

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

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>SECO TOOLS INC. EMPLOYEES PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>003</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>10/01/1987</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>003</u>	1c Effective date of plan <u>10/01/1987</u>	
1b Three-digit plan number (PN) ▶	<u>003</u>				
1c Effective date of plan <u>10/01/1987</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>SECO TOOLS INC.</u> <u>2805 BELLINGHAM DR</u> <u>TROY, MI 48083-2046</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>38-2756676</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>248-528-5200</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>38-2756676</u>	2c Sponsor's telephone number <u>248-528-5200</u>	2d Business code (see instructions) <u>332900</u>	
2b Employer Identification Number (EIN) <u>38-2756676</u>					
2c Sponsor's telephone number <u>248-528-5200</u>					
2d Business code (see instructions) <u>332900</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2014	MICHAEL NEEL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2014	MICHAEL NEEL
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		3c Administrator's telephone number 4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year		5	1070
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	210
b Retired or separated participants receiving benefits		6b	410
c Other retired or separated participants entitled to future benefits.....		6c	324
d Subtotal. Add lines 6a , 6b , and 6c		6d	944
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e	105
f Total. Add lines 6d and 6e		6f	1049
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1E 3H			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☐ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☐ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>1</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 <hr/> Department of Labor Employee Benefits Security Administration <hr/> 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 SECO TOOLS INC. EMPLOYEES PENSION PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 SECO TOOLS INC.	D Employer Identification Number (EIN) 38-2756676	

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

PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	519967	1049	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
31155	29819

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

ASHTON YOUNG INC
2150 BUTTERFIELD
STE 110
TROY, MI 48084

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
31155	29819	PRORATED INCENTIVE, NOT DEDUCTED FROM PLAN	3

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(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	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	67406091

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

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. 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	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	
(4) Transferred from separate account	7c(4)	
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions	7c(6)	
d Total of balance and additions (add lines 7b and 7c(6))	7d	
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account	7e(3)	
(4) Other (specify below)	7e(4)	
▶		
(5) Total deductions	7e(5)	
f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Specify nature of costs ▶

Part IV Provision of Information

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

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

SCHEDULE 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>SECO TOOLS INC. EMPLOYEES PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>SECO TOOLS INC.</u>	D Employer Identification Number (EIN) <u>38-2756676</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>59445512</u>
b Actuarial value	2b <u>58506058</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>505</u> <u>25083066</u>
b For terminated vested participants.....	3b <u>336</u> <u>10339717</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>542917</u>
(2) Vested benefits	3c(2) <u>21534397</u>
(3) Total active.....	3c(3) <u>242</u> <u>22077314</u>
d Total.....	3d <u>1083</u> <u>57500097</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>6.34 %</u>
6 Target normal cost	6 <u>1518662</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>09/11/2014</u>
	Signature of actuary	Date
<u>GREGORY C. SHANE</u>	Type or print name of actuary	<u>14-06092</u>
		Most recent enrollment number
<u>PRINCIPAL FINANCIAL GROUP</u>	Firm name	<u>515-235-9601</u>
		Telephone number (including area code)
<u>PO BOX 9394</u> <u>DES MOINES, IA 50306-9394</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)	2033480	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)	2033480	0
10 Interest on line 9 using prior year's actual return of <u>14.12</u> %	287127	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		2187393
b Interest on (a) using prior year's effective interest rate of <u>7.04</u> % except as otherwise provided (see instructions)		153992
c Total available at beginning of current plan year to add to prefunding balance		2341385
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	2320607	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	97.71 %
15 Adjusted funding target attainment percentage	15	101.74 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.03 %
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
09/05/2014	10000000	0			
			Totals ►	18(b)	10000000 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	9020641
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		

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

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

21 Discount rate:				
a Segment rates:	1st segment: 4.94%	2nd segment: 6.15%	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 64
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	1518662	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	1518662	
	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	1518662	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	9020641	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	7501979	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

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

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

A Name of plan <u>SECO TOOLS INC. EMPLOYEES PENSION PLAN</u>	B Three-digit plan number (PN) ► <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SECO TOOLS INC.</u>	D Employer Identification Number (EIN) <u>38-2756676</u>

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation <u>PRINCIPAL LIFE INSURANCE COMPANY</u>
--

42-0127290

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; text-align: center; padding: 5px; font-weight: bold; font-size: 1.2em;">2013</div> This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>SECO TOOLS INC. EMPLOYEES PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>SECO TOOLS INC.</u>	D Employer Identification Number (EIN) <u>38-2756676</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)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL EM MKT SEP ACCT-I2</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-013</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>1615246</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL SMALLCAP SEP ACCT-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-014</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>1718213</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN BOND AND MTGE SA-I3</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-005</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>9460919</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LGCAP S&P 500 INDEX SA-I3</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-016</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>12348680</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP VALUE I SA-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-043</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>1730429</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL I SEPARATE ACCT-I2</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-048</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>8559813</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP GROWTH III SA-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-026</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>1742963</u>	

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGE CAP GROWTH I SA-I2**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-066	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3535173
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGE CAP VALUE III SA-I2**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-068	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3481769
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALL CAP GROWTH II SA-I2**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-071	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1713870
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALL CAP VALUE II SA-I2**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-096	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1757727
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN HIGH YIELD I SEP ACCT-R6**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-101	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6703342
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INFLATION PROTECT SA-R6**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-099	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3221725
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN CORE PLUS BOND I SA-I2**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-115	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9816223
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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)
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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)
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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)
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Part II Information on Participating Plans (to be completed by DFEs)

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>SECO TOOLS INC. EMPLOYEES PENSION PLAN</u>		B Three-digit plan number (PN) <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SECO TOOLS INC.</u>		D Employer Identification Number (EIN) <u>38-2756676</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	913199	10000000
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	59623671	67406091
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	60536870	77406091

Liabilities

g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	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	60536870	77406091
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	10000000	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		10000000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		9391578
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		0
c Other income	2c		2558
d Total income. Add all income amounts in column (b) and enter total	2d		19394136

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2524915	
(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)		2524915
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2524915

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		16869221
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ 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: PURDY, DONOVAN & BEAL, LLP

(2) EIN: 38-1339335

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	0
4b		X	0

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	0
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	0
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		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.			

