

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 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2013</div> <div style="text-align: center; font-weight: bold;">This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information	
1a Name of plan <u>LIBBEY INC. HOURLY RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ▶	<u>004</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>LIBBEY INC.</u> <u>300 MADISON AVENUE</u> <u>P.O. BOX 10060</u> <u>TOLEDO, OH 43699-0060</u>	1c Effective date of plan <u>06/24/1993</u>	2b Employer Identification Number (EIN) <u>34-1559357</u>
	2c Sponsor's telephone number <u>419-325-2100</u>	2d Business code (see instructions) <u>327210</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2014	TIMOTHY PAIGE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2014	SUSAN A. KOVACH
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☒ Same as Plan Sponsor Address LIBBEY INC. EMPLOYEE BENEFITS COMMITTEE ATTN PAT HANNA		3b Administrator's EIN 34-1559357
		3c Administrator's telephone number 419-325-2100
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5	3199
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	1150
b Retired or separated participants receiving benefits	6b	1241
c Other retired or separated participants entitled to future benefits.....	6c	607
d Subtotal. Add lines 6a , 6b , and 6c	6d	2998
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	131
f Total. Add lines 6d and 6e	6f	3129
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	11
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: 1B 1H		
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
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

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

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

A Name of plan <u>LIBBEY INC. HOURLY RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>004</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>LIBBEY INC.</u>	D Employer Identification Number (EIN) <u>34-1559357</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>228856694</u>
b Actuarial value	2b <u>223596145</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>1301</u> (1) Number of participants <u>103034366</u> (2) Funding Target
b For terminated vested participants.....	3b <u>580</u> <u>12128570</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>10471236</u>
(2) Vested benefits	3c(2) <u>67260593</u>
(3) Total active.....	3c(3) <u>1318</u> <u>77731829</u>
d Total.....	3d <u>3199</u> <u>192894765</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>6.32</u> %
6 Target normal cost	6 <u>3542479</u>

Statement by Enrolled Actuary

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

SIGN HERE	
Signature of actuary	Date
<u>JOSEPH A. PERKO</u>	<u>14-06491</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>	<u>216-937-4000</u>
Firm name	Telephone number (including area code)
<u>1001 LAKESIDE AVENUE, SUITE 1900</u> <u>CLEVELAND, OH 44114-1172</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	38525000
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	38525000
10 Interest on line 9 using prior year's actual return of <u>11.64</u> %		4484310
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		9005
b Interest on (a) using prior year's effective interest rate of <u>5.50</u> % except as otherwise provided (see instructions)		495
c Total available at beginning of current plan year to add to prefunding balance		9500
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	43009310

Part III Funding Percentages		
14 Funding target attainment percentage	14	93.61 %
15 Adjusted funding target attainment percentage	15	115.91 %
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	80.00 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

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

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

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(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 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	3542479	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	12307930	5649990	
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	9192469	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	9192469	9192469
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

► **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning	01/01/2013	and ending	12/31/2013
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A Name of plan
LIBBEY INC. HOURLY RETIREMENT PLAN

B Three-digit plan number (PN)	004
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C Plan or DFE sponsor's name as shown on line 2a of Form 5500
LIBBEY INC.

D Employer Identification Number (EIN)
34-1559357

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIBBEY INC. MASTER RETIREMENT TRUST

b Name of sponsor of entity listed in (a): LIBBEY INC.

c EIN-PN 06-1702366-001	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 244739003
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

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

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
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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>LIBBEY INC. HOURLY RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>004</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LIBBEY INC.</u>	D Employer Identification Number (EIN) <u>34-1559357</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	<u>228856693</u>	<u>244739003</u>
(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)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(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	228856693	244739003

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	228856693	244739003
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(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)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		27317527
(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		27317527

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	11435217	
(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)		11435217
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)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		11435217

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		15882310
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: ERNST & YOUNG LLP

(2) EIN: 34-6565596

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		10000000
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.)			
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>LIBBEY INC. HOURLY RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>004</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LIBBEY INC.</u>	D Employer Identification Number (EIN) <u>34-1559357</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>06-1702366</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>6</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: 53% Investment-Grade Debt: 32% High-Yield Debt: _____% Real Estate: _____% Other: 15%

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): _____



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Report of Independent Auditors

The Employee Benefits Committee
Libbey Inc.

