Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2013

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
PENSION PLAN FOR EMPLOYEES OF LONZA INC. REPRESENTED BY THE UNITED STEELWORKERS OF AMERICA (LOCAL 14964-06)

1b Three-digit plan number (PN) ▶ 004

1c Effective date of plan 08/09/1966

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)
LONZA INC.

90 BOROLINE RD
ALLENDALE, NJ 07401-1613

2b Employer Identification Number (EIN) 13-5665861

2c Sponsor's telephone number 201-316-9200

2d Business code (see instructions) 325100

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

3b Administrator's EIN

3c Administrator's telephone number

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

4b EIN

4c PN

5a Total number of participants at the beginning of the plan year	**5a**	73
b Total number of participants at the end of the plan year	**5b**	56
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	**5c**	

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

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

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

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

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2014	ALICIA CATANZARO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

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

Preparer's telephone number (optional)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	3060829	2596113
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	3060829	2596113
8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: (1) Employers	8a(1)		
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	366441	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		366441
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	744610	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f	86547	
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		831157
i Net income (loss) (subtract line 8h from line 8c)	8i		-464716
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

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

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

Part V Compliance Questions

10 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X	
c Was the plan covered by a fidelity bond?	10c	X		1000000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

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

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

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

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

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

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

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

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

Part VII Plan Terminations and Transfers of Assets

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

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

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

Part VIII Trust Information (optional)

14a Name of trust	**14b** Trust's EIN

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
PENSION PLAN FOR EMPLOYEES OF LONZA INC. REPRESENTED BY THE UNITED STEELWORKERS OF AMERICA (LOCAL 14964-06)

B Three-digit plan number (PN) ▶ 004

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

D Employer Identification Number (EIN)
13-5665861

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

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

Part I Basic Information

1	Enter the valuation date: Month _____ Day _____ Year _____			
2	Assets:			
	a Market value	**2a**		3060829
	b Actuarial value	**2b**		3006639
3	Funding target/participant count breakdown:		**(1)** Number of participants	**(2)** Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	49	2190596
	b For terminated vested participants	**3b**	24	589812
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		0
	(3) Total active	**3c(3)**	0	0
	d Total	**3d**	73	2780408
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**		6.22 %
6	Target normal cost	**6**		34000

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

10/14/2014
Date

LIANA PETRUSO
Type or print name of actuary

14-07060
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA INC.
Firm name

203-326-5400
Telephone number (including area code)

263 TRESSER BLVD
STAMFORD, CT 06901
Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	802109	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	58000	0
9	Amount remaining (line 7 minus line 8)	744109	0
10	Interest on line 9 using prior year's actual return of 14.38 %	107003	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b Interest on (a) using prior year's effective interest rate of 6.92 % except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	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)	851112	0

Part III Funding Percentages

14	Funding target attainment percentage	14	77.52 %
15	Adjusted funding target attainment percentage	15	108.13 %
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	111.54 %
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? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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:	2nd segment:	3rd segment:	
4.94%	6.15%	6.76 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	

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**	34000
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	34000

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	34000	0	34000

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

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

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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

PENSION PLAN FOR EMPLOYEES OF LONZA INC. REPRESENTED BY THE UNITED

B Three-digit plan number (PN) ▶ 004

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

LONZA INC.

D Employer Identification Number (EIN)

13-5665861

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

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

Part I Basic Information

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

2 Assets:

a Market value	**2a**	3,060,829
b Actuarial value	**2b**	3,006,639

3 Funding target/participant count breakdown:

		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	**3a**	49	2,190,596
b For terminated vested participants	**3b**	24	589,812
c For active participants:			
(1) Non-vested benefits	**3c(1)**		0
(2) Vested benefits	**3c(2)**		0
(3) Total active	**3c(3)**	0	0
d Total	**3d**	73	2,780,408

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**	6.22 %
6 Target normal cost	**6**	34,000

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 Liana Petruso LP — 10/14/2014

Signature of actuary — Date

LIANA PETRUSO — 14-07060

Type or print name of actuary — Most recent enrollment number

TOWERS WATSON PENNSYLVANIA INC. — (203) 326-5400

Firm name — Telephone number (including area code)

263 TRESSER BLVD

STAMFORD CT 06901

Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	802,109	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	58,000	0
9	Amount remaining (line 7 minus line 8)	744,109	0
10	Interest on line 9 using prior year's actual return of 14.38 %	107,003	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b Interest on (a) using prior year's effective interest rate of 6.92 % except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	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)	851,112	0

Part III Funding Percentages

14	Funding target attainment percentage	14	77.52 %
15	Adjusted funding target attainment percentage	15	108.13 %
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	111.54 %
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? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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:	2nd segment:	3rd segment:	
4.94 %	6.15 %	6.76 %	☐ N/A, full yield curve used

b Applicable month (enter code)	21b	4
22 Weighted average retirement age	22	

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	34,000
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	34,000

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	34,000	0	34,000

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

SCHEDULE SB ATTACHMENTS

Schedule SB -Statement by Enrolled Actuary

Plan Sponsor	Lonza Inc.
EIN/PN	13-5665861/ 004
Plan Name	Pension Plan for Employees of Lonza Inc. Represented by the United Steelworkers of America Local 14964-06
Valuation Date	January 1, 2013
Enrolled Actuary	Liana Petruso
Enrollment Number	14-07060

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan.