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

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

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

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

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

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

A Name of plan <u>SECO TOOLS INC. EMPLOYEES PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SECO TOOLS INC.</u>	D Employer Identification Number (EIN) <u>38-2756676</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>42-0127290</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>0</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: 55.0% Investment-Grade Debt: 32.0% High-Yield Debt: 11.0% Real Estate: 0.0% Other: 2.0%

- 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):

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003

EIN 38-2756676

FORM 5500

TABLE OF CONTENTS

YEARS ENDED DECEMBER 31, 2013 AND 2012

INDEPENDENT AUDITOR'S REPORT

Form 5500, Schedule H,
Part III, Item 3a(3)

FINANCIAL STATEMENTS:

Statements of Net Assets Available for Plan
Benefits as of December 31, 2013 and 2012

Exhibit "A"

Statements of Changes in Net Assets Available
for Plan Benefits for the Years Ended
December 31, 2013 and 2012

Exhibit "B"

Statements of Accumulated Plan Benefits as of
December 31, 2013 and 2012

Exhibit "C"

Statements of Changes in Accumulated Plan
Benefits for the Years Ended December 31,
2013 and 2012

Exhibit "D"

NOTES TO FINANCIAL STATEMENTS

SUPPLEMENTAL SCHEDULES:

Schedule of Assets (Held at End of Year) as of
December 31, 2013

Schedule H, Part IV,
Line 4i

Schedule of Reportable Transactions for the
Year Ended December 31, 2013

Schedule H, Part IV,
Line 4j

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Seco Tools Inc. Employees'
Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of SECO TOOLS INC. EMPLOYEES' PENSION PLAN, which comprise the Statements of Net Assets Available for Plan Benefits as of December 31, 2013 and 2012 and the related Statements of Changes in Net Assets Available for Plan Benefits, Statements of Accumulated Plan Benefits and Statements of Changes in Accumulated Plan Benefits for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

(Continued)

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Principal Life Insurance Company, the Trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee as of and for the years ended December 31, 2013 and 2012 that the information provided to the Plan Administrator by the Trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2013 and Schedule of Reportable Transactions for the year ended December 31, 2013, which are the responsibility of Plan management, are presented for the purpose of additional analysis and are not a required part of the financial statements but are required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. 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 supplement schedules, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Purdy Donovan & Beal LLP

Certified Public Accountants

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676
FORM 5500

EXHIBIT "A"

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

	<u>2013</u>	<u>2012</u>
ASSETS:		
Investments - Principal Life Insurance Company Trust Pooled Separate Accounts - At Fair Value	\$ 67,406,091	\$ 59,623,671
Employer's Contribution Receivable	<u>10,000,000</u>	<u>913,199</u>
TOTAL ASSETS	\$ 77,406,091	\$ 60,536,870
LIABILITY -		
Amounts Dedicated for Retiree Medical Benefits	<u>1,081,404</u>	<u>1,089,148</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS - Per Exhibit "B"	<u>\$ 76,324,687</u>	<u>\$ 59,447,722</u>

The attached notes are an integral part of this statement.

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676
FORM 5500

EXHIBIT "B"

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

	<u>2013</u>	<u>2012</u>
ADDITIONS TO NET ASSETS AVAILABLE FOR PLAN BENEFITS ATTRIBUTABLE TO:		
Employer Contributions	\$ 10,000,000	\$ 3,652,796
Increase in Fair Value of Investments	9,391,578	7,076,423
Other Income	<u>2,558</u>	<u>1,965</u>
TOTAL ADDITIONS	<u>\$ 19,394,136</u>	<u>\$ 10,731,184</u>
DEDUCTIONS FROM NET ASSETS AVAILABLE FOR PLAN BENEFITS ATTRIBUTABLE TO:		
Benefit Payments to Participants or Beneficiaries	\$ 2,524,915	\$ 2,415,956
Net Appreciation / (Depreciation) of Assets Allocated to Retiree Health Care Benefits	<u>(7,744)</u>	<u>79,367</u>
TOTAL DEDUCTIONS	<u>\$ 2,517,171</u>	<u>\$ 2,495,323</u>
NET INCREASE IN NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 16,876,965	\$ 8,235,861
NET ASSETS AVAILABLE FOR PLAN BENEFITS:		
Beginning of Year	<u>59,447,722</u>	<u>51,211,861</u>
End of Year - To Exhibit "A"	<u><u>\$ 76,324,687</u></u>	<u><u>\$ 59,447,722</u></u>

The attached notes are an integral part of this statement.

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676
FORM 5500

EXHIBIT "C"

STATEMENTS OF ACCUMULATED PLAN BENEFITS
AS OF DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS:		
Vested Benefits:		
Participants Currently Receiving Payments	\$ 24,410,603	\$ 22,677,630
Other Participants	<u>30,996,911</u>	<u>27,319,015</u>
Total Vested Benefits	\$ 55,407,514	\$ 49,996,645
Non-vested Benefits	<u>623,367</u>	<u>522,668</u>
TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS	<u>\$ 56,030,881</u>	<u>\$ 50,519,313</u>

The attached notes are an integral part of this statement.

