

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2012 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</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>KINRAY INC. PENSION PLAN & TRUST</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>04/01/1974</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>04/01/1974</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>04/01/1974</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>CARDINAL HEALTH, INC.</u> <u>7000 CARDINAL PLACE</u> <u>DUBLIN, OH 43017-1091</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>31-0958666</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>614-757-5000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>551112</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>31-0958666</u>	2c Sponsor's telephone number <u>614-757-5000</u>	2d Business code (see instructions) <u>551112</u>	
2b Employer Identification Number (EIN) <u>31-0958666</u>					
2c Sponsor's telephone number <u>614-757-5000</u>					
2d Business code (see instructions) <u>551112</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. _____ Signature of plan administrator	<u>06/08/2015</u> Date	<u>DAWN RICH</u> Enter name of individual signing as plan administrator
SIGN HERE	_____ Signature of employer/plan sponsor	_____ Date	_____ Enter name of individual signing as employer or plan sponsor
SIGN HERE	_____ Signature of DFE	_____ Date	_____ Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		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
5 Total number of participants at the beginning of the plan year		5 217
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	129
b Retired or separated participants receiving benefits.....	6b	9
c Other retired or separated participants entitled to future benefits.....	6c	77
d Subtotal. Add lines 6a , 6b , and 6c	6d	215
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	215
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	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1G 1I 3D		
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 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **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>KINRAY INC. PENSION PLAN & TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>CARDINAL HEALTH, INC.</u>	D Employer Identification Number (EIN) <u>31-0958666</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2012</u>
2	Assets:
a	Market value 2a <u>10925018</u>
b	Actuarial value 2b <u>10925018</u>
3	Funding target/participant count breakdown:
a	For retired participants and beneficiaries receiving payment 3a <u>8</u> <u>2414346</u>
b	For terminated vested participants 3b <u>70</u> <u>1489371</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>0</u>
(2)	Vested benefits 3c(2) <u>8918940</u>
(3)	Total active 3c(3) <u>139</u> <u>8918940</u>
d	Total 3d <u>217</u> <u>12822657</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>5.71</u> %
6	Target normal cost 6

Statement by Enrolled Actuary

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

SIGN HERE	<u>05/15/2015</u>
Signature of actuary	Date
<u>MICHAEL FRANK</u>	<u>14-02440</u>
Type or print name of actuary	Most recent enrollment number
<u>PPC</u>	<u>914-682-5200</u>
Firm name	Telephone number (including area code)
<u>925 WESTCHESTER AVENUE</u> <u>SUITE 304</u> <u>WHITE PLAINS, NY 10604</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) 2012
v. 120126

Part II Beginning of Year Carryover Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	80524
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	21043
9	Amount remaining (line 7 minus line 8)	0	59481
10	Interest on line 9 using prior year's actual return of <u>7.10</u> %		4223
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 <u>6.16</u> % except as otherwise provided (see instructions)		
	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		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	63704

Part III Funding Percentages			
14	Funding target attainment percentage	14	84.70 %
15	Adjusted funding target attainment percentage	15	84.70 %
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	81.94 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/10/2012	96060				
07/09/2012	96060				
10/11/2012	96060				
01/18/2013	96060				
			Totals ►	18(b)	384240
				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	370473
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: 1.98%	2nd segment: 5.07%	3rd segment: 6.19 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 65
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		
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	1961243	426963	
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	426963	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	56490	56490
36 Additional cash requirement (line 34 minus line 35)	36	370473	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	370473	
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		

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>KINRAY INC. PENSION PLAN & TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARDINAL HEALTH, INC.</u>	D Employer Identification Number (EIN) <u>31-0958666</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

FAMILY MANAGEMENT SECURITIES, LLC

485 MADISON AVENUE
19TH FLOOR
NEW YORK, NY 10022

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MGR	38074	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
A Name of plan <u>KINRAY INC. PENSION PLAN & TRUST</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARDINAL HEALTH, INC.</u>	D Employer Identification Number (EIN) <u>31-0958666</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	831749	96060
	(2) Participant contributions	1b(2)		
	(3) Other	1b(3)	29653	88871
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	441250	314496
	(2) U.S. Government securities	1c(2)	4896	1968
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other	1c(3)(B)	7095790	7595005
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)	1694803	2515457
	(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)		
	(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)	946914	1060075
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	11045055	11671932

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	11045055	11671932
---	-----------	----------	----------

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)	384240	
(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)		384240
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1	
(B) U.S. Government securities	2b(1)(B)	662	
(C) Corporate debt instruments	2b(1)(C)	307055	
(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)		307718
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	111311	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	19773	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		131084
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	2573948	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	2399314	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		174634
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	47266	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		47266

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		93387
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1138329

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	470678	
(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)		470678
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)	40774	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		40774
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		511452

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		626877
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: **STANLEY P. WIRTHEIM, CPA**

(2) EIN: **11-3411380**

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		400000
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)

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 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>KINRAY INC. PENSION PLAN & TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARDINAL HEALTH, INC.</u>	D Employer Identification Number (EIN) <u>31-0958666</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>11-3166228</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>2</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
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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
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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.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

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

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

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STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT

98 CUTTER MILL ROAD, SUITE 356S

GREAT NECK NY 11021

INDEPENDENT AUDITOR'S REPORT

To the Financial Benefit Plans Committee
Kinray, Inc. Pension Plan and Trust

We have audited the accompanying financial statements of Kinray, Inc. Pension Plan and Trust (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011 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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of Kinray, Inc. Pension Plan and Trust as of December 31, 2012 and 2011, and the changes in its financial status for the years then ended in accordance with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Plan will continue as a going concern. As discussed in Note 12 to the financial statements, the Trustees of the Plan voted on March 6, 2013 to terminate the Plan as of June 30, 2013 which indicates that the Plan is not a going concern. The financial statements do not include any adjustments that might be necessary upon termination. Our opinion is not modified with respect to that matter.

