

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
---	---	---

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 CLEARON CORPORATION EMPLOYEES' PENSION PLAN	<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;">002</td> </tr> <tr> <td colspan="2">1c Effective date of plan 01/01/1996</td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) 13-3850328</td> </tr> <tr> <td colspan="2">2c Sponsor's telephone number 304-746-3000</td> </tr> <tr> <td colspan="2">2d Business code (see instructions) 325200</td> </tr> </table>	1b Three-digit plan number (PN) ▶	002	1c Effective date of plan 01/01/1996		2b Employer Identification Number (EIN) 13-3850328		2c Sponsor's telephone number 304-746-3000		2d Business code (see instructions) 325200	
1b Three-digit plan number (PN) ▶	002										
1c Effective date of plan 01/01/1996											
2b Employer Identification Number (EIN) 13-3850328											
2c Sponsor's telephone number 304-746-3000											
2d Business code (see instructions) 325200											
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) CLEARON CORP 95 MACCORKLE AVE. SOUTH CHARLESTON, WV 25303											

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.	10/14/2014	FILED WITH AN AUTHORIZED SIGNATURE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
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)

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

Form 5500 (2013)
v. 130118

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	199
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	57
b Retired or separated participants receiving benefits		6b	110
c Other retired or separated participants entitled to future benefits		6c	21
d Subtotal. Add lines 6a , 6b , and 6c		6d	188
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e	9
f Total. Add lines 6d and 6e		6f	197
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A			
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) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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>CLEARON CORPORATION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>CLEARON CORP</u>	D Employer Identification Number (EIN) <u>13-3850328</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 _____ Day _____ Year _____	
2 Assets:	
a Market value	2a <u>14785750</u>
b Actuarial value	2b <u>14503784</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>110</u> (1) Number of participants <u>7626063</u> (2) Funding Target
b For terminated vested participants.....	3b <u>25</u> <u>995283</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>818345</u>
(2) Vested benefits	3c(2) <u>5959226</u>
(3) Total active.....	3c(3) <u>64</u> <u>6777571</u>
d Total.....	3d <u>199</u> <u>15398917</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>6.29</u> %
6 Target normal cost	6 <u>595037</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>09/19/2014</u>
Signature of actuary		Date
<u>ANDREW J. WITTE</u>		<u>14-05764</u>
Type or print name of actuary		Most recent enrollment number
<u>AON CONSULTING, INC.</u>		<u>314-725-9966</u>
Firm name		Telephone number (including area code)
<u>8182 MARYLAND AVE. SUITE 1500</u> <u>ST. LOUIS, MO 63105-3916</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)	0	42168
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	42168
10 Interest on line 9 using prior year's actual return of <u>13.49</u> %		5688
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		285419
b Interest on (a) using prior year's effective interest rate of <u>7.00</u> % except as otherwise provided (see instructions)		19979
c Total available at beginning of current plan year to add to prefunding balance		305398
d Portion of (c) to be added to prefunding balance		305398
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	353254

Part III Funding Percentages		
14 Funding target attainment percentage	14	91.89 %
15 Adjusted funding target attainment percentage	15	91.89 %
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	94.94 %
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
07/12/2013	89135				
10/10/2013	225319				
01/13/2014	225319				
07/31/2014	150000				
			Totals ►	18(b)	689773
				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	649060
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		

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

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

21 Discount rate:			
a Segment rates:	1st segment: 4.94%	2nd segment: 6.15%	3rd segment: 6.76 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 63
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	595037
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment.....		1248387	406380
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	1001417
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	353254	353254
36 Additional cash requirement (line 34 minus line 35).....		36	648163
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....		37	649060
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	897
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	897
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 CLEARON CORPORATION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 CLEARON CORP	D Employer Identification Number (EIN) 13-3850328

Part I	Service Provider Information (see instructions)
---------------	--

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

METROPOLITAN LIFE INSURANCE COMPANY

13-5581829

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50	NONE	86737	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 H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
---	--	---

For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>CLEARON CORPORATION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CLEARON CORP</u>	D Employer Identification Number (EIN) <u>13-3850328</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	0	375319
	(2) Participant contributions	1b(2)		
	(3) Other	1b(3)		68784
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)	5791512	5990224
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)	8125989	9345192
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)	868249	842495
	(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)		
	(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	14785750	16622014

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
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	14785750	16622014
---	-----------	----------	----------

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)	689773	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)	68784	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		758557
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(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)		
(B) Other	2b(5)(B)	1996236	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		1996236

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		2754793

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	831792	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		831792
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	86737	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		86737
j Total expenses. Add all expense amounts in column (b) and enter total	2j		918529

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1836264
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: MUELLER PROST

(2) EIN: 43-1594752

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

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

Part IV Compliance Questions

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

During the plan year:

- a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)
- b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
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	
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.
---	--	--

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

A Name of plan <u>CLEARON CORPORATION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CLEARON CORP</u>	D Employer Identification Number (EIN) <u>13-3850328</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>13-5581829</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: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

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

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

**CLEARON CORPORATION EMPLOYEES'
PENSION PLAN**

**FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
AND
SUPPLEMENTAL SCHEDULES
DECEMBER 31, 2013**

Mueller Prost
CPAs + Business Advisors



Main tel +1 314 862 2070 | Main fax +1 314 862 1549 | www.muellerprost.com
St. Louis | 7733 Forsyth Blvd. | Suite 1200 | St. Louis | MO | 63105
St. Charles | 2460 Executive Drive | St. Charles | MO | 63303
Long Beach | 4541 East Anaheim Street | Long Beach | CA | 90804



Mueller Prost is a member of PKF North America, an association of more than 100 legally independent firms.

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS	3
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS	4
NOTES TO FINANCIAL STATEMENTS	5-13
SUPPLEMENTAL SCHEDULES	
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)	14
SCHEDULE H, LINE 4j – SCHEDULE OF REPORTABLE TRANSACTIONS	15

To the Plan Administrator
Clearon Corporation Employees' Pension Plan
St. Louis, Missouri

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the *Clearon Corporation Employees' Pension Plan*, (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013, 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.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the U.S. Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Metropolitan Life Insurance Company ("MetLife"), 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.