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676
FORM 5500

EXHIBIT "D"

STATEMENTS OF CHANGES IN ACCUMULATED PLAN BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT BEGINNING OF YEAR	<u>\$ 50,519,313</u>	<u>\$ 47,965,877</u>
INCREASE / (DECREASE):		
Benefits Accumulated	\$ 1,333,096	\$ 1,460,912
Change in Assumptions	2,912,951	-
Increase in Interest Due to Decrease in the Discount Period	3,690,436	3,508,480
Benefits Paid	<u>(2,424,915)</u>	<u>(2,415,956)</u>
NET INCREASE	<u>\$ 5,511,568</u>	<u>\$ 2,553,436</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT END OF YEAR	<u><u>\$ 56,030,881</u></u>	<u><u>\$ 50,519,313</u></u>

The attached notes are an integral part of this statement.

SECO TOOLS INC. EMPLOYEES' PENSION PLAN

PN 003

EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1: Effective May 1, 2014, the Seco Tools, Inc. Employees' Pension Plan (the Plan) was merged into the Sandvik Pension Plan. The Plan ceased to exist as a separate plan as of May 1, 2014 and all of its assets and liabilities were legally transferred to the control of the Sandvik Pension Plan.

NOTE 2: DESCRIPTION OF PLAN:

The Seco Tools Inc. Employees' Pension Plan (the Plan) is a non-contributory defined benefit plan sponsored by Seco Tools Inc. (the Company). The Plan's investments are managed by Principal Life Insurance Company. The Plan provides for retirement, death and disability benefits for its participants.

An employee hired prior to July 1, 2007 became eligible for participation in the Plan after the employee completed one year of service as long as the employee was employed in the United States and the employee was not covered by a collective bargaining agreement. Employees hired on or after July 1, 2007 (July 16, 2007 for employees covered by a collective bargaining agreement) are excluded from the Plan. Employees who have vested five years or more of service in the Plan are entitled to annual pension benefits in full beginning at normal retirement age of 65 or in a reduced amount for early retirement. An employee may elect early retirement after attaining age 60 and having ten vested years of employment.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and related statutes and regulations. Detailed information regarding the Plan is contained in the Summary Plan Description. Copies of the Summary Plan Description are available upon request from the Company.

(continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 2

NOTE 2, DESCRIPTION OF PLAN, continued:

AMOUNTS DEDICATED FOR RETIREE MEDICAL BENEFITS -

The Plan provides for the accumulation of assets to pay future medical benefits for retirees, their spouses and their dependents and the spouses and dependents of deceased retired members in accordance with Section 401(h) of the Internal Revenue Code. Contributions to provide these medical benefits are made by the employer. Assets of the 401(h) Plan and the Pension Plan are commingled. The Plan's investments in the 401(h) account may not be used for, or diverted to, any purpose other than providing medical benefits to retirees and their beneficiaries. The related obligations for medical benefits are not included in the Plan's obligations in the Statements of Accumulated Plan Benefits but are reflected as obligations in the Statements of Net Assets Available for Plan Benefits.

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Accrual Basis - The accounting records of the Plan are maintained on the accrual basis method of accounting.

Investment Valuation - The reporting value of the Plan investments in the Principal Life Insurance Company Trust Funds are adjusted to fair value and certified as to value by Principal Life Insurance Company at year end.

The Plan presents in the Statements of Changes in Net Assets Available for Plan Benefits the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments. The gain or loss on sale of investments is the difference between the proceeds received and the average cost of the investment sold.

(continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN

PN 003

EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 3

NOTE 3, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

Actuarial Present Value of Accumulated Plan Benefits - Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to retired or terminated employees and their beneficiaries, beneficiaries of deceased employees, and present employees and their beneficiaries. Benefits for all Plan participants are based on their credited service earned prior to the valuation date. 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.

The actuarial present value of accumulated plan benefits is determined by an actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of December 31, 2013 and 2012 are described in detail in Note 6. The actuarial assumptions are based on the presumption that the Plan will continue to exist. If the Plan were to terminate, then different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Contributions - The Company contributes such amounts as are necessary on an actuarial basis to provide the Plan with assets sufficient to meet the benefit obligations to be paid to the Plan participants. The interest on investments of the Plan serves to reduce future contributions that would otherwise be required to provide for the level of benefits defined under the Plan. While the Company has not expressed any intent to discontinue its contributions and to terminate the Plan, it is free to do so at any time, subject to the provisions set forth in ERISA. The discontinuance of contributions would result in the termination of the Plan.

(continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN

PN 003

EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 4

NOTE 3, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

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

1. Benefits attributable to employee contributions, taking into account those paid out prior to termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years or that employees eligible to retire during that three-year period would have been receiving had they retired with benefits in the normal form of annuity under the Plan.
3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations, as explained below.
4. All other vested benefits (that is, vested benefits not insured by PBGC).
5. All non-vested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. Whether all participants receive their benefits should the Plan terminate in the future will depend on the sufficiency, at the time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

Benefit Payments - Benefit payments to participants are recorded upon distribution.

(continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 5

NOTE 3, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

Vesting Requirements - Employees hired prior to July 1, 2007 (July 16, 2007 for employees covered by a collective bargaining agreement) are vested after five years of service, during which a minimum of 1,000 hours have been worked each year. Employees hired on or after July 1, 2007 (July 16, 2007 for employees covered by a collective bargaining agreement) are not eligible to participate in the Plan.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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 Plan Benefits.

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

Administrative Expenses - Certain administrative expenses of the Plan were paid directly by the Company.

(continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 6

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

Subsequent Events - The Plan has performed a review of events subsequent to the Statements of Net Assets Available for Plan Benefits date through October 9, 2014, the date the financial statements were available to be issued.