Stanley P. Furthman CPA

October 9, 2013

KINRAY, INC.
PENSION PLAN and TRUST
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2012 & 2011

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All other financial schedules required by Section 2520.103-10 of the U.S. Department of Labor's Annual Reporting and Disclosure Requirements under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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INDEPENDENT AUDITOR'S REPORT

**To the Financial Benefit Plans Committee
Kinray, Inc. Pension Plan and Trust**

We have audited the accompanying financial statements of Kinray, Inc. Pension Plan and Trust (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011 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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of Kinray, Inc. Pension Plan and Trust as of December 31, 2012 and 2011, and the changes in its financial status for the years then ended in accordance with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Plan will continue as a going concern. As discussed in Note 12 to the financial statements, the Trustees of the Plan voted on March 6, 2013 to terminate the Plan as of June 30, 2013 which indicates that the Plan is not a going concern. The financial statements do not include any adjustments that might be necessary upon termination. Our opinion is not modified with respect to that matter.

Stanley P. Furthman CPA

October 9, 2013

KINRAY, INC. PENSION PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2012 & 2011

ASSETS	<u>2012</u>	<u>2011</u>
Investments, at fair value		
Mutual Funds	\$ 1,060,075	\$ 946,915
U.S. Government Securities	1,968	4,896
Corporate and Other Debt	7,595,005	7,095,789
Corporate Equities and Exchange Traded Funds	<u>2,515,457</u>	<u>1,694,803</u>
Total Investments	<u>11,172,505</u>	<u>9,742,403</u>
Receivables		
Employer's Contribution Receivable	96,060	831,749
Accrued Investment Income	<u>88,871</u>	<u>95,077</u>
	<u>184,931</u>	<u>926,826</u>
Cash and cash equivalents	314,496	441,250
TOTAL ASSETS	<u>11,671,932</u>	<u>11,110,479</u>
 LIABILITIES		
Due to broker for unsettled transactions	-	65,425
TOTAL LIABILITIES	<u>-</u>	<u>65,425</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 \$ <u>11,671,932</u>	 \$ <u>11,045,054</u>

The accompanying notes are an integral part of the financial statements.

KINRAY, INC. PENSION PLAN AND TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2012 & 2011

INVESTMENT INCOME:	<u>2012</u>	<u>2011</u>
Net appreciation in fair value of investments	\$ 140,654	\$ 302,973
Dividend income	131,084	117,583
Interest income	307,718	281,009
Net realized gains on sale of securities	<u>174,634</u>	<u>38,754</u>
	754,090	740,319
Employer Contributions	<u>384,240</u>	<u>1,571,411</u>
TOTAL ADDITIONS	<u>1,138,330</u>	<u>2,311,730</u>
Benefits paid to participants	470,678	590,746
Administrative expenses	<u>40,774</u>	<u>23,323</u>
TOTAL DEDUCTIONS	<u>511,452</u>	<u>614,069</u>
NET INCREASE	626,878	1,697,661
NET ASSETS AVAILABLE FOR BENEFITS:		
BEGINNING OF YEAR	11,045,054	9,347,393
END OF YEAR	<u><u>\$ 11,671,932</u></u>	<u><u>\$ 11,045,054</u></u>

The accompanying notes are an integral part of the financial statements.

**KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 & 2011**

NOTE 1 - Description of Plan

The following brief description of the Kinray, Inc. Pension Plan and Trust (the "Plan") provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

In 2011, Kinray Inc was acquired by Cardinal Health Inc. ("Cardinal"). Cardinal Health is now the Plan Sponsor and the Plan is now overseen by the Cardinal Health, Inc. Financial Benefit Plans Committee (the "Committee"). The Committee has frozen the Plan as of December 31, 2012, whereby no plan participant will accrue any additional benefits.

General. The Plan is a defined benefit plan covering all employees of Kinray, Inc. other than non-resident aliens and members of a collective bargaining unit. Eligible employees will enter the Plan on December 31st that is nearest the date on which such employee attains age 21 and completes two years of service. However, the Plan was frozen on December 31, 2012, and no employees shall be permitted to enter the Plan after that date. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA) of 1974, as amended.

Funding Policy. The Plan sponsor's funding policy is to make annual contributions to the Plan in accordance with an actuarially determined amount that will provide for payment of all participant benefits by the time they retire. The minimum funding requirements of ERISA have been met.

Vesting. A participant shall have a 100% vested interest in his or her accrued benefit upon entering the plan.