Main tel +1 314 862 2070 | Main fax +1 314 862 1549 | www.muellerprost.com
St. Louis | 7733 Forsyth Blvd. | Suite 1200 | St. Louis | MO | 63105
St. Charles | 2460 Executive Drive | St. Charles | MO | 63303
Long Beach | 4541 East Anaheim Street | Long Beach | CA | 90804



Other Matters

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

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

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

Mueller Probst LC

October 13, 2014
St. Louis, Missouri

Certified Public Accountants

FINANCIAL STATEMENTS

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2013 AND 2012

<u>ASSETS</u>	<u>2013</u>	<u>2012</u>
Investments, at Fair Value		
Investment contract with insurance company:		
Mutual funds	\$ 5,990,224	\$ 5,791,512
Corporate common stock	9,345,192	8,125,989
Investments in real estate funds	<u>842,495</u>	<u>868,249</u>
Total Investments, at Fair Value	<u>16,177,911</u>	<u>14,785,750</u>
Receivables		
Employer contribution receivable	375,319	-
Other receivable	<u>68,784</u>	<u>-</u>
Total Receivables	<u>444,103</u>	<u>-</u>
Net Assets Available for Benefits	\$ <u>16,622,014</u>	\$ <u>14,785,750</u>

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2013

Additions to Net Assets Attributed to		
Investment income		
Appreciation of fair value of investments	\$	1,996,236
Contributions		
Employer		689,773
Other		<u>68,784</u>
Total Additions to Net Assets		<u>2,754,793</u>
Deductions from Net Assets Attributed to		
Benefits paid to participants		831,792
Administrative expenses		<u>86,737</u>
Total Deductions from Net Assets		<u>918,529</u>
Net Increase		1,836,264
Net Assets Available for Benefits - Beginning of Year		<u>14,785,750</u>
Net Assets Available for Benefits - End of Year	\$	<u>16,622,014</u>

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 DESCRIPTION OF PLAN

The following description of the *Clearon Corporation Employees' Pension Plan* (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan, which was adopted on January 1, 1996 and last amended December 1, 2005, by Clearon Corporation LP (the "Plan Sponsor"), is a defined pension plan covering all employees of the Plan Sponsor who were hired before December 1, 2005. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Pension Benefits

Employees with five or more years of service are entitled to annual pension benefits beginning at normal retirement age (65) equal to the greater of (a) 1.0% of the participant's average annual compensation multiplied by the years of service or (b) 1.5% of average annual compensation times the years of benefit service, minus the lesser of 1/70th of the participant's primary Social Security Benefit ("SSB") multiplied by the years of benefit service up to a maximum of 35 years, or 50% SSB times actual years of service over total years at normal retirement date, computed using the highest salary levels for three out of the last ten plan years prior to the participant's retirement. If an employee continues employment after normal retirement age, the employee is entitled to benefits based on the formula above as of the later retirement date. Employees may elect to receive the value of their accumulated plan benefits as a single life annuity or as a joint and survivor annuity payable monthly from retirement.

Death and Disability Benefits

If an active vested employee dies, a benefit is calculated as if the participant had terminated on the date before his or her death, survived to the earliest date he or she could have commenced their pension, and then elected payment in the form of a joint and 50 percent survivor annuity is paid to the employee's beneficiary. A participant who has a nonforfeitable benefit and who becomes disabled shall be treated as if continuing in employment, with earnings equaling the sum of the participant's compensation actually paid during such calendar year (specifically excluding any lump sum cash out of vacation or sick pay attributable to the participant's last calendar year of active service or any lump sum severance or terminal pay), plus an amount which is determined by multiplying the participant's monthly base pay determined as of his last day of active service in the calendar year by the number of months remaining in the calendar year for which he is not being paid wages, salary, or severance. Such participant shall continue to accrue benefit service until normal retirement is elected.

Vesting

Participants vest in the Plan at a rate of 20% per year and are fully vested after five years of credited service.

Funding Policy

The Plan Sponsor's funding policy is to contribute such amounts as necessary to provide assets sufficient to meet the benefits to be paid to Plan members. The Plan Sponsor's present intention is to make contributions in amounts sufficient to fund the Plan's current service cost on a current basis.

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Funding Policy (Continued)

The Plan Sponsor's contributions for 2013 and 2012 met the minimum funding requirements of ERISA.

Benefit Information Policy

The actuarial present value of accumulated plan benefits and information regarding the change in accumulated plan benefits is presented in Note 8 based on valuations performed as of the beginning of the year.

Plan Termination

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Plan follows the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from estimated amounts.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Employee Benefits Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians and insurance company. See Note 3 for discussion of fair value measurements.

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

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions based on service provided by participants. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' highest average compensation during any three out of the last ten years of credited service. The accumulated plan benefits for active employees are based on their highest average compensation during any three out of the last ten years ending on the date of which the benefit information is presented (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 the actuary, AON Hewitt, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, 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 were (a) life expectancy of participants (the RP 2000 Generational Table Projected by Scale AA was used), (b) retirement age assumptions (the assumed average retirement age was 63), and (c) investment return. The 2013 and 2012 valuations included assumed average rates of return of 7 percent and 4 percent, respectively. The foregoing actuarial assumptions are based on the presumption that the plan will continue. Were the plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Administrative Expenses

Administrative expenses of the Plan are paid by both the Plan and the Plan Sponsor.

Payment of Benefits

Benefits are recorded when paid.

NOTE 3 FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

Level II – Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level III – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

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.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

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

Real Estate Funds: Valued on the basis of a discounted cash flow approach, which includes the future rental receipts, expenses, and residual values as the highest and best use of the real estate from a market participant view as rental property.