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 5, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2013 and 2012, and for the years then ended, stating that the investment information provided to the plan administrator is complete and accurate.



Disclaimer of Opinion on Financial Statements

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.

Report on Compliance of Form and Content With Department of Labor's Rules and Regulations

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

Ernst & Young LLP

October 13, 2014

**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 201 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

Libbey Inc. Hourly Retirement Plan

B Three-digit

plan number (PN) ►

004

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

Libbey Inc.

D Employer Identification Number (EIN)

34-1559357

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 1 Day 1 Year 2013**2** Assets:**a** Market value **2a** 228,856,694**b** Actuarial value **2b** 223,596,145**3** Funding target/participant count breakdown:**(1) Number of participants****(2) Funding Target****a** For retired participants and beneficiaries receiving payment **3a** 1,301 103,034,366**b** For terminated vested participants **3b** 580 12,128,570**c** For active participants:**(1)** Non-vested benefits **3c(1)** 10,471,236**(2)** Vested benefits **3c(2)** 67,260,593**(3)** Total active **3c(3)** 1,318 77,731,829**d** Total **3d** 3,199 192,894,765**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** 6.32 %**6** Target normal cost **6** 3,542,479**Statement by Enrolled Actuary**To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in
accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in
combination, offer my best estimate of anticipated experience under the plan.**SIGN
HERE**

Signature of actuary

JOSEPH A. PERKO

Type or print name of actuary

TOWERS WATSON DELAWARE INC.

Firm name

1001 LAKESIDE AVENUE, SUITE 1900

CLEVELAND

OH 44114-1172

Address of the firm

Date

14-06491

Most recent enrollment number

(216) 937-4000

Telephone number (including area code)

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

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

Schedule SB (Form 5500) 2013
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	38,525,000
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	38,525,000
10	Interest on line 9 using prior year's actual return of <u>11.64</u> %		4,484,310
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		9,005
	b Interest on (a) using prior year's effective interest rate of <u>5.50</u> % except as otherwise provided (see instructions)		495
	c Total available at beginning of current plan year to add to prefunding balance		9,500
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	43,009,310

Part III Funding Percentages			
14	Funding target attainment percentage	14	93.61 %
15	Adjusted funding target attainment percentage	15	115.91 %
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	80.00 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

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

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 0
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
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 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	3,542,479	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	12,307,930	5,649,990	
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	9,192,469	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	9,192,469	9,192,469
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

Libbey Inc. Hourly Retirement Plan
 EIN: 34-1559357 PN:004
 2013 Form 5500

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

Retirement Age (1)	Assumed Retirement Rate (2)	Number of Participants at Beginning (3)	Number of Participants Retiring (2) * (3) (4)	Product for Weighting (1) * (4) (5)
Less than 30 years of service				
55	0.0450	1,000.00	45.00	2,475.00
56	0.0450	955.00	42.98	2,406.60
57	0.0450	912.03	41.04	2,339.34
58	0.0450	870.98	39.19	2,273.27
59	0.0600	831.79	49.91	2,944.54
60	0.0850	781.88	66.46	3,987.60
61	0.0850	715.42	60.81	3,709.46
62	0.2200	654.61	144.01	8,928.90
63	0.2200	510.60	112.33	7,076.87
64	0.3500	398.27	139.39	8,921.15
65	0.2250	258.87	58.25	3,786.01
66	0.2250	200.63	45.14	2,979.30
67	0.2250	155.49	34.98	2,343.94
68	0.2500	120.50	30.13	2,048.52
69	0.2500	90.38	22.59	1,558.98
70	1.0000	67.78	67.78	4,744.73
			1,000.00	62,524.22

Weighted Average Retirement Age: 62,524.22 / 1,000.00 = 62.52

Greater than 30 years of service

55	0.1050	1,000.00	105.00	5,775.00
56	0.1020	895.00	91.29	5,112.24
57	0.1090	803.71	87.60	4,993.45
58	0.1060	716.11	75.91	4,402.62
59	0.1085	640.20	69.46	4,098.23
60	0.1300	570.74	74.20	4,451.75
61	0.1300	496.54	64.55	3,937.57
62	0.2950	431.99	127.44	7,901.11
63	0.2950	304.55	89.84	5,660.13
64	0.3200	214.71	68.71	4,397.26
65	0.4500	146.00	65.70	4,270.59
66	0.3250	80.30	26.10	1,722.47
67	0.3250	54.20	17.62	1,180.28
68	0.3250	36.59	11.89	808.58
69	0.3250	24.70	8.03	553.82
70	1.0000	16.67	16.67	1,166.91
			1,000.00	60,432.01