Effective May 1, 2014, the Plan was merged into the Sandvik Pension Plan as explained in Note 1.

Effective January 1, 2014, the Plan Sponsor changed its name to Seco Tools, LLC. Prior to January 1, 2014, the name of the Company was Seco Tools Inc.

Subsequently, effective January 1, 2014, the Plan changed its name to Seco Tools, LLC Employees' Pension Plan. Prior to January 1, 2014, the name of the Plan was Seco Tools Inc. Employees' Pension Plan.

NOTE 4: FAIR VALUE MEASUREMENTS - The Plan's investments are reported at fair value on the Statements of Net Assets Available for Plan Benefits. In measuring Plan assets at fair value, a fair value hierarchy is applied which categorizes and prioritizes the inputs used to estimate fair value into three levels. The fair value hierarchy is based on maximizing the use of observable inputs and minimizing the use of unobservable inputs when measuring fair value. Classification within the fair value hierarchy is based on the lowest level input that is significant to the fair value measurement. The three levels of the fair value hierarchy are defined as follows:

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

Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for identical or similar assets or liabilities in active or inactive markets, inputs other than quoted prices that are observable, and inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

Level 3 inputs are unobservable inputs for the assets or liabilities.

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 7

NOTE 4, FAIR VALUE MEASUREMENTS, continued:

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Pooled Separate Accounts - The fair value of the pooled separate accounts is determined at the net asset values of the underlying mutual funds less any applicable operating expenses.

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

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

	<u>INVESTMENTS AT FAIR VALUE AS OF DECEMBER 31, 2013</u>			
	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>LEVEL 3</u>	<u>TOTAL</u>
Pooled Separate Accounts:				
Fixed Income	\$ -	\$29,202,209	\$ -	\$29,202,209
Large U.S. Equity		19,365,622		19,365,622
International Equity		11,893,272		11,893,272
Small/Mid U.S. Equity		<u>6,944,988</u>		<u>6,944,988</u>
TOTAL INVESTMENTS AT FAIR VALUE	<u>\$ -</u>	<u>\$67,406,091</u>	<u>\$ -</u>	<u>\$67,406,091</u>

(continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN

PN 003

EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 8

NOTE 4, FAIR VALUE MEASUREMENTS, continued:

	<u>INVESTMENTS AT FAIR VALUE AS OF DECEMBER 31, 2012</u>			
	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>LEVEL 3</u>	<u>TOTAL</u>
Pooled Separate Accounts:				
Fixed Income	\$ -	\$26,525,233	\$ -	\$26,525,233
Large U.S. Equity		16,136,932		16,136,932
International Equity		11,002,444		11,002,444
Small/Mid U.S. Equity		<u>5,959,062</u>		<u>5,959,062</u>
TOTAL INVESTMENTS AT FAIR VALUE	<u>\$ -</u>	<u>\$59,623,671</u>	<u>\$ -</u>	<u>\$59,623,671</u>

(Continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 9

NOTE 5: INVESTMENTS - Except for the receivables reflected in the Statements of Net Assets Available for Plan Benefits, the Plan's investments were held by Principal Life Insurance Company. Investments reflected as assets in the financial statements have been certified as complete and accurate by Principal Life Insurance Company. Those investments representing 5% or more of the Plan's total assets are listed below:

	<u>2013</u>	<u>% OF NET ASSETS</u>	<u>2012</u>	<u>% OF NET ASSETS</u>
Principal Life Insurance Company Trust Funds:				
Large Cap S&P 500 Index Separate Account	\$12,348,680	16.0	\$10,239,324	16.9
Core Plus Bond I Separate Account	9,816,223	12.7	8,933,176	14.8
Bond and Mortgage Separate Account	9,460,919	12.2	8,549,177	14.1
International I Separate Account	8,559,813	11.1	7,860,915	13.0
High Yield I Separate Account	6,703,342	8.6	6,079,636	10.0
Others (9 Funds - 2013 and 2012)	<u>20,517,114</u>	<u>26.5</u>	<u>17,961,443</u>	<u>29.7</u>
TOTAL INVESTMENTS	<u>\$67,406,091</u>	<u>87.1</u>	<u>\$59,623,671</u>	<u>98.5</u>

During 2013, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) increased in value by \$9,391,578 as follows -

Pooled Separate Accounts	<u>\$9,391,578</u>
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(Continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN

PN 003

EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 10

NOTE 6: ACTUARIAL INFORMATION:

The more significant assumptions underlying the computations of the actuarial present value of accumulated plan benefits are as follows:

Assumed Interest Rates
Used in Calculation of
Annual Cost, Adjusted
Funding Target Attainment
Percentage and 4010
Funding Shortfall

At December 31, 2013, the
calculation of the present value
of accumulated Plan benefits
using segment interest rates is
as follows:

Years 0 - 5	-	4.99%
Years 5 - 20	-	6.32%
Years 20+	-	6.99%

At December 31, 2012, the
calculation of the present value
of accumulated Plan benefits
using segment interest rates is
as follows:

Years 0 - 5	-	4.94%
Years 5 - 20	-	6.15%
Years 20+	-	6.76%

Assumed Interest Rates
Used in Determination of
the Calculated IRC 404
Deduction, Highly
Compensated Employees'
Benefit Payment Restrictions,
PBGC Variable Rate Premium
and 4010 Funded Status

At December 31, 2013, the
calculation of the present value
of accumulated Plan benefits
using segment interest rates is
as follows:

Years 0 - 5	-	1.37%
Years 5 - 20	-	4.05%
Years 20+	-	5.06%

At December 31, 2012, the
calculation of the present value
of accumulated Plan benefits
using segment interest rates is
as follows:

Years 0 - 5	-	1.75%
Years 5 - 20	-	4.62%
Years 20+	-	5.72%

(continued)

FORM 5500

Page 11

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 12

NOTE 8: MINIMUM FUNDING REQUIREMENT - In accordance with Section 302 of ERISA, the Plan Sponsor is required to make a minimum annual contribution sufficient to cover the normal cost for the period, annual interest on unfunded amounts and various amortization costs. Sufficient contributions have been made by the Company to satisfy this minimum funding requirement for the year ended December 31, 2013.

