

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

Part II	Basic Plan Information —enter all requested information										
1a Name of plan TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE PROFESSIONAL AND TECHNICAL EMPLOYEES INTERNATIONAL UNION LOCAL NO 1 PENSION FUND	<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;">001</td> </tr> <tr> <td colspan="2">1c Effective date of plan 09/06/1963</td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) 34-6605342</td> </tr> <tr> <td colspan="2">2c Sponsor's telephone number 216-621-5044</td> </tr> <tr> <td colspan="2">2d Business code (see instructions) 812320</td> </tr> </table>	1b Three-digit plan number (PN) ▶	001	1c Effective date of plan 09/06/1963		2b Employer Identification Number (EIN) 34-6605342		2c Sponsor's telephone number 216-621-5044		2d Business code (see instructions) 812320	
1b Three-digit plan number (PN) ▶	001										
1c Effective date of plan 09/06/1963											
2b Employer Identification Number (EIN) 34-6605342											
2c Sponsor's telephone number 216-621-5044											
2d Business code (see instructions) 812320											
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE LOCAL NO 1 2020 CARNEGIE AVENUE CLEVELAND, OH 44115	2020 CARNEGIE AVENUE CLEVELAND, OH 44115										

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.	09/01/2015	ANTHONY ROCKMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional) COZZA & STEUER 1370 ONTARIO STREET #1420 CLEVELAND, OH 44113			Preparer's telephone number (optional) 216-781-0005

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE LOCAL NO 1 2020 CARNEGIE AVENUE CLEVELAND, OH 44115		3b Administrator's EIN 34-6605342
		3c Administrator's telephone number 216-621-5044
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	1184
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	67
b Retired or separated participants receiving benefits	6b	475
c Other retired or separated participants entitled to future benefits.....	6c	595
d Subtotal. Add lines 6a , 6b , and 6c	6d	1137
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	3
f Total. Add lines 6d and 6e	6f	1140
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	3
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B		
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 MB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

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

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

A Name of plan TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE PROFESSIONAL AND TECHNICAL EMPLOYEES INTERNATIONAL UNION LOCAL NO 1 PENSION FUND	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE LOCAL NO 1	D Employer Identification Number (EIN) 34-6605342

E Type of plan: (1) ☒ Multiemployer Defined Benefit (2) ☐ Money Purchase (see instructions)

1a Enter the valuation date: Month 01 Day 01 Year 2013

b Assets

(1) Current value of assets.....	1b(1)	1299061
(2) Actuarial value of assets for funding standard account.....	1b(2)	1299061
c (1) Accrued liability for plan using immediate gain methods	1c(1)	7583066
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	1c(2)(a)	
(b) Accrued liability under entry age normal method.....	1c(2)(b)	
(c) Normal cost under entry age normal method	1c(2)(c)	
(3) Accrued liability under unit credit cost method	1c(3)	7583066
d Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions)	1d(1)	
(2) "RPA '94" information:		
(a) Current liability.....	1d(2)(a)	11975075
(b) Expected increase in current liability due to benefits accruing during the plan year	1d(2)(b)	33480
(c) Expected release from "RPA '94" current liability for the plan year	1d(2)(c)	612145
(3) Expected plan disbursements for the plan year	1d(3)	884968

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	10/10/2014
Signature of actuary	Date
TOM CLIFFEL	14-06012
Type or print name of actuary	Most recent enrollment number
HORIZON ACTUARIAL SERVICES, LLC	678-317-4162
Firm name	Telephone number (including area code)
5500 ROCKSIDE ROAD SUITE 600, INDEPENDENCE, OH 44131	
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 Form 5500-SF.

Schedule MB (Form 5500) 2013
v. 130118

2 Operational information as of beginning of this plan year:

a Current value of assets (see instructions)	2a	1299061
b "RPA '94" current liability/participant count breakdown:	(1) Number of participants	(2) Current liability
(1) For retired participants and beneficiaries receiving payment	481	5368746
(2) For terminated vested participants	608	6063787
(3) For active participants:		
(a) Non-vested benefits		31588
(b) Vested benefits		510954
(c) Total active	55	542542
(4) Total	1144	11975075
c If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage	2c	10.85 %

3 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
12/15/2013	9259		06/15/2013	13054	
11/15/2013	15211		05/15/2013	12089	
10/15/2013	3041		04/15/2013	7110	
09/15/2013	14225		03/15/2013	13607	
08/15/2013	13238		02/15/2013	8481	
07/15/2013	7530		01/15/2013	8175	
Totals ▶ 3(b)				125020	3(c) 0

4 Information on plan status:

a Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If code is "N," go to line 5.	4a	C
b Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3))	4b	17.1 %
c Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan?		☐ Yes ☒ No
d If the plan is in critical status, were any adjustable benefits reduced?		☐ Yes ☒ No
e If line d is "Yes," enter the reduction in liability resulting from the reduction in adjustable benefits, measured as of the valuation date	4e	

5 Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

- a** ☐ Attained age normal
b ☐ Entry age normal
c ☒ Accrued benefit (unit credit)
d ☐ Aggregate
e ☐ Frozen initial liability
f ☐ Individual level premium
g ☐ Individual aggregate
h ☐ Shortfall
i ☐ Reorganization
j ☐ Other (specify):

k If box h is checked, enter period of use of shortfall method	5k	
l Has a change been made in funding method for this plan year?		☐ Yes ☒ No
m If line l is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval?		☐ Yes ☐ No
n If line l is "Yes," and line m is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method	5n	