Pension Benefits. Benefit payments to participants are recorded upon distribution. Upon termination of service due to death, disability, retirement or separation from work, the following guidelines apply:

- If a participant dies before the annuity starting date, the actuarial equivalent of his or her accrued benefit shall be payable to either a surviving spouse or beneficiary. If the participant is married on the date of his or her death, the participant's surviving spouse will receive a minimum death benefit in the form of a qualified pre-retirement survivor annuity, unless the annuity has been waived. Unless the participant directed that the death benefit be paid in a specific form of lump sum or installment distribution, a surviving spouse or non-spouse beneficiary may elect to have the death benefit distributed:
 - In one or more lump sum payments or
 - In monthly, quarterly, semi-annual or annual cash installments.
- Upon termination of service due to disability, retirement or separation from work, a participant's benefit can be distributed:
 - As a qualified joint and survivor annuity if the participant is married on the annuity starting date and has not died before such date or as a normal form of retirement benefit if the participant is unmarried on the annuity starting date and has not died before such date, or when the participant has elected to do so,
 - As a lump sum payment, or
 - As a monthly straight life annuity, payable in equal installments for the life of the participant that terminates upon his or her death, or
 - As a monthly annuity for the life of the participant and thereafter for the life of the participant's beneficiary. The monthly payments made to the beneficiary are reduced to 50% of the participant's annuity benefit or are equal to 100% of the participants annuity benefit.

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 & 2011

NOTE 2 - Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting in accordance with the generally accepted accounting principles in the United States of America.

Use of Estimates

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

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transition between market participants at the measurement date. See Note 5 for a discussion of fair value measurements.

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

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefit obligations (APBO) are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. APBO include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their highest consecutive five years of credited service. The APBO is based on a benefit formula, as defined, calculated as of January 1, 2012 and 2011 (the valuation date). Benefits payable under all circumstances, i.e. retirement, death, disability and termination of employment, are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

Accumulated Plan Benefit Obligations of the Plan are determined by an actuary from the firm of Preferred Pension Concepts Inc., and is that amount that results from applying actuarial assumptions to adjust accumulated plan benefits to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment. (See Note 3)

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Plan Expenses

The Sponsor pays all administrative expenses of the plan except for fees charged by the investment custodian.

New Accounting Standards

In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS)*. The amendments are of two types: (i) those that clarify the FASB's

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 & 2011

NOTE 2 - Summary of Accounting Policies (Continued)

intent about the application of existing fair value measurement and disclosure requirements and (ii) those that change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. The update is effective for annual periods after December 15, 2011. Adoption of ASU 2011-04 did not have an effect on the Plan's net assets available for benefits or its changes in net assets available for benefits.

NOTE 3 - Actuarial Present Value of Accumulated Plan Benefit

The actuarial present value of accumulated plan benefits is determined by an actuary from Preferred Pension Concepts Inc. and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation as of January 1, 2012 and 2011 were:

- Life Expectancy of Participants - Pre-retirement : all expected to survive to 65
2012 & 2011 - Post-retirement: RP2000 projected to 2012 and 2011, respectively
- Retirement Age Assumptions - Assumed normal retirement age was 65
- Average Rates of Return - 6.0% for 2012 and 2011

The foregoing actuarial assumptions are based on the presumptions that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of APBO.

The APBO and the changes in the APBO as of and for the years beginning January 1, 2012 and 2011 is as follows:

**Actuarial Present Value of Accumulated
Plan Benefit Obligations**

	<u>2012</u>	<u>2011</u>
Vested benefits:		
Participants currently receiving benefits	\$ 2,646,950	\$ 2,702,953
Other participants	<u>9,829,605</u>	<u>9,414,515</u>
Total	<u>\$ 12,476,555</u>	<u>\$ 12,117,468</u>
Actuarial Present Value of Accumulated Plan Benefit Obligation – beginning of year	<u>\$ 12,117,468</u>	<u>\$ 11,191,021</u>
Increase during the year attributable to:		
Benefits accumulated	116,837	863,454
Change in actuarial assumptions	-	-
Increase for interest due to decrease in discount rate	712,928	653,739
Benefits paid	<u>(470,678)</u>	<u>(590,746)</u>
Net increase	<u>359,087</u>	<u>926,447</u>
Actuarial Present Value of Accumulated Plan Benefit Obligation – end of year	<u>\$ 12,476,555</u>	<u>\$ 12,117,468</u>

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 & 2011

NOTE 3 - Actuarial Present Value of Accumulated Plan Benefit (Continued)

The plan meets the minimum funding requirements of ERISA.

NOTE 4 - Investments

The following presents investments at fair value held by the Plan as of December 31, 2012 & 2011, including investments in excess of 5% of the Plan's net assets at the beginning of the year.

	<u>December 31,</u>	
	<u>2012</u>	<u>2011</u>
<u>Mutual Funds:</u>		
The Fairholme Fund	\$ -	\$ -
Permanent Portfolio Fund	147,412	139,683
Mainstay Epoch Global Equity Yield	226,381	210,816
FPA Crescent Portfolio	111,875	102,288
First Eagle Global Fund	265,240	246,299
Intrepid Capital Fund	101,144	96,119
Maingate M-P Fund	106,762	104,816
Royce Special Equity Fund	101,261	46,894
	<u>\$ 1,060,075</u>	<u>\$ 946,915</u>
Corporate Debt	\$ 3,225,858	\$ 3,731,668
Corporate Equities	2,397,984	1,694,803
Exchange Traded Funds	117,473	-
Municipal Bonds	4,369,147	3,364,121
U.S. Government Securities	1,968	4,896
	<u>10,112,430</u>	<u>8,795,488</u>
Total	<u>\$ 11,172,505</u>	<u>\$ 9,742,403</u>

For the years ended December 31, 2012 and 2011 the Plan's investments appreciated in value by \$140,654 and \$302,973 respectively as follows:

	<u>2012</u>	<u>2011</u>
Mutual Funds	\$ 63,161	\$ (64,016)
U.S. Government Securities	(329)	(233)
Corporate and Other Debt	69,269	339,051
Corporate Equities	9,510	30,064
Other Investments	(957)	(1,893)
	<u>\$ 140,654</u>	<u>\$ 302,973</u>

NOTE 5 - Fair Value Measurements

The FASB, *Accounting Standards Codification (ASC) 820, Fair Value Measurement*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for the identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the under FASB ASC 820 are described below:

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

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 & 2011

NOTE 5 - Fair Value Measurements (Continued)

- Level 2** Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

- Level 3** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Financial instruments not reflected at fair value on a recurring basis include receivables, and accounts payable. The carrying amount of these financial instruments approximates fair value.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

Mutual Funds: Valued at the closing price reported in the active market in which the individual securities are traded.

Corporate Debt: Corporate bonds are valued at the closing price reported in the active market in which the bond is traded. If applicable other corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Corporate Equities: Common stocks are valued at the closing price reported in the active market.

U.S. Government Securities: Valued at the closing price reported in the active market in which the individual securities are traded.

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

The following tables set forth by level, within the fair value hierarchy, the plan's assets at fair value of December 31, 2012 and 2011.

Assets at Fair Value as of December 31, 2012

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 1,060,075			\$ 1,060,075
Corporate & Other Debt	7,595,005			7,595,005
Corporate Equities	2,515,457			2,515,457
U.S. Government Securities	1,968			1,968
	<u>\$ 11,172,505</u>			<u>\$ 11,172,505</u>

KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 & 2011

NOTE 5 - Fair Value Measurements (Continued)

Assets at Fair Value as of December 31, 2011

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 946,915			\$ 946,915
Corporate & Other Debt	7,095,789			7,095,789
Corporate Equities	1,694,803			1,694,803
U.S. Government Securities	4,896			4,896
	<u>\$ 9,742,403</u>			<u>\$ 9,742,403</u>

NOTE 6 - Tax Status

The Plan obtained its latest determination letter on June 23, 2004, in which the Internal Revenue Service advised that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (the Code). The volume submitter document, on which this Plan was adopted, received a favorable IRS determination letter in 2010. In addition, the Plan's Actuary, Plan Administrator and the Plan Sponsor believe that the Plan has been designed and is being operated in compliance with the tax-qualification requirements under section 401(a) of the Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001 and all other requirements of applicable law. The Plan is exempt from federal income tax under the provisions of section 501(a) of the Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service and the State of New York. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) disclosure in the financial statements. The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to December 31, 2009.

NOTE 7 - Plan Termination

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

1. Benefits attributable to employee contributions, taking into account those paid out before termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed below)
4. All other vested benefits (that is, vested benefits not insured by the PBGC).
5. All nonvested benefits.

The Plan may be terminated by the Sponsor at any time. Upon termination the net assets of the Plan, will be allocated as prescribed by ERISA and its related regulations.

**KINRAY, INC. PENSION PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 & 2011**

NOTE 7 - Plan Termination (Continued)

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2012 that ceiling is \$4,653 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

NOTE 8 - Concentration of Credit Risk

Financial instruments that potentially subject the Plan to concentrations of credit risk consist of investments and cash maintained in mutual funds, U.S. government securities, corporate debt and other investments. The Plan's Trustee and the Plan's sponsor have evaluated the financial strength of the respective entities invested into and are satisfied as to their financial stability. The Plan's cash and cash equivalents are in non FDIC insured money market funds.

NOTE 9 - Party In Interest

Certain plan investments are managed by Family Management Securities LLC. These transactions qualify as party-in-interest transactions. Management fees paid from plan assets were \$40,774 and \$23,323 for the years ended December 31, 2012 and 2011 respectively.

NOTE 10 - Related Party Transactions

All other administrative expenses other than management fees are paid by Cardinal Health, Inc.

NOTE 11 - Risks and Uncertainties

The Plan invests in various investments and 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 value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

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

NOTE 12- Subsequent Events

On March 6, 2013, the Trustees of the Plan, voted to terminate the Plan as of June 30, 2013. In conjunction with that vote, amendments to the Plan were made that no further contributions would be made except to satisfy all vested accrued benefit liabilities or to satisfy any minimum funding obligations arising prior to June 30, 2013. The Plan will comply with all applicable IRS and PBGC regulations.

Subsequent events were evaluated through October 9, 2013, which is the date the financial statements were available to be issued.