Guaranteed investment contract: Guaranteed investment contracts are valued at fair value by the insurance company by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issue (see Note 5). Because the participants transact at contract value, fair value is determined annually for financial statement reporting purposes only. In determining the reasonableness of the methodology, the Investment Committee evaluates a variety of factors including review of existing contracts, economic conditions, industry and market developments, and overall credit ratings. Certain unobservable inputs are assessed through review of contract terms (for example, duration or payout date) while others are substantiated utilizing available market data (for example, swap curve rate).

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

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

<u>Fair Value Measurements Using:</u>				
<u>December 31, 2013</u>	<u>Fair Value</u>	Quoted Prices In Active Markets For Identical Assets <u>Level I</u>	Quoted Prices In Active Markets For Similar Assets <u>Level II</u>	Significant Unobservable Inputs <u>Level III</u>
Investment contract:				
Common stock	\$ 9,345,192	\$ -	\$ 9,345,192	\$ -
Mutual funds	5,990,224	-	5,990,224	-
Real estate	842,495	-	842,495	-
Total	<u><u>\$ 16,177,911</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 16,177,911</u></u>	<u><u>\$ -</u></u>

<u>Fair Value Measurements Using:</u>				
<u>December 31, 2012</u>	<u>Fair Value</u>	Quoted Prices In Active Markets For Identical Assets <u>Level I</u>	Quoted Prices In Active Markets For Similar Assets <u>Level II</u>	Significant Unobservable Inputs <u>Level III</u>
Investment contract:				
Common stock	\$ 8,125,989	\$ -	\$ 8,125,989	\$ -
Mutual funds	5,791,512	-	5,791,512	-
Real estate	868,249	-	868,249	-
Total	<u><u>\$ 14,785,750</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 14,785,750</u></u>	<u><u>\$ -</u></u>

NOTE 4 INVESTMENTS AND CONCENTRATION OF CREDIT RISK

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

	<u>2013</u>	<u>2012</u>
MetLife Large Cap Core Index	\$ 2,418,565	\$ 2,158,933
Goldman Sachs Intermediate Duration	1,820,870	1,744,398
Templeton International Equity	1,411,404	1,267,623
Loomis Sayles Core Plus	1,206,668	1,176,389
MetLife Mid Cap Index	1,568,012	1,046,102
MetLife Small Cap Managers	901,823	894,810
Invesco REIT	NA	868,249
Metlife REIT Index	842,495	NA
BlackRock Broad Market Bond Fund	888,540	867,300
BlackRock Intermediate Duration	1,185,687	1,147,105
ClearBridge Large Cap Core	1,197,328	1,016,707
EARNEST Partners International	1,194,796	1,110,878
MetLife Core Bond Index	888,459	856,320

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 4 INVESTMENTS AND CONCENTRATION OF CREDIT RISK (CONTINUED)

During 2013, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$1,996,236 as follows:

Equity Funds	\$ 2,039,199
Fixed Income Funds	(46,279)
REIT Funds	<u>3,316</u>
Total Appreciation	\$ 1,996,236

NOTE 5 CONTRACT WITH INSURANCE COMPANY

The Plan holds its investments under a contract with MetLife. MetLife maintains the Plan's contributions in separate accounts and invests the assets in commingled investment vehicles. The contract is included in the financial statements at contract value, which approximates fair value, as reported to the Plan by MetLife. Contract value represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses.

At the direction of the Plan's administrator, a stipulated payment to purchase an annuity for a retiring employee is withdrawn by MetLife from the plan reserve account. Purchased annuities are contracts under which MetLife is obligated to pay benefits to named employees or their beneficiaries, therefore, these annuities are excluded from Plan assets. The stipulated payment rates for such annuities are adjustable after the first anniversary of the Plan and any time thereafter.

NOTE 6 TAX STATUS

The Plan is designed to be a qualified trust under Section 401(a) of the Internal Revenue Code ("IRC") which provides that a qualified trust is exempt from federal income taxes. The Plan is required to operate in accordance with the Plan document and the applicable federal laws in order to maintain its qualification. The Plan obtained its latest determination letter on December 15, 2004, in which the Internal Revenue Service stated that the plan, as then designed, was in compliance with the applicable requirements of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Sponsor believes that the Plan is designed and is currently 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 (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the tax authorities. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2010.

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 7 INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

The following information included in the accompanying financial statements and additional information was obtained from data that has been prepared and certified to be complete and accurate by MetLife as of December 31, 2013 and 2012.

	<u>2013</u>	<u>2012</u>
Investments, at Fair Value		
Mutual funds	\$ 5,990,224	\$ 5,791,512
Corporate common stock	9,345,192	8,125,989
Real estate	842,495	868,249
Net appreciation in fair value of investments	\$ 1,996,236	

NOTE 8 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and is the 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.

Information regarding the actuarial present value of accumulated benefits as of January 1, 2013 and 2012 (the dates of the most recent valuations) are as follows at the Plan years ended December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Actuarial present value of accumulated benefits:		
Vested benefits:		
Vested benefits for other participants	\$ 6,513,015	\$ 5,606,493
Participants currently receiving benefits	7,164,264	5,759,987
Non-vested benefits:	766,099	889,692
Total actual present value of accumulated benefits	<u>\$ 14,443,378</u>	<u>\$ 12,256,172</u>

Changes in the actuarial present value of accumulated plan benefits for the Plan years ended December 31, 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Actuarial present value of accumulated plan benefits		
at beginning of year:	\$ 12,256,172	\$ 11,421,452
Change during the year attributable to:		
Benefits accumulated	577,612	472,516
Interest	952,948	887,552
Assumption changes	1,358,796	141,592
Benefits paid	<u>(702,150)</u>	<u>(666,940)</u>
Actuarial present value of accumulated plan benefits		
at end of year	<u>\$ 14,443,378</u>	<u>\$ 12,256,172</u>

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

**NOTE 8 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS
(CONTINUED)**

The more significant assumptions underlying the actuarial computation are as follows:

Mortality	2013 Static Mortality Table for Annuitants and Non-Annuitants
Interest rate	7% in 2013; 8% in 2012
Retirement age	Normal retirement age (65)

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

NOTE 9 PLAN TERMINATION

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

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

Benefits to be provided via contracts with MetLife (Note 5), who is obligated to pay the benefits, would be excluded for allocation purposes.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or those who elect to receive their benefits in a form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward. Certain benefit improvements attributable to plan amendments may not be fully guaranteed even though total benefit entitlements fall below the aforementioned ceilings. Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

CLEARON CORPORATION EMPLOYEES' PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 10 RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by MetLife. These transactions qualify as party-in-interest transactions. The fees paid by the Plan for the investment management services are netted with the investment income (loss) on each investment option of the Plan for the year ended December 31, 2013.