NOTE 9: TAX STATUS - The Internal Revenue Service (IRS) has determined and informed the Company, in a letter dated February 14, 2014, that the Plan and related Trust are designed in accordance with the applicable sections of the Internal Revenue Code (IRC). The Plan Administrator and the Plan's tax counsel believe that the Plan is being operated in compliance with the applicable requirements of the IRC.

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 if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2010.

(Continued)

SECO TOOLS INC. EMPLOYEES' PENSION PLAN

PN 003

EIN 38-2756676

FORM 5500

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Page 13

NOTE 10: RECONCILIATION TO FORM 5500 - The differences between the Statements of Net Assets Available for Plan Benefits as of December 31, 2013 and 2012 and the Form 5500 filed with the Department of Labor are as follows:

	<u>2013</u>	<u>2012</u>
Net Assets Available for Plan Benefits per Financial Statements	\$76,324,687	\$59,447,722
Net Assets Held in 401(h) Account Included as Assets in Schedule H of Form 5500	<u>1,081,404</u>	<u>1,089,148</u>
Net Assets Available for Plan Benefits Per Schedule H of Form 5500	<u>\$77,406,091</u>	<u>\$60,536,870</u>

The net assets of the 401(h) account included in Schedule H of Form 5500 are not available to pay pension benefits but can be used only to pay retiree health benefits.

The differences between the Statements of Changes in Net Assets Available for Plan Benefits for the year ended December 31, 2013 and the Form 5500 filed with the Department of Labor are as follows:

	<u>AMOUNTS PER FINANCIAL STATEMENTS</u>	<u>401(h) ACCOUNT</u>	<u>AMOUNTS PER SCHEDULE H OF FORM 5500</u>
Net Depreciation of Assets Allocated to Retiree Health Care Benefits	<u>\$ (7,744)</u>	<u>\$(7,744)</u>	<u>\$ -</u>
Net Increase in Net Assets Available for Plan Benefits	<u>\$16,876,965</u>	<u>\$(7,744)</u>	<u>\$16,869,221</u>

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676
FORM 5500

SCHEDULE H
Part IV
Line 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2013

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Cost	Current Value
*	Principal Life Insurance Company:			
	Large Cap S&P 500 Index Separate Account	Pooled Separate Account	\$ 8,175,789	\$ 12,348,680
	Core Plus Bond I Separate Account	Pooled Separate Account	9,257,836	9,816,223
	Bond and Mortgage Separate Account	Pooled Separate Account	8,875,909	9,460,919
	International I Separate Account	Pooled Separate Account	7,233,338	8,559,813
	High Yield I Separate Account	Pooled Separate Account	4,522,755	6,703,342
	Large Cap Growth I Separate Account	Pooled Separate Account	2,174,957	3,535,173
	Large Cap Value III Separate Account	Pooled Separate Account	2,536,129	3,481,769
	Inflation Protection Separate Account	Pooled Separate Account	3,190,470	3,221,725
	Small Cap Value II Separate Account	Pooled Separate Account	1,074,495	1,757,727
	Mid Cap Growth III Separate Account	Pooled Separate Account	1,186,992	1,742,963
	Mid Cap Value I Separate Account	Pooled Separate Account	1,061,978	1,730,429
	International Small Cap Separate Account	Pooled Separate Account	1,238,933	1,718,213
	Small Cap Growth II Separate Account	Pooled Separate Account	1,004,940	1,713,869
	International Emerging Markets Separate Account	Pooled Separate Account	1,565,443	1,615,246
	TOTAL ASSETS HELD FOR INVESTMENTS		<u>\$ 53,099,964</u>	<u>\$ 67,406,091</u>

* Denotes a party-in-interest

The information in this schedule has been certified as to its completion and accuracy by the Trustee.

SECO TOOLS INC. EMPLOYEES' PENSION PLAN
PN 003
EIN 38-2756676
FORM 5500

SCHEDULE H
Part IV
Line 4j

SCHEDULE OF REPORTABLE TRANSACTIONS
(COMPUTED ON DECEMBER 31, 2012 FAIR VALUE OF \$60,536,870)
FOR THE YEAR ENDED DECEMBER 31, 2013

(a)	(b)	(c)	(d)	(i)
Identity of Party Involved	Identity of Issue, Borrower, Description of Asset	Purchase Price	Selling Price	Net Gain (Loss)
Principal Life Insurance Company	Bond and Mortgage Separate Account: Purchases - 25 Transactions Sales - 23 Transactions	\$ 3,499,889 -	\$ - 2,530,267	\$ - 225,050
TOTAL REPORTABLE TRANSACTIONS		<u>\$ 3,499,889</u>	<u>\$ 2,530,267</u>	<u>\$ 225,050</u>

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

SECO TOOLS INC. EMPLOYEES PENSION PLAN

EIN 38 2756676
PLAN NUMBER 003
PLAN YEAR 01/01/2013 TO 12/31/2013

DESCRIPTION OF ASSET	(A) Total Number of Purchases	(B) Total Number of Sales	(C) Total Value of Purchases	(D) Total Value of Sales	(E) Net Gain/(Loss)
Pooled Separate Accounts PRINCIPAL BOND AND MORTGAGE SE	25		\$ 3,499,889.01		\$ 0.00
Pooled Separate Accounts PRINCIPAL BOND AND MORTGAGE SE		23		\$ 2,530,266.85	\$ 225,050.49

* Schedule is prepared using the alternative way of reporting (iii) series transactions under DOL Regulation 2520.103-6(d)(2).