6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability	6a	3.78 %
b Rates specified in insurance or annuity contracts	☐ Yes ☒ No ☐ N/A	☐ Yes ☒ No ☐ N/A
c Mortality table code for valuation purposes:		
(1) Males	6c(1)	A
(2) Females	6c(2)	A
d Valuation liability interest rate	6d	7.50 %
e Expense loading	6e	92.0 % ☐ N/A ☒ N/A
f Salary scale	6f	% ☒ N/A
g Estimated investment return on actuarial value of assets for year ending on the valuation date	6g	12.9 %
h Estimated investment return on current value of assets for year ending on the valuation date	6h	12.9 %

7 New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	-224727	-23683
4	252252	26583

8 Miscellaneous information:

a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval: **8a**

b Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach schedule. ☒ Yes ☐ No

c Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code? ☐ Yes ☒ No

d If line c is "Yes," provide the following additional information:

(1) Was an extension granted automatic approval under section 431(d)(1) of the Code? ☐ Yes ☐ No

(2) If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended: **8d(2)**

(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code? ☐ Yes ☐ No

(4) If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)): **8d(4)**

(5) If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension: **8d(5)**

(6) If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? ☐ Yes ☐ No

e If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s): **8e**

9 Funding standard account statement for this plan year:**Charges to funding standard account:**

a Prior year funding deficiency, if any: **9a** 4333962

b Employer's normal cost for plan year as of valuation date: **9b** 190130

c Amortization charges as of valuation date:

	Outstanding balance	
(1) All bases except funding waivers and certain bases for which the amortization period has been extended	3986857	587377
(2) Funding waivers		
(3) Certain bases for which the amortization period has been extended		

d Interest as applicable on lines 9a, 9b, and 9c: **9d** 383360

e Total charges. Add lines 9a through 9d: **9e** 5494829

Credits to funding standard account:

f Prior year credit balance, if any: **9f**

g Employer contributions. Total from column (b) of line 3: **9g** 125020

h Amortization credits as of valuation date: **9h** 2036814 323539

i Interest as applicable to end of plan year on lines 9f, 9g, and 9h: **9i** 28854

j Full funding limitation (FFL) and credits:

(1) ERISA FFL (accrued liability FFL)	6959696	
(2) "RPA '94" override (90% current liability FFL)	10183114	
(3) FFL credit	9j(3)	

k (1) Waived funding deficiency: **9k(1)**

(2) Other credits: **9k(2)**

l Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2): **9l** 477413

m Credit balance: If line 9l is greater than line 9e, enter the difference: **9m**

n Funding deficiency: If line 9e is greater than line 9l, enter the difference: **9n** 5017416

9 o Current year's accumulated reconciliation account:

(1) Due to waived funding deficiency accumulated prior to the 2013 plan year	9o(1)	
(2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:		
(a) Reconciliation outstanding balance as of valuation date.....	9o(2)(a)	
(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a))	9o(2)(b)	
(3) Total as of valuation date	9o(3)	

10 Contribution necessary to avoid an accumulated funding deficiency. (See instructions.) **10** 5017416

11 Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions. ☒ Yes ☐ No

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

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

A Name of plan TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE PROFESSIONAL AND TECHNICAL EMPLOYEES INTERNATIONAL UNION LOCAL NO 1 PENSION FUND	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE LOCAL NO 1	D Employer Identification Number (EIN) 34-6605342	

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 5/3 BANK RETIREMENT SERVICES 36 FOUNTAIN SQUARE PLAZA CINCINNATI, OH 45263 31-1051736

(b) Enter name and EIN or address of person who provided you disclosure 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)

FIFTH THIRD BANK

5050 KINGSLEY DRIVE
CINCINNATI, OH 45263

31-1051736

(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	PROFESSIONAL	6069	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

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

HORIZON ACTUARIAL SERVICES LLC

5005 ROCKSIDE ROAD #600
INDEPENDENCE, OH 44131

26-1370698

(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?
11	PROFESSIONAL	35383	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

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

GOLDSTEIN & GRAGEL

526 SUPERIOR AVE #1040
CLEVELAND, OH 44113

26-3575398

(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?
29	PROFESSIONAL	11271	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)

COZZA & STEUER

1370 ONTARIO STREET #1420
CLEVELAND, OH 44113

34-0780041

(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?
10	PROFESSIONAL	12000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

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

ARLENE B STEUER

1370 ONTARIO STREET #1420
CLEVELAND, OH 44113

34-0780041

(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?
29	PROFESSIONAL	12000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

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

TEXTILE PROCESSORS LOCAL 1

2020 CARNEGIE AVENUE
CLEVELAND, OH 44115

34-0308368

(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?
13	LOCAL UNION	91635	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013	
A Name of plan TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE PROFESSIONAL AND TECHNICAL EMPLOYEES INTERNATIONAL UNION LOCAL NO 1 PENSION FUND	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE LOCAL NO 1	D Employer Identification Number (EIN) 34-6605342

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	4068	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	337282	218002
(2) U.S. Government securities	1c(2)	2366	1135
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	243370	106715
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)	574728	325733
(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)	137784	159078
(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	993	489
f Total assets (add all amounts in lines 1a through 1e)	1f	1300591	811152

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	1530	1972
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1530	1972

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1299061	809180
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	125021	
(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)		125021
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	45	
(B) U.S. Government securities	2b(1)(B)	91	
(C) Corporate debt instruments	2b(1)(C)	6303	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	27280	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		33719
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	13796	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		13796
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	512973	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	380678	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		132295
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	11440	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		11440

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		15589
d Total income. Add all income amounts in column (b) and enter total	2d		331860

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	594548	
(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)		594548
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)	70854	
(2) Contract administrator fees	2i(2)	91638	
(3) Investment advisory and management fees	2i(3)	6069	
(4) Other	2i(4)	58632	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		227193
j Total expenses. Add all expense amounts in column (b) and enter total	2j		821741