NOTE 11 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 participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 12 SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the independent auditors' report, the date which the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

CLEARON CORPORATION EMPLOYEE'S PENSION FUND

PLAN'S EIN: 13-3852034

PLAN NUMBER 002

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

DECEMBER 31, 2013

(a)	Identity of Issue Borrower, Lessor or Similar Party (b)	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value (c)	Current Value (e)
*	MetLife	666 units of ClearBridge Large Cap Core	\$ 1,197,328
*	MetLife	5424 units of Templeton International Equity Fund	1,411,404
*	MetLife	7989 units of Goldman Sachs Intermediate Duration	1,820,870
*	MetLife	437 units of MetLife Large Cap Core Index	2,418,565
*	MetLife	7888 units of MetLife Mid Cap Index	1,568,012
*	MetLife	2923 units of MetLife Small Cap Managers	901,823
*	MetLife	5498 units of MetLife Core Bond Index	888,459
*	MetLife	4181 units of EARNEST Partners International	1,194,796
*	MetLife	5050 units of Metlife REIT Index	842,495
*	MetLife	5935 units of Vanguard Emerging Markets	653,264
*	MetLife	3673 units of BlackRock Intermediate Duration	1,185,687
*	MetLife	856 units of BlackRock Core Bond	888,540
*	MetLife	4484 units of Loomis Sayles Core Plus	<u>1,206,668</u>
		Total	\$ <u><u>16,177,911</u></u>

* denotes party-in-interest to the plan.

CLEARON CORPORATION EMPLOYEES' PENSION FUND
EMPLOYER IDENTIFICATION NUMBER 13-3852034 PLAN #002
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2013

Identity of Party Involved (a)	Description of Asset (b)	Purchase Price (c)	Selling Price (d)	Cost of Asset (g)	Current Value of Asset on Transaction Date (h)	Net Gain (i)
MetLife	Invesco REIT	-	906,906	812,969	906,906	93,937
MetLife	MetLife REIT Index	907,734	-	-	907,734	-

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

Pension Benefit Guaranty Corporation

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

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

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

OMB No. 1210-0110

2013**This Form is Open to Public
Inspection**

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

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

A Name of plan Clearon Corporation Employees' Pension Plan	B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Clearon Corporation	D Employer Identification Number (EIN) 13-3850328
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>1</u> Day <u>1</u> Year <u>2013</u>	
2 Assets:	
a Market value	2a 14,785,750
b Actuarial value	2b 14,503,784
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment	3a 110
b For terminated vested participants	3b 25
c For active participants:	
(1) Non-vested benefits	3c(1) 818,345
(2) Vested benefits	3c(2) 5,959,226
(3) Total active	3c(3) 64
d Total	3d 199
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 6.29 %
6 Target normal cost	6 595,037

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>Andrew Witte (a.w)</u>	<u>09/19/2014</u>
	Signature of actuary	Date
<u>Andrew J. Witte</u>	Type or print name of actuary	<u>14-05764</u>
		Most recent enrollment number
<u>Aon Consulting, Inc.</u>	Firm name	<u>(314) 725-9966</u>
		Telephone number (including area code)
<u>8182 Maryland Ave. Suite 1500</u>	Address of the firm	
<u>St. Louis</u>		

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)	0	42,168
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	42,168
10	Interest on line 9 using prior year's actual return of <u>13.49</u> %		5,688
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		285,419
	b Interest on (a) using prior year's effective interest rate of <u>7.00</u> % except as otherwise provided (see instructions)		19,979
	c Total available at beginning of current plan year to add to prefunding balance		305,398
	d Portion of (c) to be added to prefunding balance		305,398
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	353,254

Part III Funding Percentages			
14	Funding target attainment percentage	14	91.89 %
15	Adjusted funding target attainment percentage	15	91.89 %
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	94.94 %
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
07/12/2013	89,135				
10/10/2013	225,319				
01/13/2014	225,319				
07/31/2014	150,000				
Totals ►			18(b)	689,773	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	649,060

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

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

21 Discount rate:				
a Segment rates:	1st segment: 4.94 %	2nd segment: 6.15 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 63
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	595,037	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment.....	Outstanding Balance	Installment	
b Waiver amortization installment	1,248,387	406,380	
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	1,001,417	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	353,254	353,254
36 Additional cash requirement (line 34 minus line 35).....	36	648,163	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	649,060	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	897	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	897	
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		

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Part V – Summary of Plan Provisions

The following summary describes principal plan provisions assumed in calculating the cost of your pension plan.

General Information

Original Effective Date:	January 1, 1996
Plan Year:	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st

Eligibility

Any employee of Clearon other than an employee covered by a collective bargaining agreement which does not provide for coverage under this plan or a leased employee. Each Covered Employee shall be eligible to become a participant retroactive to the date the participant first completed one Hour of Service upon the completion of 1 Year of Service.

No new participants may enter the plan after December 1, 2005.

Service

Vesting Service is credited during the participant's employment, including service credited for vested purposes as of October 11, 1995 under the Olin Corporation Employees Pension Plan.

For other than the first or last years of employment, Benefit Service is credited for any plan year in which 1,000 or more hours of service is completed by the employee. For the first or last plan year of employment a participant gets a full year of service if the participants works 1,950 hours in the plan year, and partial credit granted if fewer than 1,950 hours are completed in the plan year. No years of benefit credit are given for service worked prior to October 1, 1995.