Weighted Average Retirement Age: 60,432.01 / 1,000.00 = 60.43

Employee Average	# of employees			
Less than 30 years	1,040	*	62.52	= 65,020.80
Greater than 30 years	<u>278</u>	*	60.43	= <u>16,799.54</u>
Total	1,318			81,820.34
Average				62.08

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 34-1559357

PN: 004

[illegible]

Schedule of Active Participant Data
Total Years of Credited Service

		Total Years of Credited Service									
Attained Age		Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	Count	0	5	2	0	0	0	0	0	0	0
25 to 29	Count	0	14	54	7	0	0	0	0	0	0
30 to 34	Count	0	11	76	32	0	0	0	0	0	0
35 to 39	Count	0	12	46	36	16	3	0	0	0	0
40 to 44	Count	0	13	59	36	22	20	2	0	0	0
45 to 49	Count	0	12	48	39	22	35	21	0	0	0
50 to 54	Count	0	7	51	27	24	49	26	51	8	0
55 to 59	Count	0	4	31	29	25	31	25	45	94	8
60 to 64	Count	0	1	8	11	11	15	11	11	23	27
65 to 69	Count	0	0	0	0	3	3	1	1	4	5
70 & up	Count	0	0	1	1	1	0	1	0	1	0

Schedule SB, Part V – Summary of Plan Provisions

Plan Provisions

Name of plan	Libbey Inc. Hourly Retirement Plan
Effective date	June 24, 1993
Amended and restated	January 1, 2013
Eligible employees	All hourly employees covered by a collective bargaining agreement in units covered by the plan who are full-time or part-time and have completed 1,000 hours. Plan closed to new entrants as of December 16, 2008 for Shreveport participants and October 1, 2010 for Toledo participants.
Participation date	Date of becoming a covered employee

Definitions

Credited service	<ul style="list-style-type: none">▶ Full-time employees: Years and months of service as a covered employee.▶ Part-time employees: One year of service if 1,000 hours are worked.
Normal retirement date (NRD)	First of month on or after the attainment of age 65.
Pension benefit	Monthly credit factor times the number of years of credited service.

Monthly credit factors

<i>Labor Grade</i>	<i>Effective Date</i>						
Toledo (IAM, AFGWU)	1/1/2003	2/1/2004	1/1/2005	1/1/2006	1/1/2007	1/1/2008 and 1/1/2009	1/1/2010
1 – 10	\$31	\$32	\$33	\$34	\$36	\$37	\$38
11 – 15	32	33	34	35	37	38	39
16 and above	33	34	35	36	38	39	40
Toledo (GMP)							
Apprentices (all grades)	\$32	\$33	\$34	\$35	\$37	\$38	\$39
Others (all grades)	33	34	35	36	38	39	40
City of Industry/Mira Loma							
1 – 10	\$32	\$33	\$34	N/A	N/A	N/A	N/A
11 – 15	33	34	35	N/A	N/A	N/A	N/A
16 and above	34	35	36	N/A	N/A	N/A	N/A
Shreveport							
Class A-1, A-2, B	\$31	\$32	\$33	\$34	\$36	\$37	\$37
Class B-1, B-2	32	33	34	35	37	38	38
Class B-3, C-1, C-2	33	34	35	36	38	39	39

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service
Postponed retirement	Retirement after NRD
Disabled retirement	Totally and permanently disabled with at least ten years of credited service
Deferred vested retirement	Termination for reasons other than death, disability or retirement after completing five years of vesting service.
Preretirement death	Death while eligible for normal, early, postponed or deferred vested retirement benefits, with a surviving spouse.