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-489881
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: COZZA & STEUER

(2) EIN: 34-0780041

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	
4c		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	
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		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	
4g		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	
4h		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		
4i	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	
4j		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	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
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.			
4n			

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

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

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

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

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

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

A Name of plan <u>TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE PROFESSIONAL AND TECHNICAL EMPLOYEES INTERNATIONAL UNION LOCAL NO 1 PENSION FUND</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE LOCAL NO 1</u>	D Employer Identification Number (EIN) <u>34-6605342</u>

Part I	Distributions
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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
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): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3 <u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a	<u>5017416</u>	
b Enter the amount contributed by the employer to the plan for this plan year.....	6b	<u>76920</u>	
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	<u>4940496</u>	
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 DOUBLE TREE

b EIN 30-8727211

c Dollar amount contributed by employer

8610

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 10 Day 15 Year 2015

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) 70.00

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

a Name of contributing employer COYNE TEXTILE

b EIN 34-1261376

c Dollar amount contributed by employer

54030

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 07 Day 31 Year 2016

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) 70.00

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

a Name of contributing employer BOARDMAN MOLDED PRODUCTS

b EIN 34-1251137

c Dollar amount contributed by employer

14280

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 11 Day 01 Year 2011

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) 70.00

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

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: 40.0% Investment-Grade Debt: 13.0% High-Yield Debt: 0.0% Real Estate: 0.0% Other: 47.0%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Independent Auditor's Report

**Board of Trustees
Textile Processors, Service Trades
Health Care, Professional and Technical
Employees Local #1 Pension Fund**

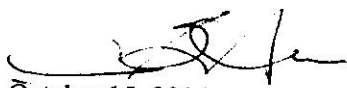
We were engaged to audit the accompanying Statements of Net Assets Available for Benefits of the Textile Processors, Service Trades, Health Care, Professional & Technical Employees Local #1 Pension Fund - modified cash basis - as of December 31, 2013 and 2012, and the related Statements of Changes in Net Assets Available for Benefits, for the years then ended based on actuarial information as of the beginning of the Plan Years. These financial statements and schedules are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of Textile Processors, Service Trades, Health Care, Professional and Technical Employees Local #1 Pension Fund as of December 31, 2013 and 2012 and the changes in its financial status for the years then ended, on the basis of accounting described in Note 1 and subject to the following. The Plan has a funding deficiency of \$5,017,416. There has been a funding deficiency since 2004 and it has increased each year. The Plan is certified to be in "critical status" since 2008. It has executed a Rehabilitation Plan November 25, 2008 and January 3, 2010. It is not reasonably anticipated the Plan can be rehabilitated within the time period allotted. The Board of Trustees in 2014 are submitting information for assistance from the PBGC and as of January 2015 will be insolvent.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information provided in Notes 6 and 7 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.


October 15, 2014
Cleveland, Ohio

TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND
SUPPLEMENTAL SCHEDULE A

#34-6605342
001

Form 5500

Schedule H, Item 4i - Schedule of Assets (Held at End of Year)

	2013 COST	2013 MARKET	2012 COST	2012 MARKET
Cash Equivalents				
Fifth Third Bank	54,473.78	54,473.78	135,207.46	135,207.46
Ancora Securities *	<u>21,847.97</u>	<u>21,847.97</u>	<u>20,732.88</u>	<u>20,732.88</u>
	76,321.75	76,321.75	155,940.34	155,940.34
Mutual Funds				
Ancora Equity Fund Class D	56,523.39	94,214.52	56,523.39	71,115.09
Ancora Income Fund Class D	<u>68,706.26</u>	<u>64,863.44</u>	<u>63,872.46</u>	<u>66,668.81</u>
	125,229.65	159,077.96	120,395.85	137,783.90
Government Bonds				
FHLMC Multiple Class 5.5% 9/15/21	<u>1,179.51</u>	<u>1,134.76</u>	<u>2,362.79</u>	<u>2,365.58</u>
	1,179.51	1,134.76	2,362.79	2,365.58
Corporate Bonds				
JPMorgan Chase & Co. 3.4% 6/24/15 *			76,210.50	79,129.50
Cisco Systems Inc. 4.45% 1/15/20	54,125.00	54,533.50	54,125.00	57,978.50
General Electric Cap Corp 3.5% 6/29/15 *	<u>49,929.50</u>	<u>52,181.00</u>	<u>99,859.00</u>	<u>106,262.00</u>
	104,054.50	106,714.50	230,194.50	243,370.00
SHS Common Stock				
220 Air Products & Chems,			12,546.60	18,484.40
700 Bank of New York Mellon Corp	19,441.52	24,458.00	19,441.52	17,990.00
455 Centurytel Inc.			12,318.36	17,799.60
350 CVS Caremark Corp.	10,723.75	25,049.50	21,447.51	33,845.00
500 Danaher Corp	17,807.50	38,600.00	21,369.00	33,540.00
1200 E M C Corp			20,122.80	30,360.00
405 Ecolab, Inc.	15,477.56	42,229.35	15,477.56	29,119.50
260 Exxon Mobil Corp			18,064.72	22,503.00
600 General MLS Inc	20,876.70	29,946.00	20,876.70	24,252.00
650 Gilead Sciences	14,991.99	48,815.00	29,983.98	47,742.50
885 Intel Corp			18,735.51	18,248.70
600 Lowes Companies Inc.			14,822.23	21,312.00
1000 Microsoft Corp.			29,600.00	26,709.70
425 Omnicom Group Inc.	15,377.27	31,607.25	29,849.99	41,217.00
425 Philip Morris Intl, Inc.			19,625.65	35,547.00
200 Phillips 66 Com			4,651.57	10,620.00
250 Praxis Inc.	18,797.00	32,507.50	18,797.00	27,362.50
300 Schlumberger Ltd.			18,965.40	20,789.58
525 Sysco Corp.			12,564.79	16,621.50
1300 US Bankcorp Del	30,004.00	52,520.00	30,004.00	41,522.00
400 Verizon Communications			13,158.18	17,308.00
320 Wal-Mart Stores Inc.			15,612.17	21,833.60
	<u>163,497.29</u>	<u>325,732.60</u>	<u>418,035.24</u>	<u>574,727.58</u>
	470,282.70	668,981.57	926,928.72	1,114,187.40

**SCHEDULE MB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Multiemployer Defined Benefit Plan and Certain
Money Purchase Plan Actuarial Information**

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

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

OMB No. 1210-0110

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

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

► Round off amounts to nearest dollar.