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

SECO TOOLS INC. EMPLOYEES PENSION PLAN

EIN 38 2756676
 PLAN NUMBER 003
 PLAN YEAR 01/01/2013 TO 12/31/2013

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

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN BOND AND MTGE SA-I3	\$ 8,875,909.20	\$ 9,460,919.15
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN CORE PLUS BOND I SA-I2	\$ 9,257,835.60	\$ 9,816,222.65
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN HIGH YIELD I SEP ACCT-R6	\$ 4,522,745.36	\$ 6,703,341.54
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN INFLATION PROTECT SA-R6	\$ 3,190,469.81	\$ 3,221,725.05
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN INTL EM MKT SEP ACCT-I2	\$ 1,565,443.46	\$ 1,615,246.32
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN INTL I SEPARATE ACCT-I2	\$ 7,233,338.43	\$ 8,559,812.75
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN INTL SMALLCAP SEP ACCT-R6	\$ 1,238,933.29	\$ 1,718,213.22
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LARGECAP GROWTH I SA-I2	\$ 2,174,956.82	\$ 3,535,172.73
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LARGECAP VALUE III SA-I2	\$ 2,536,129.05	\$ 3,481,769.43
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LGCAP S&P 500 INDEX SA-I3	\$ 8,175,788.61	\$ 12,348,679.92
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN MIDCAP GROWTH III SA-R6	\$ 1,186,991.74	\$ 1,742,963.42
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN MIDCAP VALUE I SA-R6	\$ 1,061,977.80	\$ 1,730,429.07
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN SMALLCAP GROWTH II SA-I2	\$ 1,004,939.52	\$ 1,713,869.50
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN SMALLCAP VALUE II SA-I2	\$ 1,074,495.35	\$ 1,757,726.51

Schedule SB, Line 26 - Schedule of Active Participant Data
SECO TOOLS INC. EMPLOYEES PENSION PLAN
EIN 38-2756676 Plan No. 003

Form 5500 - Schedule of Active Participation Data							Valuation Date 01/01/2013													
YEARS OF CREDITED SERVICE																				
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
Attained Age	Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.		Avg.	
	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.	No.	Comp.
Under 25	0		0		0		0		0		0		0		0		0		0	
25 to 29	0		0		1		0		0		0		0		0		0		0	
30 to 34	0		0		3		0		0		0		0		0		0		0	
35 to 39	0		0		5		7		1		0		0		0		0		0	
40 to 44	0		0		10		7		7		0		1		0		0		0	
45 to 49	0		0		16		10		10		1		8		1		0		0	
50 to 54	0		0		11		12		12		10		9		5		0		0	
55 to 59	0		0		3		4		8		2		4		10		10		1	
60 to 64	0		0		0		2		7		4		4		8		9		8	
65 to 69	0		0		1		0		4		0		0		0		1		4	
70 & up	0		0		0		0		0		0		0		1		0		0	

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
SECO TOOLS INC. EMPLOYEES PENSION PLAN
EIN 38-2756676 Plan No. 003

Assumptions Prescribed by Law															
Mortality	<p><u>During Benefit Payment Period</u> IRS Prescribed Mortality - Generational Annuitant, male and female.</p> <p><u>Before Benefit Payment Period</u> IRS Prescribed Mortality - Generational Non-annuitant, male and female.</p>														
Assumptions Selected by Actuary															
Asset Return	7.50% for the current plan year.														
Expected Expense	\$0 included in Target Normal Cost. Administrative expenses are paid separately.														
Retirement Age	<p>Active Participant:</p> <table border="1"> <thead> <tr> <th>Age</th><th>Probability of Retirement</th></tr> </thead> <tbody> <tr> <td>60</td><td>10%</td></tr> <tr> <td>61</td><td>5%</td></tr> <tr> <td>62</td><td>30%</td></tr> <tr> <td>63</td><td>15%</td></tr> <tr> <td>64</td><td>15%</td></tr> <tr> <td>65</td><td>100%</td></tr> </tbody> </table> <p>Inactive participants are assumed to retire at age 65.</p>	Age	Probability of Retirement	60	10%	61	5%	62	30%	63	15%	64	15%	65	100%
Age	Probability of Retirement														
60	10%														
61	5%														
62	30%														
63	15%														
64	15%														
65	100%														
Upcoming Year Salary Increase	The preceding year's salary is increased by 3.75% at each age. Note: not used for Plan Accounting calculations.														
Disability	None.														
Marriage	80% married; husbands are 3 years older than wives.														
Withdrawal	2003 Society of Actuaries Small Plan Age Table, multiplied by 0.35.														
Wage Base Increase	3.25% per year.														
Inflation	2.25% increase per year														
Compensation Limit Increase	2.25% increase per year used in the calculation of the IRC 404 Maximum Deduction cushion. See Calculated Deduction in Rules and Regulations.														
Form of Benefit	Participants are assumed to receive their benefits on the normal form at the assumed retirement age.														