Normal Retirement Date

Normal retirement date is the first day of the month coincident with or next following age 65.

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Normal Retirement Benefit

The monthly benefit beginning on the normal retirement date is equal to $1/12^{\text{th}}$ the greater of (a) or (b)

- (a) 1.0% of the participant's Average Annual Earnings multiplied by the employee's Years of Benefit Service
- (b) The excess of (i) over (ii), if any
 - (i) 1.0% of the participant's Average Annual Earnings multiplied by the employee's Years of Benefit Service
 - (ii) The lesser of (1) or (2)
 - (1) $1/70^{\text{th}}$ of the participant's Primary Social Security Benefit multiplied by the participant's Years of Benefit Security
 - (2) 50% of the participant's Primary Social Security Benefit multiplied by the actual Years of Benefit Service and divided by projected Years of Benefit Service if the participant remained a Covered Employee until his Normal Retirement Date.

Delayed Retirement

A participant may continue in the employment of the Employer after his Normal Retirement Date. In such event he will receive at actual retirement a benefit calculated as of his delayed retirement date based on credited service to such date, but not less than the Actuarial Equivalent of the benefit that would have been payable had the participant retired on his Normal Retirement Date.

Annual Earnings

The total cash compensation paid to a participant by the Plan Sponsor during a calendar year, including amounts excluded from taxable income to IRC Section 125 or 402(g) and excluding amounts contributed to this plan or other deferred compensation programs, any benefits paid under this plan or any other employee benefit program or fringe benefit plan, cost of living or similar allowances, amounts paid under a performance unit plan or other long-term bonus plan, or other extraneous income, provided that in the first or last calendar year of employment, Annual Earnings shall be adjusted based on his rate of earnings as of the first or last day of such employment, as applicable, and the number of months before or after such day, as applicable, as provided in the plan. Annual Earnings shall not exceed the limitation under Section 401(a)(17) of the Internal Revenue Code.

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Average Annual Earnings

The average of the participant's Annual Earnings during the 3 calendar years in the 10 calendar years before the date of determination in which the total Annual Earnings was greatest.

Early Retirement Benefit

Upon the attainment of age 55 and the completion of 10 years of vesting service a participant may elect to retire from active service. He may receive a monthly benefit for life beginning at his Normal Retirement Date equal to the benefit accrued at the early retirement date. Alternatively, payments may begin immediately or on the first day of any month thereafter prior to his Normal Retirement Date, with the benefit reduced 1/12 of 3% for each complete month by which the benefit commencement date precedes the retiree's 62nd birthday.

Disability Benefit

When a participant has completed five years of vesting service, is disabled according to the plan's definition, and is not eligible for early retirement, then the participant is eligible for this benefit. The benefit to be calculated uses projected credited service at normal retirement date but earnings and covered compensation as of the date of disability. The benefit begins on the normal retirement date.

Pre-Retirement Death Benefit

In the event of an active participant's death after becoming vested his surviving spouse shall receive a benefit calculated as if the participant had terminated on the day before his death, survived to the earliest date he could have commenced his pension, and then elected payment in the form of a joint and 50% survivor annuity.

Post-Retirement Death Benefit

In the event an active participant retires directly from covered service, after the retiree's death the beneficiary, in addition to any annuity benefit due to the beneficiary, shall also receive a one time lump sum payment of \$5,000 payable as a death benefit.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Severance Benefit

Upon the termination of employment after 5 or more Years of Service a participant shall have a vested interest in his Accrued Benefit which will be payable at Normal Retirement Date. The percentage vested shall be:

Years of Service	Vested Percent
Fewer than 5	0%
5 or more	100%

A participant with 10 or more years of vesting service who later attains age 55 may elect early retirement. This benefit is reduced to the actuarial equivalent of the normal retirement benefit.

Normal Form of Payment

The Normal Form of Payment is an annuity paid in monthly installments for life.

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Optional Methods of Settlement

All optional methods of settlement are actuarially equivalent to the normal form of annuity. If a married participant does not elect the normal form of annuity or does not elect one of the optional methods of settlement described below, then the participant's retirement benefit shall automatically be paid under option [1] below. The options are:

- (1) An actuarial equivalent benefit to be paid during the participant's lifetime with 50%, 75%, or 100% continued to a designated beneficiary.
- (2) An actuarial equivalent benefit to be paid during the participant's lifetime with 120 or 60 installments guaranteed.
- (3) Social Security adjustment options with either the life annuity or one of the contingent annuity options.

If the present value of a participant's vested accrued benefit is \$5,000 or less, the present value of such benefit shall be paid to the participant in the form of a lump sum payment.

All optional methods of settlement (other than joint and survivor and lumps sums) are actuarially equivalent to the normal form of annuity based on the 1971 Group Annuity Mortality Table and 7.00% interest. For lump sums, the interest rate is a three segment rate specified by the Commissioner of Internal Revenue in effect for the third month preceding the first day of the Plan Year prior to distribution of the lump sum, and the applicable mortality table used for this purpose as required by regulations.

The benefit otherwise payable in the form of a single life annuity is reduced if it is paid as a joint and survivor annuity by multiplying the single life benefit by the applicable factor from the table in Exhibit A of the plan document.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time. Generally, the Pension Benefit Guaranty Corporation reserves the right to terminate the Plan if the Employer fails to meet the minimum funding standards, or is unable to pay benefits when due.

If the Plan is terminated, the Plan assets will be distributed among the Plan participants based upon a priority allocation procedure and the Employer shall be liable for any unfunded vested benefits to the extent required by law.

Additional Information

The above description is a summary only; for additional details, reference should be made to the formal Plan document

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

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

Cost Method

Funding: Unit Credit.

Asset Method

Funding: Based on average of fair market values over the period beginning on the last day of the 25th month preceding the month in which the valuation occurs and ending on the Valuation Date. This result is limited to no lower than 90% and no greater than 110% of the fair market value of plan assets as of the Valuation Date.