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

A Name of plan**B** Three-digit
plan number (PN) ►

001

TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE PROFESSIONAL LOCAL NO 1

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF**D** Employer Identification Number (EIN)
34-6605342

TEXTILE PROCESSORS SERVICE TRADES HEALTH CARE LOCAL NO 1

E Type of plan: (1) ☒ Multiemployer Defined Benefit (2) ☐ Money Purchase (see instructions)**1a** Enter the valuation date: Month 1 Day 1 Year 2013**b** Assets

(1) Current value of assets	1b(1)	1,299,061
(2) Actuarial value of assets for funding standard account	1b(2)	1,299,061
c (1) Accrued liability for plan using immediate gain methods	1c(1)	7,583,066
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	1c(2)(a)	
(b) Accrued liability under entry age normal method	1c(2)(b)	
(c) Normal cost under entry age normal method	1c(2)(c)	
(3) Accrued liability under unit credit cost method	1c(3)	7,583,066
d Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions)	1d(1)	
(2) "RPA '94" information:		
(a) Current liability	1d(2)(a)	11,975,075
(b) Expected increase in current liability due to benefits accruing during the plan year	1d(2)(b)	33,480
(c) Expected release from "RPA '94" current liability for the plan year	1d(2)(c)	612,145
(3) Expected plan disbursements for the plan year	1d(3)	884,968

Statement by Enrolled Actuary

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

**SIGN
HERE**

Signature of actuary

10/10/2014

Date

TOM CLIFFEL, FSA, EA, MAAA

14-06012

Type or print name of actuary

Most recent enrollment number
(678) 317-4162

HORIZON ACTUARIAL SERVICES, LLC

Telephone number (including area code)

5005 ROCKSIDE ROAD
SUITE 600
INDEPENDENCE

Firm name

OH 44131

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 Form 5500-SF.

Schedule MB (Form 5500) 2013
v. 130118

SCHEDULE MB ATTACHMENTS

Schedule MB - Statement by Enrolled Actuary

EIN/Plan Number: 34-6605342/001

Plan Sponsor Textile Processors Service Trades Health Care Local No. 1

Plan Name The Textile Processors, Service Trades, Health Care, Professional and
Technical Employees International Union Local No. 1 Pension Fund

Valuation Date January 1, 2013

Enrolled Actuary Tom Cliffl

Enrollment Number 14-06012

The actuarial assumptions and methods are individually reasonable and, in combination, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule MB is based, has been prepared in reliance upon the participant and financial data furnished by the plan administrator and the auditor respectively. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions shown in Line 3 of Schedule MB were listed in reliance on information provided by the plan auditor.

The Plan continues to have a funding deficiency. The Plan is in critical status and adopted a rehabilitation plan designed to forestall insolvency. Since that time, employers have withdrawn with the result that the plan is not making scheduled progress under its rehabilitation plan. The Plan is expected to become insolvent in the first quarter of 2015.

SCHEDULE MB ATTACHMENTS

Schedule MB - Statement by Enrolled Actuary

EIN/Plan Number. 34-6605342/001

Attached as separate exhibits are:

1. An explanation of timing of contributions under Line 3b.
2. A copy of the actuarial certification of status, as required under Line 4a.
3. Documentation regarding progress under Funding Improvement or Rehabilitation Plan, as required under Line 4c.
4. A statement of actuarial assumptions/methods, as required under Line 6.
5. A summary of principal eligibility and benefit provisions, as required under Line 6.
6. A schedule of the active plan participant data used in the valuation for 2013 plan year, as required under Line 8b.
7. A schedule of amortization bases, as required under Lines 9c and 9h.
8. A schedule showing the adjustment to the funding deficiency as of the start of the plan year
9. A schedule justifying changes in actuarial assumptions.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 8b – Schedule of Active Participant Data EIN/Plan Number: 34-6605342/001

Exhibit A.1 - Distribution of Active Participants

Measurement Date: January 1, 2013

[Form 5500 Sch. MB, Line 8b]

Years of Service											
Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 +	Total
Under 25	-	-	-	-	-	-	-	-	-	-	-
25 - 29	-	-	-	-	-	-	-	-	-	-	-
30 - 34	-	2	3	-	-	-	-	-	-	-	5
35 - 39	-	1	2	-	-	-	-	-	-	-	3
40 - 44	-	2	2	1	1	1	-	-	-	-	7
45 - 49	-	2	-	1	1	-	-	-	-	-	4
50 - 54	-	3	-	6	2	2	1	-	-	-	14
55 - 59	-	-	2	7	2	1	-	-	-	-	12
60 - 64	-	3	1	-	2	2	-	-	2	-	10
65 - 69	-	-	-	-	-	-	-	-	-	-	-
70 +	-	-	-	-	-	-	-	-	-	-	-
Total	-	13	10	15	8	6	1	-	2	-	55