Monthly Benefits Paid Upon the Following Events

Normal retirement	Pension benefit as of NRD.
Early retirement	Pension benefit as of early retirement date, reduced 6% for each year the payment begins before age 60. A participant with at least 30 years of service will receive an unreduced benefit.
Postponed retirement	Pension benefit as of actual retirement date
Disabled retirement	Pension benefit calculated using credited service as of the disability date
Deferred vested retirement	Pension benefit as of termination, reduced 6% for each year the payment begins before the participant's NRD
Preretirement death	<p>Upon the death of an active participant who is at least 50 years of age and has ten or more years of service, the monthly annuity payable to the surviving spouse will equal 50% of the monthly pension benefit as of the participant's date of death.</p> <p>If an active participant dies before attaining age 50 but has at least five years of service, a monthly benefit will be paid to the surviving spouse. This amount is equal to 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and reduced for payment as early as the participant's 55th birthday.</p>
Payment forms	<p>Preretirement spouse benefits are payable only as described above. Monthly pension benefits are paid as described above, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of the 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. (Single life, 66 2/3%, 75%, or 100% Joint and Survivor or Level Income). All annuities have a 72 month guaranty.</p> <p>Payment forms are calculated using conversion factors assuming the 1971 TPFC Forecast Mortality Table using a 6-year setback for the beneficiary and no setback for the participant, and assuming 6.00% interest.</p>

Plan Provisions Effective After January 1, 2013

No future plan provisions were recognized in determining pension cost or in determining minimum and maximum contributions.

Changes in Plan Provisions Valued Since Prior Year

None.

Significant Events

To the best of our knowledge, no significant events took place during the year.

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

Economic Assumptions

Interest rate basis:

- | | |
|---------------------|----------------|
| ▶ Applicable month | September 2012 |
| ▶ Yield curve basis | Segment rates |

Interest rates:

Reflecting Corridors

- | | |
|----------------------------|-------|
| ▶ First segment rate | 4.94% |
| ▶ Second segment rate | 6.15% |
| ▶ Third segment rate | 6.76% |
| ▶ Effective interest rate: | 6.32% |

Annual rates of increase:

- | | |
|-------------------------------------|-------|
| ▶ Compensation | N/A |
| ▶ Future Social Security wage bases | 4.00% |
| ▶ Statutory limits on compensation | N/A |

Demographic Assumptions

Mortality

- ▶ Preretirement
- ▶ Postretirement

RP2000, projected to 2028, no collar adjustment.

RP2000, projected to 2020, no collar adjustment.

Termination

Rates varying by age and service.

Sample rates:

Libbey Hourly

Attained Age	Male	Female
25	0.22620	0.30030
40	0.04380	0.07485
55	0.00000	0.00870

Disability

Rates varying by age.

Sample rates:

Libbey Hourly

Age	Rate
25	0.0020
40	0.0030
55	0.0190

Retirement

Rates varying by age, service and year as indicated by the following representative rates for 2013, which adjust over the next year to reach the ultimate rates in the year 2014 shown:

Libbey Hourly Rates

Age	Less than 30 years of service		30 or more years of service	
	2013	2014	2013	2014
55	4.10%	4.50%	10.10%	10.50%
56	4.10	4.50	9.80	10.20
57	4.10	4.50	10.50	10.90
58	4.10	4.50	10.20	10.60
59	5.60	6.00	10.45	10.85
60 – 61	8.10	8.50	12.60	13.00
62 – 63	19.00	22.00	26.50	29.50
64	31.00	35.00	28.00	32.00
65	20.50	22.50	43.00	45.00
66 – 67	22.50	22.50	32.50	32.50
68 – 69	27.00	25.00	34.50	32.50
70	100.00	100.00	100.00	100.00

Benefit commencement date:

- | | |
|-------------------------------|--|
| ▶ Preretirement death benefit | The later of the death of the active participant or the date the participant would have attained age 55. |
| ▶ Deferred vested benefit | Age 65 |
| ▶ Disability benefit | Upon disablement |
| ▶ Retirement benefit | Upon termination of employment |

Form of payment All participants are assumed to elect life annuity

Percent married 80% of males

Spouse age Wife three years younger than husband

Covered pay N/A

Administrative expenses Target normal cost loaded with prior year expenses, adjusted according to expectations.

Timing of benefit payments Annuity payments are payable monthly at the beginning of the month.