Dates of Calculations

Funding: The Valuation Date is January 1, 2013.

Employees Included in the Calculations

All active employees who have met the Plan's eligibility requirements as of the valuation date are included in the calculations. Former employees or their survivors who are receiving or entitled to receive an immediate or deferred benefit under the provisions of the Plan are also included.

Source of Data

Data is as of the valuation date and is supplied to us by the Employer.

Employees are assumed to work the same number of Hours in all future years that they worked in the computation period preceding the valuation date.

Past salaries are based on actual salary history.

We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break in service. These employees may have participation requirements different from other new employees.

Financial information was supplied to us by the Trustee.

Although we believe these to be accurate and complete, the data and financial information have not been audited by us.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

**Schedule SB, Part V – Statement of Actuarial
Assumptions/Methods (cont.)**

Interest and Other Rate Assumptions

Below is a summary of interest and inflation rates used for the valuation.

Interest Rates		Assumption
(1)	Funding Target	
	First Segment Rate	4.94%
	Second Segment Rate	6.15%
	Third Segment Rate	6.76%
Other Rates		Assumption
(1)	Future Salaries	
	Funding	3.50%
(2)	Social Security Wage Bases	3.50%

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Decrement Assumptions

Below is a summary of decrements used in this valuation.

Mortality Decrements	Description
(3) Funding	2013 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e)

Retirement is assumed to occur at age 63 or the Valuation Date if later.

The termination assumption utilizes the Hospital for Special Care termination rates, with male ages set forward 5 years. Sample rates include:

	Termination Rates	
Age	Male	Female
25	.13	.20
40	.04	.06
55	.01	.02

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

**Schedule SB, Part V – Statement of Actuarial
Assumptions/Methods (cont.)**

Expenses

\$100,000

Form of Benefit Payment

It was assumed that all participants would elect a life annuity.

Other Considerations

For the purpose of valuing death benefits, 100% of the employees are assumed to be married.
Wives are assumed to be the same age as their husbands.

Projected benefits are limited to the IRC Section 415(b) limit that was in effect as of the beginning of the plan year. Aggregate limitations under IRC Section 415(e) are assumed to have no effect.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

**Schedule SB, Line 26—Schedule of Active Participant Data
As of January 1, 2013**

**Clearon Corporation
Clearon Corporation Employees Pension Plan
Active Employees**

EIN: 13-3852034 PN: 002

Number of Participants and Average Compensation

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34										
35-39				3	1					
40-44			2	2	1					
45-49			1	3	2					
50-54				2	5		1			
55-59			1	1	4		2		11	
60-64			1		5		1	1	12	
65-69					1			1		
70+										

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule of Shortfall Amortization Installments

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 2,719,612	January 1, 2010	4	\$ 729,840
Shortfall	\$ (874,623)	January 1, 2011	5	\$ (192,187)
Shortfall	\$ (1,438,454)	January 1, 2012	6	\$ (271,771)
Shortfall	\$ 841,852	January 1, 2013	7	\$ 140,498

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Line 19 – Discounted Employer Contributions

Plan Year	2013
Valuation Date	1/1/2013
Effective Interest Rate	6.29%

Total	\$689,773	\$649,060
--------------	-----------	-----------

Date Paid	Contribution Amount	Discounted Contributions	Days
07/12/2013	\$89,135	\$86,320	192
10/10/2013	\$225,319	\$214,946	282
01/13/2014	\$225,319	\$211,560	377
07/31/2014	\$150,000	\$136,234	576

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Line 24 – Changes in Actuarial Assumptions

The expense assumption was changed from \$75,000 to \$100,000.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Line 19 – Discounted Employer Contributions

Plan Year	2013
Valuation Date	1/1/2013
Effective Interest Rate	6.29%

Total	\$689,773	\$649,060
--------------	-----------	-----------

Date Paid	Contribution Amount	Discounted Contributions	Days
07/12/2013	\$89,135	\$86,320	192
10/10/2013	\$225,319	\$214,946	282
01/13/2014	\$225,319	\$211,560	377
07/31/2014	\$150,000	\$136,234	576

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Line 24 – Changes in Actuarial Assumptions

The expense assumption was changed from \$75,000 to \$100,000.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

**Schedule SB, Line 26—Schedule of Active Participant Data
As of January 1, 2013**

**Clearon Corporation
Clearon Corporation Employees Pension Plan
Active Employees**

EIN: 13-3852034 PN: 002

Number of Participants and Average Compensation

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34										
35-39				3	1					
40-44			2	2	1					
45-49			1	3	2					
50-54				2	5		1			
55-59			1	1	4		2		11	
60-64			1		5		1	1	12	
65-69					1			1		
70+										

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule of Shortfall Amortization Installments

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 2,719,612	January 1, 2010	4	\$ 729,840
Shortfall	\$ (874,623)	January 1, 2011	5	\$ (192,187)
Shortfall	\$ (1,438,454)	January 1, 2012	6	\$ (271,771)
Shortfall	\$ 841,852	January 1, 2013	7	\$ 140,498

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

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

Cost Method

Funding: Unit Credit.

Asset Method

Funding: Based on average of fair market values over the period beginning on the last day of the 25th month preceding the month in which the valuation occurs and ending on the Valuation Date. This result is limited to no lower than 90% and no greater than 110% of the fair market value of plan assets as of the Valuation Date.

Dates of Calculations

Funding: The Valuation Date is January 1, 2013.

Employees Included in the Calculations

All active employees who have met the Plan's eligibility requirements as of the valuation date are included in the calculations. Former employees or their survivors who are receiving or entitled to receive an immediate or deferred benefit under the provisions of the Plan are also included.

Source of Data

Data is as of the valuation date and is supplied to us by the Employer.

Employees are assumed to work the same number of Hours in all future years that they worked in the computation period preceding the valuation date.

Past salaries are based on actual salary history.

We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break in service. These employees may have participation requirements different from other new employees.