KINRAY, INC. PENSION PLAN and TRUST
EIN #11-1580316

SCHEDULE H, PART IV, LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2012

Schedule H- Part I Item 1

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value	
U.S. Government Securities				
GNMA Gtd Mtg Pass Thru Cfs	8.0%, Due 04/15/26	-	175	
GNMA Gtd Mtg Pass Thru Cfs	6.0%, Due 11/15/31	1,615	1,793	
Total		<u>\$ 1,615</u>	<u>\$ 1,968</u>	Line 1(c)(2)(b)
Corporate Equities				
Ensco Plc Shs	1,950 shares of common stock	92,964	115,596	
AT&T Inc	2,550 shares of common stock	66,952	85,961	
American Intl Group Inc	2,000 shares of common stock	66,000	70,600	
Apple Inc	150 shares of common stock	80,781	79,826	
Boeing Co Com	1,475 shares of common stock	107,379	111,156	
Bristol Myers Squibb	3,450 shares of common stock	116,057	112,436	
Companhia De Bebidas	2,850 shares of common stock	105,197	119,672	
Dominion Res Inc	2,125 shares of common stock	105,980	110,075	
Dow Chem Co	3,100 shares of common stock	93,850	100,221	
Du Pont	2,150 shares of common stock	101,030	96,704	
General Electric	5,500 shares of common stock	95,789	116,495	
Kinder Morgan Inc	3,100 shares of common stock	107,708	109,523	
McDonalds Corp	1,350 shares of common stock	119,407	119,084	
Mondelez Intl	4,500 shares of common stock	115,324	114,539	
Novartis Ag Spon	1,900 shares of common stock	107,119	120,270	
Potash Corp	2,225 shares of common stock	92,876	90,535	
Royal Dutch Shell	925 shares of common stock	63,432	63,779	
Sandridge Permian	4,575 shares of common stock	83,417	77,867	
Verizon Communication	2,750 shares of common stock	88,908	118,993	
Viacom Inc	1,325 shares of common stock	70,169	69,881	
Wells Fargo & Co	3,400 shares of common stock	116,567	116,212	
Williams Co	3,450 shares of common stock	115,325	112,953	
Lexington Realty Tr	7,000 shares of common stock	47,709	73,150	
Weyerhaeuser Co	2,400 shares of common stock	42,086	66,768	
Winthrop Realty Tr	2,325 shares of common stock	28,936	25,691	
Ishares Tr S&P USFPD	2,965 shares of stock	118,431	117,474	
Total		<u>\$ 2,349,393</u>	<u>\$ 2,515,457</u>	Line 1(c)(4)(B)(b)
Mutual Funds				
Mainstay Epoch Global Equity Fund	13,897 shares	250,124	226,381	
First Eagle Global Fund CL A	5,459 shares	228,750	265,240	
FPA Crescent Portfolio	3,820 shares	100,032	111,875	
Intrepid Capital Fund	8,975 shares	100,032	101,144	
Maingate MLP Fund	10,246 shares	100,062	106,762	
Permanent Portfolio	3,000 shares	100,032	147,412	
Royce Special Equity	4,792 shares	10,003	101,261	
Total		<u>\$ 889,035</u>	<u>\$ 1,060,075</u>	Line 1(c)(13)(b)

KINRAY, INC. PENSION PLAN and TRUST
EIN #11-1580316

SCHEDULE H, PART IV, LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2012

Schedule H- Part I Item 1

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value	
Corporate & Other Debt				
American Express Corp	120,000, 5.875% Bond, Due 05/02/13	121,674	122,167	
AT&T Inc Global NT	200,000, 5.500% Bond, Due 02/01/18	212,436	238,258	
Berkshire Hathaway Fin Corp	150,000, 5.400% Bond, Due 05/15/18	179,951	180,432	
Boeing Co SR NT	150,000, 6.000% Bond, Due 03/15/19	161,591	186,839	
Burlington Northn	150,000, 6.875% Bond, Due 12/01/27	164,889	192,650	
Burlington Northn	200,000, 4.100% Bond, Due 06/01/21	202,020	223,074	
Caterpillar Fincl Svc	150,000, 4.900% Bond, Due 08/15/13	153,321	154,145	
Cisco Sys Inc	200,000, 5.500% Bond, Due 02/22/16	218,012	228,610	
Consolidated Edison	255,000, 5.850% Bond, Due 04/01/18	281,387	310,363	
Ford Mtr Cr Co	100,000, 3.875% Bond, Due 01/15/15	100,554	104,284	
Intel Corp	200,000, 3.300% Bond, Due 10/01/21	199,667	212,072	
Nike Inc Medium Term	140,000, 5.150% Bond, Due 10/15/15	148,337	155,903	
Oracle Corp	200,000, 5.750% Bond, Due 04/15/18	219,771	243,402	
Pepsico Inc	178,000, 4.500% Bond, Due 01/15/20	206,559	205,846	
Public Svc Elec Gas Co	200,000, 5.300% Bond, Due 05/01/18	216,010	240,066	
Verizon Communications Inc	200,000, 5.550% Bond, Due 02/15/16	216,383	227,748	
Colorado Springs Colo Utils Rev	125,000, 4.529% Bond, Due 11/15/17	125,034	140,008	
Indiana Univ Revs Student Fee	175,000, 4.777% Bond, Due 08/01/20	175,041	206,934	
Jacksonville FL SPL Rev Build	115,000, 4.240% Bond, Due 10/01/16	115,031	126,158	
Maine Mun Bd Bk	200,000, 4.950% Bond, Due 11/01/28	200,050	216,944	
Metro Wastewtr Reclam	200,000, 5.775% Bond, Due 04/01/29	239,515	248,624	
Nassau Cnty NY Interim Fin Auth	200,000, 2.822% Bond, Due 11/15/23	200,051	204,548	
New Jersey St Transn Tr	155,000, 6.104% Bond, Due 12/15/28	179,950	176,970	
New Jersey St Transn Tr	130,000, 6.104% Bond, Due 12/15/28	151,419	148,426	
New Jersey St Transn Tr	100,000, 5.754% Bond, Due 12/15/28	120,590	120,006	
New Mexico Fin Auth Rev Sr	175,000, 5.082% Bond, Due 06/01/22	175,041	202,760	
New York NY City Transitional Fin Auth	175,000, 4.867% Bond, Due 08/01/24	175,045	209,416	
New York NY City Transitional Fin Auth	150,000, 2.670% Bond, Due 02/01/14	150,230	153,404	
New York NY City Transitional Fin Auth	150,000, 4.398% Bond, Due 05/01/20	150,000	171,384	
New York St Dorm Auth Pers Income Tax Rev	200,000, 4.900% Bond, Due 03/15/23	232,674	239,180	
New York St Dorm Auth Pers Income Tax Rev	150,000, 4.554% Bond, Due 02/15/21	150,041	175,469	
Ohio St Dev Assistance Ser C	125,000, 4.550% Bond, Due 10/01/17	125,034	139,758	
Ohio St Wtr Dev Auth Wtr Pollutn	150,000, 3.492% Bond, Due 12/01/19	156,641	167,819	
Oregon St Ser E	175,000, 4.461% Bond, Due 08/01/20	175,000	205,501	
Oregon St St Brd Ed	125,000, 4.961% Bond, Due 08/01/25	134,886	152,705	
Paramus NJ Rfdg Pension	150,000, 5.200% Bond, Due 03/01/21	161,396	165,533	
Port Authority NY NJ	115,000, 4.500% Bond, Due 09/15/15	117,612	125,619	
Sacramento Cnty Calif	100,000, 7.680% Bond, Due 08/15/21	110,552	119,521	
San Antonio Tex Wtr Rev	125,000, 3.319% Bond, Due 05/15/15	125,024	131,935	
Somerset Cnty NJ Impt	100,000, 5.250% Bond, Due 10/01/24	99,607	110,363	
Triborough Brdg Tunnl Auth	100,000, 5.000% Bond, Due 11/15/25	100,047	114,766	
Wake Cnty NC Pub	175,000, 5.150% Bond, Due 04/01/28	181,460	195,400	
		<u>\$ 7,029,531</u>	<u>\$ 7,595,005</u>	
				Line 1(c)(3)(B)(b)