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V
Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

Applicable month	September 2012
Interest rate basis	Segment rates
HATFA applied for funding	No
HATFA applied for benefit restrictions	No

Interest rates:	Reflecting Corridors	Not Reflecting Corridors
First segment rate	4.94%	1.75%
Second segment rate	6.15%	4.62%
Third segment rate	6.76%	5.72%
Effective interest rate	6.22%	4.76%

Annual rates of increase	
Compensation:	N/A
Future Social Security wage bases	N/A

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee becomes a participant.
New or rehired employees	It was assumed there will be no new or rehired employees.
Mortality	Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2028 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2020 using Scale AA).
Retirement	100% at Normal Retirement Age of 65
Form of payment	Life Annuity
Percent married	100% of males and females are assumed to be married.
Spouse age	Wife three years younger than husband.
Administrative expenses	The amount included for plan related expenses is $34,000 determined by taking previous year's actual administrative expenses adjusted for changes in the PBGC premium.
At-risk assumptions	For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year. In addition, these participants are assumed to elect the most valuable form of benefit under the plan under PPA assumptions, which is the life annuity form of payment.
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month.
Covered Pay	There are currently no active participants.

SCHEDULE SB ATTACHMENTS

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	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. The average asset value must be within 10% of fair value, including contributions receivable.
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. We are not aware of any significant benefits required to be valued that were not.
Change in assumptions and methods since prior valuation	The following changes in assumptions and methods were made as part of this valuation: ● The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2011 to September 2012 and the segment interest rate corridors of MAP-21 were applied. ● 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. ● The assumed plan-related expenses added to the normal cost were changed from $58,000 for 2012 to $34,000 for 2013.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V
Summary of Plan Provisions

Plan Provisions

Effective Date	Adopted March 1, 1972; last restated effective January 1, 2012.
Covered Employees	All regular, full-time employees of the Company who are represented by the collective bargaining unit of the United Steelworkers of America, Local 14964-06 participate as of their date of hire. As of December 31, 2002, the Plan has no participants actively accruing benefits.

Definitions

Credited Service	Number of years and completed months of continuous employment
Monthly Accrued Benefit	Participants' accrued benefits are fixed since all participants are inactive. The monthly retirement benefit formula was based upon years of Credited Service times a multiplier as follows:

Effective Date	Benefit Multiplier
January 25, 1999	$30.25
January 25, 2000	$31.25
January 27, 2001	$32.25
January 27, 2002	$32.75
January 27, 2003	$33.25
January 27, 2004	$33.75
January 27, 2005	$34.25

Plan Name:	Pension Plan for Employees of Lonza Inc. Represented by the United Steelworkers of America Local 14964-06
EIN / PN:	13-5665861/ 004
Plan Sponsor:	Lonza Inc.
Valuation Date:	January 1, 2013

SCHEDULE SB ATTACHMENTS

Benefits Paid Upon the Following Events

Normal retirement

- Eligibility — Age 65 and 5 years of Credited Service.
- Amount — The Accrued Benefit payable immediately.

Early retirement

- Eligibility — Age 55 and 10 years of Credited Service.
- Amount — The Accrued Benefit reduced by 0.5% for each month that the early retirement date precedes the normal retirement date. However, employees who retire from active service on or after attaining age 62 and prior to age 65 will not have their benefits reduced.

Late Retirement Benefit

- Eligibility — Retirement after Normal Retirement Date.
- Amount — The Accrued Benefit determined using service to the actual retirement date, payable immediately.

Supplemental Benefit

- Eligibility — Effective January 27, 2001, active employees who meet requirements for Early Retirement and retire from active service after attainment of age 62 and before age 65.
- Amount — A monthly benefit of $150 payable until the employee attains age 65 or date of death, if earlier.

Termination

- Eligibility — Termination with 5 years of Credited Service. As of December 31, 2002 all participants are 100% vested.
- Amount — The Accrued Benefit
- Benefit Commencement — Payable at Normal Retirement Date, or as early as age 55, if the employee had at least 10 years of Credited Service at termination, with a reduced benefit. The reduction is 0.5% for each month that commencement precedes age 65.

Disability Retirement Benefit

- Eligibility — An employee who becomes totally and permanently disabled, who is eligible for Social Security Disability Benefits, and has at least 10 years of Credited Service.
- Amount — A monthly benefit of $300 is payable until the earlier of death, cessation of disability, or Normal Retirement Date. At Normal Retirement Date, the employee will receive a benefit based on his accrued benefit earned prior to becoming disabled.

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SCHEDULE SB ATTACHMENTS

Surviving Spouse Benefit

- Eligibility — 5 years of Continuous Service.
- Amount — The surviving spouse will receive 50% of the benefit the employee would have received had he survived to the earliest retirement date and elected the Joint and 50% Survivor annuity option.
- Benefit Commencement — The earliest date the employee would have been eligible for a retirement benefit.

Other Plan Provisions

Forms of payment

- Normal Form of Payment
  - (i) Unmarried Participant: Life Annuity
  - (ii) Married Participant: Actuarially reduced 50% Joint & Survivor Annuity
- Optional Forms
  - (i) Joint & Survivor Annuity
  - (ii) 5 Year Certain and Continuous Annuity
  - (iii) 10 Year Certain and Continuous Annuity
  - (iv) Social Security Level Income Annuity
  - (v) Life Annuity (for married participants)

  Actuarial equivalence for optional forms is the Unisex Pension 1984 Mortality Table and 6.00% interest.

Future Plan Changes

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

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

SCHEDULE SB ATTACHMENTS

The Required SB Attachment is located in the Actuary Statement File

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