Methods

Valuation date	First day of plan year.
Funding target	Present value of accrued benefits.
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year.
Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of fair value, including discounted contributions receivable (discounted using the effective interest rate for the 2012 plan year).</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits not valued	Benefits for employees who have terminated without vested rights, but may be hired in time to have benefits restored, were not valued. The preretirement survivor annuity for terminated vested participants was not explicitly valued.
Change in assumptions and methods since prior valuation	<p>The funding interest rate basis was changed from the segment interest rates as of September 2011 to the segment interest rates as of September 2012.</p> <p>The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.</p>

Libbey Inc. Hourly Retirement Plan

Statements of Net Assets Available for Benefits

	December 31	
	2013	2012
Assets		
Investment in Master Trust, at fair value <i>(Note 5)</i>	<u>\$ 244,739,003</u>	<u>\$ 228,856,693</u>
Net assets available for benefits	<u>\$ 244,739,003</u>	<u>\$ 228,856,693</u>

See accompanying notes.

Libbey Inc. Hourly Retirement Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2013	2012
Additions		
Contributions	\$ —	\$ 13,463,197
Deductions		
Benefits paid directly to participants	11,435,217	10,465,547
Administrative expenses	504,503	403,482
	<u>11,939,720</u>	<u>10,869,029</u>
Net investment gain from Master Trust <i>(Note 5)</i>	27,822,030	22,123,723
Net increase	<u>15,882,310</u>	<u>24,717,891</u>
Net assets available for benefits:		
Beginning of year	228,856,693	204,138,802
End of year	<u>\$ 244,739,003</u>	<u>\$ 228,856,693</u>

See accompanying notes.

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements

December 31, 2013

1. Description of the Plan

The following description of the Libbey Inc. Hourly Retirement Plan (the Plan) is provided for general information purposes only. Participants should refer to the summary plan description or plan document for more complete information about the Plan, including the vesting and benefit provisions and the benefit guarantee of the Pension Benefit Guarantee Corporation (PBGC). Copies of these documents are available at the corporate office of Libbey Inc. (the Company, Plan Administrator, and Plan Sponsor).

General

The Plan is a defined benefit plan established to provide normal and early retirement, termination, and death benefits to full-time hourly employees. Effective December 16, 2008, for Shreveport and October 1, 2010, for Toledo, the Plan was amended to restrict enrollment to additional new employees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1976, as amended (ERISA).

The Employee Benefits Committee (the Committee) is responsible for the general administration of the Plan. The Committee is composed of several employees of the Company and reports to the Board of Directors of the Company. The trustee of the Plan is State Street Bank and Trust (State Street).

Benefits

The Plan is a traditional defined benefit plan whereby a participant's accrued benefit is determined based on credited service times a per month amount specified in the collective bargaining agreement.

A participant is entitled to pension benefits beginning at normal retirement age (65) based on a benefit formula amount stipulated by labor class in the applicable union contract multiplied by the participant's years of credited service under the Plan. Benefits are paid to the participant in the form of a recurring payment or a small lump-sum cash out if applicable. Accrued benefits became vested after completion of five years of credited service or the attainment of normal retirement age.

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Benefits are payable beginning at normal retirement age or in reduced amounts upon early retirement. Benefits are also payable upon disability, death, or termination of employment.

Funding

The Company contributes such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to participants and satisfy the ERISA minimum funding requirements. The Plan has met the ERISA minimum funding requirements for 2013 and 2012.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to provisions set forth by ERISA. If the Plan were to terminate at some future time, its assets will generally not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC's benefit guarantee, while other benefits may not be provided for at all.

2. Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Most significantly, estimates are used in determining the actuarial present value of accumulated plan benefits. Actual results could differ from those estimates.

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

2. Significant Accounting Policies (continued)

Investment Valuation and Income Recognition

The Plan's assets are stated at fair value and are included in the Libbey Inc. Master Retirement Trust (the Master Trust) along with the assets of the other pension plans of the Company and certain of its subsidiaries. Each participating plan has an undivided interest in the Master Trust. The Master Trust assets are allocated among the participating plans by assigning to each plan those transactions (primarily contributions, benefit payments, and plan-specific expenses) that can be specifically identified and by allocating among all plans, in proportion to each plan's beneficial interest in the Master Trust, income and expenses resulting from the collective investment of the assets of the Master Trust. The Master Trust holds an investment in the Harbor Capital Group Trust for Defined Benefit Plans (Group Trust). The Group Trust is under a separate trust agreement, along with the assets of other third party pension plans. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). See Note 3 for further details.