Methods Prescribed by Law	
Liability Measure	Funding target is the present value of the benefits accrued on the valuation date. Target Normal Cost is based on benefits expected to accrue during the current plan year.
Benefit Accrual	<p>All benefits paid at decrement are considered in total and then split to determine how much is included in Funding Target. The following pieces are included in the Funding Target.</p> <ul style="list-style-type: none"> • The portion based on the plan's definition of accrued benefit. • The benefit portion in excess of the accrued benefit based on the ratio of the participant's years of service on the valuation date to the years of service the participant will have at the time of decrement. <p>The benefits included in Target Normal Cost are calculated similarly, by splitting the benefits. The Target Normal Cost is based on the difference between the amount included in Funding Target and an amount calculated assuming the participant accrues service through the end of the plan year.</p>
Methods Selected by Plan Sponsor	
Asset Method	<p>The asset valuation method is prescribed by law for plans that elect to use a value other than market value.</p> <p>For each of the preceding two years, an expected value of assets at the end of the year is compared to the end of year market value. The resulting gain or loss is recognized evenly over three plan years.</p> <p>The expected value includes contributions, distributions, any deducted administrative expenses, and expected earnings (based on the lesser of the assumed interest rate or the Maximum Allowable Rate). The deferred gains and losses are added to the current market value and then restricted to no more than 110% and no less than 90% of that market value.</p> <p>When actual returns exceed the assumed return, the actuarial value of assets will lag below market value. The lag and the smoothing effect are limited since the value must be within 10% of market value.</p>
Segment Rates	24 month average with no weighting to prior law basis. Use rates where August is the last month included in the average.
PBGC Premium Basis	Premiums are calculated using the funding segment rates used for the plan year without the MAP-21 interest rate corridor defined in IRC §430(h)(2)(C)(iv). This method was elected with the 01/01/2009 plan year and must continue for five years before a change can be made.

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
SECO TOOLS INC. EMPLOYEES PENSION PLAN
EIN 38-2756676 Plan No. 003

Methods Elected by Actuary	
Retirees	Assets and liabilities for current and future retirees are included.
HCE Benefit Payment Restrictions	<p>A ratio of the market value of assets and funding target is used to determine if restrictions apply. Assets and Funding Target are as of the valuation date and are reduced by:</p> <ul style="list-style-type: none"> • any retiree benefit index or floor • amounts for HCEs who were previously restricted • an amount for the retiring HCE <p>The Funding Target is not based on the MAP-21 interest rate corridor defined in IRC §430(h)(2)(C)(iv). Other assumptions or methods may be used.</p>
Vested Benefits	<p>A benefit is included in vested benefits when the participant will meet age and service eligibility requirements at the valuation date. The benefit is multiplied by the participant's vesting percentage applicable to each benefit on the valuation date.</p> <p>The following ancillary benefits are always treated as nonvested: disability benefits payable to retirement age unless in pay status, and pre-retirement death benefits in excess of the Survivor Annuity Death Benefit except as noted in the Plan Provisions.</p>
Assumptions and Methods Elected by Actuary Long-Term Contribution Level and Plan Accounting (ASC 960)	
With the exceptions below, all assumptions and methods are the same as those used in determining your plan's regular Funding Target and Target Normal Cost.	
Interest Rate Used to Value Liabilities	7.50%
Benefit Liability	<p>Long-Term Contribution Level reflects:</p> <ul style="list-style-type: none"> • Service and compensation projected to the age benefits are assumed to be paid. • Compensation and benefit limits projected at 2.25% per year.
Long-Term Contribution Level	Allocates the difference between the Benefit Liability and the Market Value of Assets as a level percentage of payroll per year.

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

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

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

A Name of plan <u>SECO TOOLS INC. EMPLOYEES PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>SECO TOOLS INC.</u>		D Employer Identification Number (EIN) <u>38-2756676</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>59445512</u>
	b Actuarial value	2b	<u>58506058</u>
3	Funding target/participant count breakdown:	(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	<u>25083066</u>
	b For terminated vested participants	3b	<u>10339717</u>
	c For active participants:		
	(1) Non-vested benefits	3c(1)	<u>542917</u>
	(2) Vested benefits	3c(2)	<u>21534397</u>
	(3) Total active	3c(3)	<u>22077314</u>
	d Total	3d	<u>57500097</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>6.34 %</u>
6	Target normal cost	6	<u>1518662</u>

Statement by Enrolled Actuary

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

SIGN HERE	 Signature of actuary	<u>9/11/14</u> Date
	<u>Gregory C. Shane</u> Type or print name of actuary	<u>1406092</u> Most recent enrollment number
	<u>Principal Financial Group</u> Firm name	<u>515-235-9601</u> Telephone number (including area code)
	<u>PO Box 9394 Des Moines, IA 50306-9394</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)	2033480	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)	2033480	0
10 Interest on line 9 using prior year's actual return of <u>14.12</u> %	287127	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		2187393
b Interest on (a) using prior year's effective interest rate of <u>7.04</u> % except as otherwise provided (see instructions)		153992
c Total available at beginning of current plan year to add to prefunding balance		2341385
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	2320607	0

Part III Funding Percentages

14 Funding target attainment percentage	14	97.71 %
15 Adjusted funding target attainment percentage	15	101.74 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.03 %
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
09/05/2014	10000000	0			
Totals ▶			18(b)	10000000	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	9020641

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

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:				
a Segment rates:	1st segment: 4.94 %	2nd segment: 6.15 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 64
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	1518662	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	1518662	
	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	1518662	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	9020641	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	7501979	
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 2a - Explanation of Assets
SECO TOOLS INC. EMPLOYEES PENSION PLAN
EIN 38-2756676 Plan No. 003

The market value of assets on line 2a does not equal assets shown on Schedule H, Schedule I or Form 5500-SF. Schedule H, Schedule I and Form 5500-SF use the full value of contributions received after plan year end. Line 2a includes the value of \$913,199 contributions received after the plan year end with a discounted value of \$910,989.