Males	20
Females	35
<u>Unknown</u>	<u>0</u>
Total	55

Average Age	50.7
Average Service	12.2
Number Fully Vested	42
Number Partially Vested	0

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 11 – Justification for Change in Actuarial Assumptions As of January 1, 2013

EIN/Plan Number: 34-6605342/001

***Changes in
Assumptions***

Since the prior valuation, the following assumptions have been changed:

- The non-disabled mortality assumption for Actuarial Accrued Liability was changed from the 1983 Group Annuity Mortality Table for males, set forward 2 years for males and set back 3 years for females, with no future improvement in mortality rates beyond any included in the published table, to the RP-2000 Combined Mortality Table for males and females, with blue collar adjustment, and with no future improvement in mortality rates beyond any included in the published table.
- The disabled mortality assumption for Actuarial Accrued liability was changed from the 11th Railroad Retirement Board Valuation (1968) rates for totally and permanently disabled lives (ultimate), with no future improvement in mortality rates beyond any included in the published table, to the RP-2000 Disabled Mortality Table for males and females, with no future improvement in mortality rates beyond any included in the published table.
- The operating expense assumption was updated to \$175,000 in order to reflect experience during the prior plan year.
- The Current Liability interest rate was decreased from 4.29% to 3.78%, in accordance with the change in the IRS prescribed rates.
- The Current Liability mortality table was also updated as required.

***Justification for
Changes in
Assumptions and
Methods***

The mortality assumption changes for actuarial accrued liability were updated to better reflect the anticipated experience of the plan.

The changes in the interest rate and mortality tables used to determine the RPA '94 current liability were mandated legislative changes.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 4a – Illustration Supporting Actuarial Certification of Status

EIN/Plan Number: 34-6605342/001

As of January 1, 2013, the Plan has a funding deficiency and funded percentage of 17.1%.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 4a – Illustration Supporting Actuarial Certification of Status (cont.)

EIN/Plan Number: 34-6605342/001

ACTUARIAL CERTIFICATION REQUIRED UNDER INTERNAL REVENUE CODE SECTION 432(b)

To: Secretary of Treasury
Board of Trustees of the Textile Processors, Service Trades, Health Care, Professional and
Technical Employees Local No. 1 Pension Plan

Re: Textile Processors, Service Trades, Health Care, Professional and Technical Employees Local No.
1 Pension Plan
EIN: 34-6605342 / Plan No.: 001
2013 Plan Year: January 1, 2013 – December 31, 2013
Plan Sponsor: Board of Trustees of the Textile Processors, Service Trades, Health Care,
Professional and Technical Employees Local No. 1 Pension Plan.
2020 Carnegie Avenue
Cleveland OH 44115
(216) 621-5164

I certify that, in accordance with my understanding of the Internal Revenue Code Section 432(b), the Textile Processors, Service Trades, Health Care, Professional and Technical Employees Local No. 1 Pension Plan is in critical status for the 2013 Plan Year. The Plan has a funding deficiency in the funding standard account in the current Plan Year. The Trustees have adopted a Rehabilitation Plan, and the Rehabilitation Period began January 1, 2008. The Plan has continued to experience losses to its active participants and the resulting decline in contributions so the Plan is not making the progress in meeting the requirements of the Rehabilitation Plan.

I am a Member of the American Academy of Actuaries and I meet the Academy's Qualification Standards to issue this statement of Actuarial Opinion.

Date: 3-27-13



Kathleen Arendt, MSPA, MAAA

Enrolled Actuary #11-3770

Libman, Kadavy & Company Inc.

5755 Granger Road, Suite 501

Cleveland OH 44131

(216) 398-3888

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods

EIN/Plan Number: 34-6605342/001

Plan Name	The Textile Processors, Service Trades, Health Care Professional and Technical Employees International Union Local No. 1 Pension Fund
Plan Sponsor	Textile Processors Service Trades Health Care Local No. 1
EIN / PN	34-6605342 / 001
Interest Rates	7.50% per annum, compounded annually, net of investment expense for determining costs and liabilities 3.78% per annum for determining Current Liability
Retirement Age	Later of Age 65 or 5 years of Credited Service
Operating Expenses	Expenses are assumed to be \$175,000, payable annually. Investment consulting fees are not included in assumed operating expenses.
Hours Worked	For the purpose of projecting future benefit accruals, it is assumed that each active participant will work the same number of hours per year as worked during the plan year preceding the valuation date.
Active Participant	For valuation purposes, an active participant is a participant who is a Union member and who is employed by a Participating Employer as of January 1, 2013.
Non-Disabled Mortality	<i>Participants and Beneficiaries:</i> For determining the actuarial accrued liability, the RP-2000 Combined Mortality Table for males and females, with blue collar adjustment, and with no future improvement in mortality rates beyond any included in the published table. For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods (cont.)

EIN/Plan Number: 34-6605342/001

Disabled Mortality

For determining the actuarial accrued liability, the RP-2000 Disabled Mortality Table for males and females, with no future improvement in mortality rates beyond any included in the published table.

For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

Disability Incidence

Table S-10 of the 11th Railroad Retirement Board Valuation (modified)

Illustrations of the annual probabilities of disablement are shown in the table below for selected ages (the same rates are used for males and females):

Representative Disability Probabilities

Age	Probability
20	0.06%
25	0.06%
30	0.06%
35	0.08%
40	0.12%
45	0.23%
50	0.52%
55	1.07%
60	2.48%
65	3.00%

Withdrawal

Illustrations of the annual probabilities of withdrawal (for reasons other than mortality or disablement) are shown in the table below for selected ages and length of service:

Representative Withdrawal Probabilities

Completed Years of Service				
Age	0	1	2	3+
25	60.0%	35.0%	25.0%	20.0%
35	60.0%	35.0%	25.0%	6.8%
40	60.0%	35.0%	25.0%	6.0%
45	60.0%	35.0%	25.0%	5.0%
55	60.0%	35.0%	25.0%	1.2%

Reemployment

It is assumed that participants will not be reemployed following a break in service.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods (cont.)