Earnings of the Group Trust are allocated to each plan based on the relative market values of each plan's net assets. The accompanying financial statements reflect the Plan's total interest in the net assets and transactions of the Group Trust as allocated by the trustee and any such other investments and transactions related solely to the Plan. This Group Trust is designed to protect capital with low-risk investments and includes cash, domestic and foreign corporate equity and debt issues, government securities, and real estate investment trusts.

The Master Trust also holds investments in hedge funds. The funds are multi-strategy hedge funds. The investment objective is to achieve long-term equity-like returns with significantly less volatility than the equity markets. The Master Trust seeks to accomplish this investment objective by investing in a diversified portfolio of hedge funds.

The Committee is responsible for determining the Plan's valuation policies and analyzing information provided by the investment custodians and issuers that is used to determine the fair value of the Plan's investments.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. 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.

Libbey Inc. Hourly Retirement Plan
Notes to Financial Statements (continued)

2. Significant Accounting Policies (continued)

Payment of Benefits

Benefits are recorded when paid.

3. Fair Value Measurements

Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair value into three broad levels as follows:

- Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.
- Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:
 - Quoted prices for similar assets and liabilities in active markets
 - Quoted prices for identical or similar assets or liabilities in markets that are not active
 - Observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means
- Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

3. Fair Value Measurements (continued)

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level of input that is significant to the fair value measurement in its entirety.

Master Trust investments measured at fair value on a recurring basis consisted of the following types of instruments (Level 1, 2, and 3 inputs are defined above):

December 31, 2013				
	Level 1	Level 2	Level 3	Total
Master Trust investments:				
Short-term investments	\$ –	\$ 9,618,296	\$ –	\$ 9,618,296
Hedge funds	–	–	51,307,616	51,307,616
Investment in Group Trust	–	271,901,592	–	271,901,592
Total investments measured at fair value	<u>\$ –</u>	<u>\$ 281,519,888</u>	<u>\$ 51,307,616</u>	<u>\$ 332,827,504</u>
December 31, 2012				
	Level 1	Level 2	Level 3	Total
Master Trust investments:				
Short-term investments	\$ –	\$ 509,606	\$ –	\$ 509,606
Hedge funds	–	–	44,834,594	44,834,594
Investment in Group Trust	–	271,481,822	–	271,481,822
Total investments measured at fair value	<u>\$ –</u>	<u>\$ 271,991,428</u>	<u>\$ 44,834,594</u>	<u>\$ 316,826,022</u>

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

3. Fair Value Measurements (continued)

Short-term investments are stated at net asset value (NAV), provided by the administrator of the fund. The NAV is based on the value of the underlying assets of the fund, minus its liabilities, divided by the number of units outstanding. The fund seeks to provide safety of principal, daily liquidity, and a competitive yield over the long term. There are no redemption restrictions on the short-term investments. The hedge fund investments are valued by using estimated month-end NAV and performance numbers provided by the fund companies. The Plan's interests in the funds of the Group Trust are valued at the unit prices established by the trustee. The Plan is required to provide a 30-day advance written notice to liquidate its entire share in the Group Trust and a 90-day advance written notice to liquidate certain investments in hedge funds.

See Note 5 for further information as to the Plan's interest in the Master Trust and the Group Trust.

The following table sets forth a summary of changes in the fair value of the Master Trust's Level 3 investments in hedge funds for the years ended December 31:

	<u>2013</u>	<u>2012</u>
Balance at January 1	\$ 44,834,594	\$ 30,130,608
Net purchases	1	12,391,296
Realized loss	—	(54,991)
Unrealized gain	6,473,021	2,367,681
Balance at December 31	<u>\$ 51,307,616</u>	<u>\$ 44,834,594</u>

Realized and unrealized losses and gains relating to both the investment in the Group Trust and investments in hedge funds are recorded in net investment gain from Master Trust in the accompanying statements of changes in net assets available for benefits.

4. Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to service rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated vested employees or their beneficiaries and (b) present employees or their beneficiaries.