Financial information was supplied to us by the Trustee.

Although we believe these to be accurate and complete, the data and financial information have not been audited by us.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

**Schedule SB, Part V – Statement of Actuarial
Assumptions/Methods (cont.)**

Interest and Other Rate Assumptions

Below is a summary of interest and inflation rates used for the valuation.

Interest Rates		Assumption
(1)	Funding Target	
	First Segment Rate	4.94%
	Second Segment Rate	6.15%
	Third Segment Rate	6.76%
Other Rates		Assumption
(1)	Future Salaries	
	Funding	3.50%
(2)	Social Security Wage Bases	3.50%

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

**Schedule SB, Part V – Statement of Actuarial
Assumptions/Methods (cont.)**

Decrement Assumptions

Below is a summary of decrements used in this valuation.

Mortality Decrements	Description
(3) Funding	2013 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e)

Retirement is assumed to occur at age 63 or the Valuation Date if later.

The termination assumption utilizes the Hospital for Special Care termination rates, with male ages set forward 5 years. Sample rates include:

	Termination Rates	
Age	Male	Female
25	.13	.20
40	.04	.06
55	.01	.02

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

**Schedule SB, Part V – Statement of Actuarial
Assumptions/Methods (cont.)**

Expenses

\$100,000

Form of Benefit Payment

It was assumed that all participants would elect a life annuity.

Other Considerations

For the purpose of valuing death benefits, 100% of the employees are assumed to be married.
Wives are assumed to be the same age as their husbands.

Projected benefits are limited to the IRC Section 415(b) limit that was in effect as of the beginning of the plan year. Aggregate limitations under IRC Section 415(e) are assumed to have no effect.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Part V – Summary of Plan Provisions

The following summary describes principal plan provisions assumed in calculating the cost of your pension plan.

General Information

Original Effective Date:	January 1, 1996
Plan Year:	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st

Eligibility

Any employee of Clearon other than an employee covered by a collective bargaining agreement which does not provide for coverage under this plan or a leased employee. Each Covered Employee shall be eligible to become a participant retroactive to the date the participant first completed one Hour of Service upon the completion of 1 Year of Service.

No new participants may enter the plan after December 1, 2005.

Service

Vesting Service is credited during the participant's employment, including service credited for vested purposes as of October 11, 1995 under the Olin Corporation Employees Pension Plan.

For other than the first or last years of employment, Benefit Service is credited for any plan year in which 1,000 or more hours of service is completed by the employee. For the first or last plan year of employment a participant gets a full year of service if the participants works 1,950 hours in the plan year, and partial credit granted if fewer than 1,950 hours are completed in the plan year. No years of benefit credit are given for service worked prior to October 1, 1995.

Normal Retirement Date

Normal retirement date is the first day of the month coincident with or next following age 65.

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Normal Retirement Benefit

The monthly benefit beginning on the normal retirement date is equal to $1/12^{\text{th}}$ the greater of (a) or (b)

- (a) 1.0% of the participant's Average Annual Earnings multiplied by the employee's Years of Benefit Service
- (b) The excess of (i) over (ii), if any
 - (i) 1.0% of the participant's Average Annual Earnings multiplied by the employee's Years of Benefit Service
 - (ii) The lesser of (1) or (2)
 - (1) $1/70^{\text{th}}$ of the participant's Primary Social Security Benefit multiplied by the participant's Years of Benefit Security
 - (2) 50% of the participant's Primary Social Security Benefit multiplied by the actual Years of Benefit Service and divided by projected Years of Benefit Service if the participant remained a Covered Employee until his Normal Retirement Date.

Delayed Retirement

A participant may continue in the employment of the Employer after his Normal Retirement Date. In such event he will receive at actual retirement a benefit calculated as of his delayed retirement date based on credited service to such date, but not less than the Actuarial Equivalent of the benefit that would have been payable had the participant retired on his Normal Retirement Date.

Annual Earnings

The total cash compensation paid to a participant by the Plan Sponsor during a calendar year, including amounts excluded from taxable income to IRC Section 125 or 402(g) and excluding amounts contributed to this plan or other deferred compensation programs, any benefits paid under this plan or any other employee benefit program or fringe benefit plan, cost of living or similar allowances, amounts paid under a performance unit plan or other long-term bonus plan, or other extraneous income, provided that in the first or last calendar year of employment, Annual Earnings shall be adjusted based on his rate of earnings as of the first or last day of such employment, as applicable, and the number of months before or after such day, as applicable, as provided in the plan. Annual Earnings shall not exceed the limitation under Section 401(a)(17) of the Internal Revenue Code.

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Average Annual Earnings

The average of the participant's Annual Earnings during the 3 calendar years in the 10 calendar years before the date of determination in which the total Annual Earnings was greatest.

Early Retirement Benefit

Upon the attainment of age 55 and the completion of 10 years of vesting service a participant may elect to retire from active service. He may receive a monthly benefit for life beginning at his Normal Retirement Date equal to the benefit accrued at the early retirement date. Alternatively, payments may begin immediately or on the first day of any month thereafter prior to his Normal Retirement Date, with the benefit reduced 1/12 of 3% for each complete month by which the benefit commencement date precedes the retiree's 62nd birthday.

Disability Benefit

When a participant has completed five years of vesting service, is disabled according to the plan's definition, and is not eligible for early retirement, then the participant is eligible for this benefit. The benefit to be calculated uses projected credited service at normal retirement date but earnings and covered compensation as of the date of disability. The benefit begins on the normal retirement date.

Pre-Retirement Death Benefit

In the event of an active participant's death after becoming vested his surviving spouse shall receive a benefit calculated as if the participant had terminated on the day before his death, survived to the earliest date he could have commenced his pension, and then elected payment in the form of a joint and 50% survivor annuity.