EIN/Plan Number: 34-6605342/001

Form of Payment All participants are assumed to elect a Life Annuity.

Marriage 85% of active participants are assumed to be married.

Spouse Ages Wives are assumed to be three years younger than husbands.

Cost Method The Unit Credit Cost Method is used to determine the normal cost and the actuarial accrued liability. The actuarial accrued liability is the present value of the accrued benefits as of the beginning of the year for active participants and is the present value of all benefits for other participants. The normal cost is the present value of the difference between the accrued benefits as of the beginning and end of the year. The normal cost and actuarial accrued liability for the plan are the sums of the individually computed normal costs and actuarial accrued liabilities for all plan participants.

Asset Valuation Method The actuarial value of assets is determined as the cost value of any insurance company investments and the market value of all trust investments.

Participant Data Participant census data as of January 1, 2013 was provided by the Trustees and included all employees in the Eligible Class. We did not audit the data, but did compare it with the data used in the prior valuation and found it to be consistent.

Missing or Incomplete Participant Data Assumptions were made to adjust for participants and beneficiaries with missing or incomplete data, based on those exhibited by participants with similar known characteristics.

Financial Information Financial information was supplied by the auditor, Cozza & Steuer. We did not audit the data, but did compare it with that used in the prior valuation and found it to be consistent.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods (cont.)

EIN/Plan Number: 34-6605342/001

***Nature of Actuarial
Calculations***

The valuation results presented in this report are estimates. The results are based on data that may be imperfect and on assumptions made about future events. Certain plan provisions may be approximated or deemed immaterial for the purposes of the valuation. Assumptions may be made about missing or incomplete participant census data or other factors. Reasonable efforts were made to ensure that significant items and factors are included in the valuation and treated appropriately. A range of results different from those presented in this report could also be considered reasonable.

The actuarial assumptions selected for this valuation – including the valuation interest rate – generally reflect average expectations over the long term. If overall future demographic or investment experience is less favorable than assumed, the relative level of plan costs determined in this valuation will likely increase in future valuations. Investment returns and demographic factors may fluctuate significantly from year to year. The deterministic actuarial models used in this valuation do not take into consideration the possibility of such volatility.

***Changes in
Assumptions***

Since the prior valuation, the following assumptions have been changed:

- The non-disabled mortality assumption for Actuarial Accrued Liability was changed from the 1983 Group Annuity Mortality Table for males, set forward 2 years for males and set back 3 years for females, with no future improvement in mortality rates beyond any included in the published table, to the RP-2000 Combined Mortality Table for males and females, with blue collar adjustment, and with no future improvement in mortality rates beyond any included in the published table.
 - The disabled mortality assumption for Actuarial Accrued liability was changed from the 11th Railroad Retirement Board Valuation (1968) rates for totally and permanently disabled lives (ultimate), with no future improvement in mortality rates beyond any included in the published table, to the RP-2000 Disabled Mortality Table for males and females, with no future improvement in mortality rates beyond any included in the published table.
 - The Current Liability interest rate was decreased from 4.29% to 3.78%, in accordance with the change in the IRS prescribed rates.
 - The Current Liability mortality table was also updated as required.
-

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods (cont.)

EIN/Plan Number: 34-6605342/001

***Justification for
Changes in
Assumptions and
Methods***

The mortality assumption changes for actuarial accrued liability were updated to better reflect the anticipated experience of the plan.

The operating expense assumption was updated to reflect actual expenses paid in the prior year.

The changes in the interest rate and mortality tables used to determine the RPA '94 current liability were mandated legislative changes.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Summary of Plan Provisions

EIN/Plan Number: 34-6605342/001

Plan Sponsor Textile Processors Service Trades Health Care Local No. 1

Effective Date Original Plan: September 1, 1977.
Latest Restatement Effective Date: December 31, 2009.
Most Recent Amendment Date: November 26, 2012.

Plan Year A twelve-month period beginning January 1st.

Eligibility Union members covered under a CBA between employers and the Union which provides for periodic contributions to the Pension Fund.

Service & Vesting 1000 hours in a plan year results in one year of Credited Service. 100% vested with 5 years of Credited Service.

Accrued Monthly Pension \$7.50 per month per year of Credited Service, up to a maximum of 35 years.

Retirement Eligibility & Benefit Normal Retirement: Age 65 with 5 years of Credited Service. A monthly life annuity equal to the participant's accrued benefit

Early Retirement: Age 60 with 10 years of Credited Service. A monthly life annuity equal to the Accrued Benefit reduced by .6% per month early.

Disability Retirement: Age 55 with 10 years of Credited Service and totally and permanently disabled. Accrued benefit payable unreduced.

Normal Form of Pension Life annuity

Pre-Retirement Death Benefit The eligible spouse is entitled to a benefit commencing at the date the participant would have reached age 60 equal to 50% of what the participant would have been entitled to had he (a) survived to age 60 (or date of death if later) (b) elected to retire at that time, and (c) died immediately thereafter.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Summary of Plan Provisions (cont.)