KINRAY, INC. PENSION PLAN and TRUST
EIN #11-1580316

SCHEDULE H, PART IV, LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2012

Schedule H- Part I Item 1

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value	
U.S. Government Securities				
GNMA Gtd Mtg Pass Thru Cfs	8.0%, Due 04/15/26	-	175	
GNMA Gtd Mtg Pass Thru Cfs	6.0%, Due 11/15/31	1,615	1,793	
Total		<u>\$ 1,615</u>	<u>\$ 1,968</u>	Line 1(c)(2)(b)
Corporate Equities				
Ensc0 Plc Shs	1,950 shares of common stock	92,964	115,596	
AT&T Inc	2,550 shares of common stock	66,952	85,961	
American Intl Group Inc	2,000 shares of common stock	66,000	70,600	
Apple Inc	150 shares of common stock	80,781	79,826	
Boeing Co Com	1,475 shares of common stock	107,379	111,156	
Bristol Myers Squibb	3,450 shares of common stock	116,057	112,436	
Companhia De Bebidas	2,850 shares of common stock	105,197	119,672	
Dominion Res Inc	2,125 shares of common stock	105,980	110,075	
Dow Chem Co	3,100 shares of common stock	93,850	100,221	
Du Pont	2,150 shares of common stock	101,030	96,704	
General Electric	5,500 shares of common stock	95,789	116,495	
Kinder Morgan Inc	3,100 shares of common stock	107,708	109,523	
McDonalds Corp	1,350 shares of common stock	119,407	119,084	
Mondelez Intl	4,500 shares of common stock	115,324	114,539	
Novartis Ag Spon	1,900 shares of common stock	107,119	120,270	
Potash Corp	2,225 shares of common stock	92,876	90,535	
Royal Dutch Shell	925 shares of common stock	63,432	63,779	
Sandridge Permian	4,575 shares of common stock	83,417	77,867	
Verizon Communication	2,750 shares of common stock	88,908	118,993	
Viacom Inc	1,325 shares of common stock	70,169	69,881	
Wells Fargo & Co	3,400 shares of common stock	116,567	116,212	
Williams Co	3,450 shares of common stock	115,325	112,953	
Lexington Realty Tr	7,000 shares of common stock	47,709	73,150	
Weyerhaeuser Co	2,400 shares of common stock	42,086	66,768	
Winthrop Realty Tr	2,325 shares of common stock	28,936	25,691	
Ishares Tr S&P USFPD	2,965 shares of stock	118,431	117,474	
Total		<u>\$ 2,349,393</u>	<u>\$ 2,515,457</u>	Line 1(c)(4)(B)(b)
Mutual Funds				
Mainstay Epoch Global Equity Fund	13,897 shares	250,124	226,381	
First Eagle Global Fund CL A	5,459 shares	228,750	265,240	
FPA Crescent Portfolio	3,820 shares	100,032	111,875	
Intrepid Capital Fund	8,975 shares	100,032	101,144	
Maingate MLP Fund	10,246 shares	100,062	106,762	
Permanent Portfolio	3,000 shares	100,032	147,412	
Royce Special Equity	4,792 shares	10,003	101,261	
Total		<u>\$ 889,035</u>	<u>\$ 1,060,075</u>	Line 1(c)(13)(b)