Post-Retirement Death Benefit

In the event an active participant retires directly from covered service, after the retiree's death the beneficiary, in addition to any annuity benefit due to the beneficiary, shall also receive a one time lump sum payment of \$5,000 payable as a death benefit.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Severance Benefit

Upon the termination of employment after 5 or more Years of Service a participant shall have a vested interest in his Accrued Benefit which will be payable at Normal Retirement Date. The percentage vested shall be:

Years of Service	Vested Percent
Fewer than 5	0%
5 or more	100%

A participant with 10 or more years of vesting service who later attains age 55 may elect early retirement. This benefit is reduced to the actuarial equivalent of the normal retirement benefit.

Normal Form of Payment

The Normal Form of Payment is an annuity paid in monthly installments for life.

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Optional Methods of Settlement

All optional methods of settlement are actuarially equivalent to the normal form of annuity. If a married participant does not elect the normal form of annuity or does not elect one of the optional methods of settlement described below, then the participant's retirement benefit shall automatically be paid under option [1] below. The options are:

- (1) An actuarial equivalent benefit to be paid during the participant's lifetime with 50%, 75%, or 100% continued to a designated beneficiary.
- (2) An actuarial equivalent benefit to be paid during the participant's lifetime with 120 or 60 installments guaranteed.
- (3) Social Security adjustment options with either the life annuity or one of the contingent annuity options.

If the present value of a participant's vested accrued benefit is \$5,000 or less, the present value of such benefit shall be paid to the participant in the form of a lump sum payment.

All optional methods of settlement (other than joint and survivor and lumps sums) are actuarially equivalent to the normal form of annuity based on the 1971 Group Annuity Mortality Table and 7.00% interest. For lump sums, the interest rate is a three segment rate specified by the Commissioner of Internal Revenue in effect for the third month preceding the first day of the Plan Year prior to distribution of the lump sum, and the applicable mortality table used for this purpose as required by regulations.

The benefit otherwise payable in the form of a single life annuity is reduced if it is paid as a joint and survivor annuity by multiplying the single life benefit by the applicable factor from the table in Exhibit A of the plan document.

Plan Sponsor: Clearon Corporation
Plan Name: Clearon Corporation Employees' Pension Plan
EIN: 13-3850328 PN : 002
Plan Year: January 1, 2013 – December 31, 2013

Schedule SB, Part V – Summary of Plan Provisions (Cont.)

Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time. Generally, the Pension Benefit Guaranty Corporation reserves the right to terminate the Plan if the Employer fails to meet the minimum funding standards, or is unable to pay benefits when due.

If the Plan is terminated, the Plan assets will be distributed among the Plan participants based upon a priority allocation procedure and the Employer shall be liable for any unfunded vested benefits to the extent required by law.

Additional Information

The above description is a summary only; for additional details, reference should be made to the formal Plan document

Plan Name	Clearon Corporation Employees' Pension Plan
Plan Sponsor EIN	133850328
ERISA Plan No.	002
Plan Year End	12/31/2013

The required attachment noted below is included within the Accountant's Opinion attachment to the
Form 5500 Schedule H, Part III, which consists of the entire Audit report issued by the Plan's
Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4i	Schedule of Assets (Held at End of Year)

Plan Name	Clearon Corporation Employees' Pension Plan
Plan Sponsor EIN	133850328
ERISA Plan No.	002
Plan Year End	12/31/2013

The required attachment noted below is included within the Accountant's Opinion attachment to the
Form 5500 Schedule H, Part III, which consists of the entire Audit report issued by the Plan's
Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4j	Schedule of Reportable Transactions

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
---	--	---

Part I Annual Report Identification Information			
For calendar plan year 2013 or fiscal plan year beginning		01/01/2013	and ending
		12/31/2013	
A This return/report is for:	☐ a multiemployer plan; ☒ a single-employer plan;	☐ a multiple-employer plan; or ☐ a DFE (specify) _____	
B This return/report is:	☐ the first return/report; ☐ an amended return/report;	☐ the final 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; ☐ special extension (enter description) _____	☐ automatic extension;	☐ the DFVC program;

Part II Basic Plan Information—enter all requested information			
1a Name of plan Clearon Corporation Employees' Pension Plan	1b Three-digit plan number (PN) ►	002	
	1c Effective date of plan	01/01/1996	
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) Clearon Corp 95 MacCorkle Ave. South Charleston WV 25303	2b Employer Identification Number (EIN) 13-3850328	2c Sponsor's telephone number (304) 746-3000	2d Business code (see instructions) 325200

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	 Signature of plan administrator	10/13/14 Date	Deborah Tallo Enter name of individual signing as plan administrator
SIGN HERE	 Signature of employer/plan sponsor	10/13/14 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 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	<div style="border: 1px solid black; padding: 2px;">5</div> <div style="border: 1px solid black; padding: 2px; float: right;">199</div>
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.....	<div style="border: 1px solid black; padding: 2px;">6a</div> <div style="border: 1px solid black; padding: 2px; float: right;">57</div>
b Retired or separated participants receiving benefits	<div style="border: 1px solid black; padding: 2px;">6b</div> <div style="border: 1px solid black; padding: 2px; float: right;">110</div>
c Other retired or separated participants entitled to future benefits.....	<div style="border: 1px solid black; padding: 2px;">6c</div> <div style="border: 1px solid black; padding: 2px; float: right;">21</div>
d Subtotal. Add lines 6a , 6b , and 6c	<div style="border: 1px solid black; padding: 2px;">6d</div> <div style="border: 1px solid black; padding: 2px; float: right;">188</div>
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	<div style="border: 1px solid black; padding: 2px;">6e</div> <div style="border: 1px solid black; padding: 2px; float: right;">9</div>
f Total. Add lines 6d and 6e	<div style="border: 1px solid black; padding: 2px;">6f</div> <div style="border: 1px solid black; padding: 2px; float: right;">197</div>
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	<div style="border: 1px solid black; padding: 2px;">6g</div>
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	<div style="border: 1px solid black; padding: 2px;">6h</div> <div style="border: 1px solid black; padding: 2px; float: right;">0</div>
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	<div style="border: 1px solid black; padding: 2px;">7</div>

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
 1A

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) ☐ **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☐ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)