	3,109,317
2010		18,430,040	4	4,945,909
2011		29,096,489	5	6,393,554
2012		(41,095,738)	6	(7,764,314)
2013		16,575,832	7	2,766,373
Total	\$	46,671,100		\$ 17,013,179

Schedule SB, line 24 — Change in Actuarial Assumptions

- The expense component of normal cost increased from \$1,387,002 to \$1,644,633 to reflect our expectations for the current plan year.