Line 2a includes assets allocated for 401(h) allocation of \$1,089,148.

Schedule SB, Line 22 - Description Of Weighted Average Retirement Age
SECO TOOLS INC. EMPLOYEES PENSION PLAN
EIN 38-2756676 Plan No. 003

The weighted average retirement age is weighted by the expected percentage of active participants retiring at each age. The retirement rate reflects only those participants who meet retirement eligibility. An active participant working past assumed retirement age is expected to retire at current age.

(1) Age	(2) Expected Active Headcount	(3) Retirement Rate	(4) Expected Retirements (2)*(3)	(5) Weighted Age (1)*(4)
60	161.12	0.0994	16.01	960.79
61	154.54	0.0500	7.73	471.34
62	154.21	0.3000	46.26	2,868.39
63	114.30	0.1500	17.15	1,080.15
64	106.62	0.1500	15.99	1,023.58
65	97.09	1.0000	97.09	6,310.78
66	2.00	1.0000	2.00	132.00
67	1.00	1.0000	1.00	67.00
68	0.00	1.0000	0.00	0.00
69	1.00	1.0000	1.00	69.00
70	0.00	1.0000	0.00	0.00
71	0.00	1.0000	0.00	0.00
72	0.00	1.0000	0.00	0.00
73	1.00	1.0000	1.00	73.00
Total			205.23	13,056.02
Average				63.62

Schedule SB, Part V - Summary of Plan Provisions
SECO TOOLS INC. EMPLOYEES PENSION PLAN
EIN 38-2756676 Plan No. 003

This report reflects the maximum benefit limits under Internal Revenue Code (IRC) Section 415 and maximum compensation limits under IRC Section 401 in effect on the first day of each plan year.

The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document. This report reflects the provisions of the plan signed 12/19/2007 including amendments through number 4, signed 12/17/2009.

Plan Eligibility	
Service	1,000 hours of service.
Class	Not on an hourly basis or covered by a collective bargaining agreement, not employed outside the United States, or not first hired on and after June 30, 2007.
Entry Date	The first day of the month coinciding with or following the date on which an employee meets the eligibility requirements Employees first hired on and after June 30, 2007 are not eligible to enter the plan.

Normal Retirement Benefit	
Age	Attained age 65
Form	Monthly annuity payable for five years certain and life
Amount (accrued benefit)	The sum of (a) and (b): (a) 1.31% of compensation up to covered compensation for each calendar year that is not in excess of 35 years (b) 1.96% of compensation above covered compensation for each calendar year that is not in excess of 35 years

Special Retirement Benefit	
Eligibility	Retired on or after October 1, 1994
Amount	\$45 per year of service as of January 1, 2010. (\$30 for participants who retired between 1994 and 1997, \$35 for participants who retired between 1998 and 2004, and \$40 for participants who retired between 2005 and 2009.)

Schedule SB, Part V - Summary of Plan Provisions
SECO TOOLS INC. EMPLOYEES PENSION PLAN
EIN 38-2756676 Plan No. 003

Early Retirement Benefit															
Age	Attained age 60														
Service	Ten years of service														
Form	Same as normal retirement benefit														
Amount	<p>Accrued benefit on early retirement date reduced by to reflect the fact that early retirement date precedes normal retirement date</p> <table> <tr> <th>Age</th><th>Factor</th></tr> <tr> <td>65</td><td>100.0%</td></tr> <tr> <td>64</td><td>92.3%</td></tr> <tr> <td>63</td><td>84.6%</td></tr> <tr> <td>62</td><td>76.9% / 80.0%¹</td></tr> <tr> <td>61</td><td>73.1%</td></tr> <tr> <td>60</td><td>69.2%</td></tr> </table> <p>¹ All salaried plan members and any union member retired prior to 01/01/2002 have a factor of 76.9%. Union members who retire after 1/1/2002 have a factor of 80.0%.</p>	Age	Factor	65	100.0%	64	92.3%	63	84.6%	62	76.9% / 80.0% ¹	61	73.1%	60	69.2%
Age	Factor														
65	100.0%														
64	92.3%														
63	84.6%														
62	76.9% / 80.0% ¹														
61	73.1%														
60	69.2%														

Late Retirement Benefit	
Age	No maximum age
Form	Same as normal retirement benefit
Amount	Greater of the accrued benefit on late retirement date or the accrued benefit as of the normal retirement date actuarially increased

Termination Benefit	
Vesting Percentage	100% after five years of vesting service
Form	Same as normal retirement benefit with income deferred until normal retirement date
Amount	Accrued benefit on date of termination multiplied by the vesting percentage

Disability Benefit	
Eligibility	Qualified for disability benefits under the Federal Social Security Act
Form	A deferred annuity payable at the normal retirement date
Amount	Accrued benefit on normal retirement date, assuming compensation remains equal to the participant's compensation on the date of disability and service continues to accrue during the period of disability

Death Benefit (a vested benefit)	
Eligibility	Qualified married participant fully or partially vested in an accrued benefit
Form	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death
Amount	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 100% survivor annuity in effect, then died the next day

Definitions	
Covered Compensation	Covered compensation amount applicable to a person attaining Social Security Retirement Age during such calendar year, in accordance with IRC Section 401(l).
Optional Forms of Benefit Payments	<p>The optional forms of benefit payments are:</p> <ul style="list-style-type: none"> • Monthly annuity payable for life, or 10 years certain and life • Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 75, or 100 the present value of the retirement benefit

Changes in Principal Eligibility or Benefit Provisions

There have been no changes in principal eligibility or benefit provisions since the last valuation.

Significant Event

The enrolled actuary has not been made aware that any significant events have occurred during the year.