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

4. Accumulated Plan Benefits (continued)

The Plan's actuary estimates the actuarial present value of accumulated plan benefits, which 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 benefit payments (by means of decrements for such factors as death, withdrawal, or early retirement) between the valuation date and the expected date of payment.

The significant assumptions underlying the actuarial valuation are:

Assumed rate of return	2012 – 7.50% annually 2011 – 7.75% annually
Mortality basis	2012 – RP-2000 Mortality Table (projected to 2013, no collar adjustment) 2011 – RP-2000 Mortality Table (projected to 2012, no collar adjustment)
Retirement age	Based on Company experience varying from ages 55 to 70
Actuarial cost method	Projected unit credit

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

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

4. Accumulated Plan Benefits (continued)

The accumulated plan benefit information as of December 31, 2012, is as follows:

Actuarial present value of accumulated plan benefits:

Vested benefits:	
Participants currently receiving benefits	\$ 93,156,971
Other participants	67,985,692
Non-vested benefits	9,197,264
Total	<u>\$ 170,339,927</u>

Changes in the present value of accumulated plan benefits are as follows:

Actuarial present value of accumulated plan benefits as of December 31, 2011	\$ 160,660,680
Increase attributable to:	
Additional benefits accumulated	3,050,977
Actuarial losses	588,112
Interest due to decrease in the discount period	12,053,230
Benefits paid	(10,465,547)
Assumption changes	4,452,475
Net increase	<u>9,679,247</u>
Actuarial present value of accumulated plan benefits as of December 31, 2012	<u>\$ 170,339,927</u>

5. Investment in Master Trust

Certain information related to investments for the Plan and the Master Trust disclosed in the accompanying financial statements as of December 31, 2013 and 2012, as well as the Plan's net gain from the investment in the Master Trust for the years then ended, was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by State Street. At December 31, 2013 and 2012, the Plan's interest in the net assets of the Master Trust was approximately 73.5% and 72.2%, respectively.

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

5. Investment in Master Trust (continued)

The following table presents the fair or current value of the investments for the Master Trust at December 31:

	<u>2013</u>	<u>2012</u>
Master Trust:		
Short-term investments	\$ 9,618,296	\$ 509,606
Hedge funds	51,307,616	44,834,594
Group Trust	271,901,592	271,481,822
	<u>\$ 332,827,504</u>	<u>\$ 316,826,022</u>
Plan's value of interest in the Master Trust:		
Short-term investments	\$ 7,072,650	\$ 368,110
Hedge funds	37,728,176	32,385,903
Group Trust	199,938,177	196,102,680
	<u>\$ 244,739,003</u>	<u>\$ 228,856,693</u>

Investment gain of the Master Trust is as follows for the years ended December 31:

	<u>2013</u>	<u>2012</u>
Net appreciation in fair value of investments:		
Group Trust	\$ 31,752,861	\$ 28,745,879
Hedge funds	6,473,021	2,312,695
	38,225,882	31,058,574
Interest and dividend income	2,375	23,357
	<u>\$ 38,228,257</u>	<u>\$ 31,081,931</u>
Plan's share of investment gain from the Master Trust	<u>\$ 27,822,030</u>	<u>\$ 22,123,723</u>

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

6. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated December 3, 2013, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and therefore believes the Plan, as amended, is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2013, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. 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 the Plan is no longer subject to income tax examinations for years prior to 2010.

7. Transactions With Parties in Interest

Certain of the Plan's assets are invested in funds managed by the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transaction rules under ERISA.

8. Risks and Uncertainties

The Master Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Libbey Inc. Hourly Retirement Plan

Notes to Financial Statements (continued)

8. Risks and Uncertainties (continued)

The Plan's contributions are made and the actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

9. Administrative Expenses

The Plan incurs administrative expenses directly related to the Plan, which consist primarily of PBGC fees, actuarial fees, investing consulting, and system administration. These expenses are reported on the accompanying statements of changes in net assets available for benefits as administrative expenses. Administrative expenses related to the Master Trust are allocated to the Plan and are reflected in the net investment gain from Master Trust. Expenses relating to purchases, sales, or transfers of the Plan's investments are charged to the particular investment fund to which the expenses relate. All other administrative expenses are paid by the Company on behalf of the Plan.

10. Subsequent Events

Management evaluated subsequent events for the Plan through October 13, 2014, the date the financial statements were available to be issued.