KINRAY, INC. PENSION PLAN and TRUST
EIN #11-1580316

SCHEDULE H, PART IV, LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2012

Schedule H- Part I Item 1

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value	
Corporate & Other Debt				
American Express Corp	120,000, 5.875% Bond, Due 05/02/13	121,674	122,167	
AT&T Inc Global NT	200,000, 5.500% Bond, Due 02/01/18	212,436	238,258	
Berkshire Hathaway Fin Corp	150,000, 5.400% Bond, Due 05/15/18	179,951	180,432	
Boeing Co SR NT	150,000, 6.000% Bond, Due 03/15/19	161,591	186,839	
Burlington Northn	150,000, 6.875% Bond, Due 12/01/27	164,889	192,650	
Burlington Northn	200,000, 4.100% Bond, Due 06/01/21	202,020	223,074	
Caterpillar Fincl Svc	150,000, 4.900% Bond, Due 08/15/13	153,321	154,145	
Cisco Sys Inc	200,000, 5.500% Bond, Due 02/22/16	218,012	228,610	
Consolidated Edison	255,000, 5.850% Bond, Due 04/01/18	281,387	310,363	
Ford Mtr Cr Co	100,000, 3.875% Bond, Due 01/15/15	100,554	104,284	
Intel Corp	200,000, 3.300% Bond, Due 10/01/21	199,667	212,072	
Nike Inc Medium Term	140,000, 5.150% Bond, Due 10/15/15	148,337	155,903	
Oracle Corp	200,000, 4.777% Bond, Due 04/15/18	219,771	243,402	
Pepsico Inc	178,000, 4.500% Bond, Due 01/15/20	206,559	205,846	
Public Svc Elec Gas Co	200,000, 5.300% Bond, Due 05/01/18	216,010	240,066	
Verizon Communications Inc	200,000, 5.550% Bond, Due 02/15/16	216,383	227,748	
Colorado Springs Colo Utils Rev	125,000, 4.529% Bond, Due 11/15/17	125,034	140,008	
Indiana Univ Revs Student Fee	175,000, 4.777% Bond, Due 08/01/20	175,041	206,934	
Jacksonville FL SPL Rev Build	115,000, 4.240% Bond, Due 10/01/16	115,031	126,158	
Maine Mun Bd Bk	200,000, 4.950% Bond, Due 11/01/28	200,050	216,944	
Metro Wastewtr Reclam	200,000, 5.775% Bond, Due 04/01/29	239,515	248,624	
Nassau Cnty NY Interim Fin Auth	200,000, 2.822% Bond, Due 11/15/23	200,051	204,548	
New Jersey St Transn Tr	155,000, 6.104% Bond, Due 12/15/28	179,950	176,970	
New Jersey St Transn Tr	130,000, 6.104% Bond, Due 12/15/28	151,419	148,426	
New Jersey St Transn Tr	100,000, 5.754% Bond, Due 12/15/28	120,590	120,006	
New Mexico Fin Auth Rev Sr	175,000, 5.082% Bond, Due 06/01/22	175,041	202,760	
New York NY City Transitional Fin Auth	175,000, 4.867% Bond, Due 08/01/24	175,045	209,416	
New York NY City Transitional Fin Auth	150,000, 2.670% Bond, Due 02/01/14	150,230	153,404	
New York NY City Transitional Fin Auth	150,000, 4.398% Bond, Due 05/01/20	150,000	171,384	
New York St Dorm Auth Pers Income Tax Rev	200,000, 4.900% Bond, Due 03/15/23	232,674	239,180	
New York St Dorm Auth Pers Income Tax Rev	150,000, 4.554% Bond, Due 02/15/21	150,041	175,469	
Ohio St Dev Assistance Ser C	125,000, 4.550% Bond, Due 10/01/17	125,034	139,758	
Ohio St Wtr Dev Auth Wtr Pollutn	150,000, 3.492% Bond, Due 12/01/19	156,641	167,819	
Oregon St Ser E	175,000, 4.461% Bond, Due 08/01/20	175,000	205,301	
Oregon St St Brd Ed	125,000, 4.961% Bond, Due 08/01/25	134,886	152,705	
Paramus NJ Rfdg Pension	150,000, 5.200% Bond, Due 03/01/21	161,396	165,533	
Port Authority NY NJ	115,000, 4.500% Bond, Due 09/15/15	117,612	125,619	
Sacramento Cnty Calif	100,000, 7.680% Bond, Due 08/15/21	110,552	119,521	
San Antonio Tex Wtr Rev	125,000, 3.319% Bond, Due 05/15/15	125,024	131,935	
Somerset Cnty NJ Impt	100,000, 5.250% Bond, Due 10/01/24	99,607	110,363	
Triborough Brdg Tunnl Auth	100,000, 5.000% Bond, Due 11/15/25	100,047	114,766	
Wake Cnty NC Pub	175,000, 5.150% Bond, Due 04/01/28	181,460	195,400	
		<u>\$ 7,029,531</u>	<u>\$ 7,595,005</u>	

Line 1(c)(3)(B)(b)

**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

2012**This Form is Open to Public
Inspection**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

► **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 KINRAY INC. PENSION PLAN & TRUST	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CARDINAL HEALTH, INC.	D Employer Identification Number (EIN) 31-0958666
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2012</u>		
2 Assets:		
a Market value	2a	10,925,018
b Actuarial value	2b	10,925,018
3 Funding target/participant count breakdown:		
a For retired participants and beneficiaries receiving payment	3a	8
b For terminated vested participants	3b	70
c For active participants:		
(1) Non-vested benefits	3c(1)	0
(2) Vested benefits	3c(2)	8,918,940
(3) Total active	3c(3)	139
d Total	3d	217
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	5.71 %
6 Target normal cost	6	0