EIN/Plan Number: 34-6605342/001

***Changes in Plan
Provisions Since Last
Actuarial Valuation***

There have been no changes in plan provisions since the prior valuation.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods

EIN/Plan Number: 34-6605342/001

Plan Name	The Textile Processors, Service Trades, Health Care Professional and Technical Employees International Union Local No. 1 Pension Fund
Plan Sponsor	Textile Processors Service Trades Health Care Local No. 1
EIN / PN	34-6605342 / 001
Interest Rates	7.50% per annum, compounded annually, net of investment expense for determining costs and liabilities 3.78% per annum for determining Current Liability
Retirement Age	Later of Age 65 or 5 years of Credited Service
Operating Expenses	Expenses are assumed to be \$175,000, payable annually. Investment consulting fees are not included in assumed operating expenses.
Hours Worked	For the purpose of projecting future benefit accruals, it is assumed that each active participant will work the same number of hours per year as worked during the plan year preceding the valuation date.
Active Participant	For valuation purposes, an active participant is a participant who is a Union member and who is employed by a Participating Employer as of January 1, 2013.
Non-Disabled Mortality	<i>Participants and Beneficiaries:</i> For determining the actuarial accrued liability, the RP-2000 Combined Mortality Table for males and females, with blue collar adjustment, and with no future improvement in mortality rates beyond any included in the published table. For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods (cont.)

EIN/Plan Number: 34-6605342/001

Disabled Mortality

For determining the actuarial accrued liability, the RP-2000 Disabled Mortality Table for males and females, with no future improvement in mortality rates beyond any included in the published table.

For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

Disability Incidence

Table S-10 of the 11th Railroad Retirement Board Valuation (modified)

Illustrations of the annual probabilities of disablement are shown in the table below for selected ages (the same rates are used for males and females):

Representative Disability Probabilities

Age	Probability
20	0.06%
25	0.06%
30	0.06%
35	0.08%
40	0.12%
45	0.23%
50	0.52%
55	1.07%
60	2.48%
65	3.00%

Withdrawal

Illustrations of the annual probabilities of withdrawal (for reasons other than mortality or disablement) are shown in the table below for selected ages and length of service:

Representative Withdrawal Probabilities

Completed Years of Service				
Age	0	1	2	3+
25	60.0%	35.0%	25.0%	20.0%
35	60.0%	35.0%	25.0%	6.8%
40	60.0%	35.0%	25.0%	6.0%
45	60.0%	35.0%	25.0%	5.0%
55	60.0%	35.0%	25.0%	1.2%

Reemployment

It is assumed that participants will not be reemployed following a break in service.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods (cont.)

EIN/Plan Number: 34-6605342/001

<i>Form of Payment</i>	All participants are assumed to elect a Life Annuity.
-------------------------------	---

<i>Marriage</i>	85% of active participants are assumed to be married.
------------------------	---

<i>Spouse Ages</i>	Wives are assumed to be three years younger than husbands.
---------------------------	--

<i>Cost Method</i>	The Unit Credit Cost Method is used to determine the normal cost and the actuarial accrued liability. The actuarial accrued liability is the present value of the accrued benefits as of the beginning of the year for active participants and is the present value of all benefits for other participants. The normal cost is the present value of the difference between the accrued benefits as of the beginning and end of the year. The normal cost and actuarial accrued liability for the plan are the sums of the individually computed normal costs and actuarial accrued liabilities for all plan participants.
---------------------------	---

<i>Asset Valuation Method</i>	The actuarial value of assets is determined as the cost value of any insurance company investments and the market value of all trust investments.
--------------------------------------	---

<i>Participant Data</i>	Participant census data as of January 1, 2013 was provided by the Trustees and included all employees in the Eligible Class. We did not audit the data, but did compare it with the data used in the prior valuation and found it to be consistent.
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<i>Missing or Incomplete Participant Data</i>	Assumptions were made to adjust for participants and beneficiaries with missing or incomplete data, based on those exhibited by participants with similar known characteristics.
--	--

<i>Financial Information</i>	Financial information was supplied by the auditor, Cozza & Steuer. We did not audit the data, but did compare it with that used in the prior valuation and found it to be consistent.
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SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods (cont.)

EIN/Plan Number: 34-6605342/001

***Nature of Actuarial
Calculations***

The valuation results presented in this report are estimates. The results are based on data that may be imperfect and on assumptions made about future events. Certain plan provisions may be approximated or deemed immaterial for the purposes of the valuation. Assumptions may be made about missing or incomplete participant census data or other factors. Reasonable efforts were made to ensure that significant items and factors are included in the valuation and treated appropriately. A range of results different from those presented in this report could also be considered reasonable.

The actuarial assumptions selected for this valuation – including the valuation interest rate – generally reflect average expectations over the long term. If overall future demographic or investment experience is less favorable than assumed, the relative level of plan costs determined in this valuation will likely increase in future valuations. Investment returns and demographic factors may fluctuate significantly from year to year. The deterministic actuarial models used in this valuation do not take into consideration the possibility of such volatility.

***Changes in
Assumptions***

Since the prior valuation, the following assumptions have been changed:

- The non-disabled mortality assumption for Actuarial Accrued Liability was changed from the 1983 Group Annuity Mortality Table for males, set forward 2 years for males and set back 3 years for females, with no future improvement in mortality rates beyond any included in the published table, to the RP-2000 Combined Mortality Table for males and females, with blue collar adjustment, and with no future improvement in mortality rates beyond any included in the published table.
 - The disabled mortality assumption for Actuarial Accrued liability was changed from the 11th Railroad Retirement Board Valuation (1968) rates for totally and permanently disabled lives (ultimate), with no future improvement in mortality rates beyond any included in the published table, to the RP-2000 Disabled Mortality Table for males and females, with no future improvement in mortality rates beyond any included in the published table.
 - The Current Liability interest rate was decreased from 4.29% to 3.78%, in accordance with the change in the IRS prescribed rates.
 - The Current Liability mortality table was also updated as required.
-

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods (cont.)