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***Michael Frank*

Signature of actuary

5/15/15

Date

MICHAEL FRANK

Type or print name of actuary

14-02440

Most recent enrollment number

PPC

(914) 682-5200

Telephone number (including area code)

Firm name

925 WESTCHESTER AVENUE
SUITE 304
WHITE PLAINS

NY 10604

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) 2012
v. 120126

Part II		Beginning of Year Carryover Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	80,524
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	21,043
9	Amount remaining (line 7 minus line 8)	0	59,481
10	Interest on line 9 using prior year's actual return of <u>7.10</u> %		4,223
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 <u>6.16</u> % 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)	0	63,704

Part III		Funding Percentages	
14	Funding target attainment percentage	14	84.70 %
15	Adjusted funding target attainment percentage	15	84.70 %
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	81.94 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and Liquidity Shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/10/2012	96,060				
07/09/2012	96,060				
10/11/2012	96,060				
01/18/2013	96,060				
Totals ►			18(b)	384,240	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 370,473
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: 1.98 %	2nd segment: 5.07 %	3rd segment: 6.19 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 65
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	0	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	1,961,243	426,963	
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	426,963	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	56,490	56,490
36 Additional cash requirement (line 34 minus line 35).....	36	370,473	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	370,473	
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		

Attachment to 2012 Schedule SB, line 26

EIN: 31-0958666 / PN: 001

**KINRAY, INC.
PENSION PLAN & TRUST**

Schedule of Active Participant Data

Valuation Date: January 1, 2012

[illegible]

Attachment to 2012 Schedule SB, Line 32 - Schedule of Amortization Bases

EIN: 31-0958666 / PN: 001

**KINRAY, INC.
PENSION PLAN & TRUST**

Schedule of Amortization Bases

Valuation Date: January 1, 2012

Valuation Date	Amortization Method	Number of Future Installments	Installment	Value of Future Installments
01/01/2008	7-year	3	\$155,261	\$456,798
01/01/2009	7-year	4	\$49,799	\$193,469
01/01/2010	7-year	5	(\$55,499)	(\$266,927)
01/01/2011	7-year	6	\$240,957	\$1,347,069
01/01/2012	7-year	7	\$36,445	\$230,834
Total			\$426,963	\$1,961,243

Attachment to 2012 Schedule SB, Line 22

EIN: 31-0958666 / PN: 001

**KINRAY, INC.
PENSION PLAN & TRUST**

Weighted Average Retirement Age

Valuation Date: January 1, 2012

Assumed Retirement Age – 100% of participants are assumed to receive their benefits in the normal form at the plan's normal retirement date which is the December 31st nearest the later of the date the participant attains age 65 or the 5th anniversary of participation.

Participants who have passed their Normal Retirement Date as defined above are assumed to retire on the next valuation date.

Weighted average retirement age 65.

KINRAY, INC.**PENSION PLAN & TRUST**

Statement of Actuarial Assumptions and Method

Plan Year: 1/1/2012 to 12/31/2012

Valuation Date: 1/1/2012

	<u>For PPA Funding</u>	<u>For Actuarial Equivalence</u>
Interest Rates	Segment 1 1.98%	Pre-Retirement 6.00%
	Segment 2 5.07%	Post-Retirement 6.00%
	Segment 3 6.19%	
Pre-Retirement		
Turnover	None	None
Mortality	None	None
Assumed Ret Age	Normal retirement age 65 and 5 years of participation	
Post-Retirement		
Mortality	Male-modified RP2000 combined healthy male projected 27 & 19 yrs Female-modified RP2000 combined healthy female projected 27 & 19 yrs	UP-84 UNADJUSTED
Assumed Benefit Form For Funding		Normal Form
Calculated Effective Interest Rate		5.71%

An actuarial value of assets is used for funding purposes. This year the actuarial value of assets is 100.0% of the market value of assets.

**KINRAY, INC.
PENSION PLAN & TRUST**

Summary of Plan Provisions
Plan Year: 01/01/2012 to 12/31/2012

Effective Date	April 1, 1974
Plan Freeze	As of December 31, 2011, participation and benefit accruals were frozen.
Eligibility Requirements	An eligible employee will enter the plan as a participant on the applicable entry date upon reaching age 20-1/2 and completing 18 months of service.
Entry Date	An eligible employee who satisfies the eligibility requirements will enter the plan as a participant on December 31st nearest the date he or she becomes eligible.
Year of Service	A year of service shall be a plan year in which 1,000 or more hours of service is completed.
Compensation	Compensation means Form W-2 compensation that is actually paid in gross income during a calendar year excluding amounts deferred in the 401(k) Plan and other deferrals allowed under the Internal Revenue Code.
Average Annual Compensation	Average annual compensation means compensation averaged over the 5 consecutive calendar years which produce the highest average.
Normal Retirement Benefit	An monthly benefit equal to 1/12th of 1.824% of Average Annual Compensation multiplied by Years of Plan Participation with a maximum of 10 years.
Normal Retirement Date	Normal retirement date is the later of the date a participant reaches Age 65 or the fifth (5th) anniversary of the date the participant entered the plan.
Early Retirement Date	Early retirement date is the first day of any month coinciding with or following the date a participant attains age 52 and completes at least 7 years of service.
Vesting	100% upon plan entry.