EIN/Plan Number: 34-6605342/001

***Justification for
Changes in
Assumptions and
Methods***

The mortality assumption changes for actuarial accrued liability were updated to better reflect the anticipated experience of the plan.

The operating expense assumption was updated to reflect actual expenses paid in the prior year.

The changes in the interest rate and mortality tables used to determine the RPA '94 current liability were mandated legislative changes.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Summary of Plan Provisions

EIN/Plan Number: 34-6605342/001

Plan Sponsor Textile Processors Service Trades Health Care Local No. 1

Effective Date Original Plan: September 1, 1977.
Latest Restatement Effective Date: December 31, 2009.
Most Recent Amendment Date: November 26, 2012.

Plan Year A twelve-month period beginning January 1st.

Eligibility Union members covered under a CBA between employers and the Union which provides for periodic contributions to the Pension Fund.

Service & Vesting 1000 hours in a plan year results in one year of Credited Service. 100% vested with 5 years of Credited Service.

Accrued Monthly Pension \$7.50 per month per year of Credited Service, up to a maximum of 35 years.

Retirement Eligibility & Benefit Normal Retirement: Age 65 with 5 years of Credited Service. A monthly life annuity equal to the participant's accrued benefit

Early Retirement: Age 60 with 10 years of Credited Service. A monthly life annuity equal to the Accrued Benefit reduced by .6% per month early.

Disability Retirement: Age 55 with 10 years of Credited Service and totally and permanently disabled. Accrued benefit payable unreduced.

Normal Form of Pension Life annuity

Pre-Retirement Death Benefit The eligible spouse is entitled to a benefit commencing at the date the participant would have reached age 60 equal to 50% of what the participant would have been entitled to had he (a) survived to age 60 (or date of death if later) (b) elected to retire at that time, and (c) died immediately thereafter.

SCHEDULE MB ATTACHMENTS

Schedule MB, Line 6 – Summary of Plan Provisions (cont.)

EIN/Plan Number: 34-6605342/001

***Changes in Plan
Provisions Since Last
Actuarial Valuation***

There have been no changes in plan provisions since the prior valuation.

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1
PENSION FUND**

**COMPARATIVE
FINANCIAL STATEMENTS
(MODIFIED CASH BASIS)**

DECEMBER 31, 2013 AND 2012

Independent Auditor's Report

**Board of Trustees
Textile Processors, Service Trades
Health Care, Professional and Technical
Employees Local #1 Pension Fund**

We were engaged to audit the accompanying Statements of Net Assets Available for Benefits of the Textile Processors, Service Trades, Health Care, Professional & Technical Employees Local #1 Pension Fund - modified cash basis - as of December 31, 2013 and 2012, and the related Statements of Changes in Net Assets Available for Benefits, for the years then ended based on actuarial information as of the beginning of the Plan Years. These financial statements and schedules are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of Textile Processors, Service Trades, Health Care, Professional and Technical Employees Local #1 Pension Fund as of December 31, 2013 and 2012 and the changes in its financial status for the years then ended, on the basis of accounting described in Note 1 and subject to the following. The Plan has a funding deficiency of \$5,017,416. There has been a funding deficiency since 2004 and it has increased each year. The Plan is certified to be in "critical status" since 2008. It has executed a Rehabilitation Plan November 25, 2008 and January 3, 2010. It is not reasonably anticipated the Plan can be rehabilitated within the time period allotted. The Board of Trustees in 2014 are submitting information for assistance from the PBGC and as of January 2015 will be insolvent.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information provided in Notes 6 and 7 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

October 15, 2014
Cleveland, Ohio

**TEXTILE PROCESSORS, SERVICE TRADE, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
(MODIFIED CASH BASIS)
DECEMBER 31, 2013 AND DECEMBER 31, 2012

ASSETS

	<u>2013</u>	<u>2012</u>
Investments at Quoted Market Values		
Common Stock	\$325,732.60	\$ 574,727.58
Government Bonds	1,134.76	2,365.58
Corporate Bonds	106,714.50	243,370.00
Ancora Income Fund	64,863.44	66,668.81
Ancora Equity Fund	94,214.52	71,115.09
Cash Equivalents - Ancora Securities	21,847.97	20,732.88
Cash Equivalents - Fifth Third Bank	54,473.78	135,207.46
Total Investments	<u>\$668,981.57</u>	<u>\$1,114,187.40</u>
Cash		
Checking - (General)	\$141,681.12	\$ 181,341.35
	141,681.12	181,341.35
Accounts Receivable - Local 1	(441.79)	4,068.67
Office Equipment (Net)	<u>489.38</u>	<u>993.17</u>
Total Assets	\$810,710.28	\$1,300,590.59

LIABILITIES

Internal Revenue Service Payable	1,529.98	1,529.98
Net Assets Available for Benefits	<u>\$809,180.30</u>	<u>\$1,299,060.61</u>

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(MODIFIED CASH BASIS)
YEAR ENDED DECEMBER 31, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
Additions to Net Assets Attributed to:		
Investment Income		
Interest	\$ 33,719.43	\$ 33,517.22
Dividends	13,795.94	25,996.55
Gain (Loss) on Sale of Investments	132,295.14	75,480.43
Change in Increase (Decrease) in Investments	<u>11,440.19</u>	<u>69,417.98</u>
	191,250.70	204,412.18
Less: Investment Expenses	<u>6,069.69</u>	<u>18,577.42</u>
Net Investment Increase (Decrease)	\$ 185,181.01	\$ 185,834.76
Contributions-Employers	76,920.00	66,780.00
Withdrawal Liability Payments	<u>48,100.57</u>	<u>38,037.39</u>
	125,020.57	104,817.39
Other Reimbursements	<u>15,589.11</u>	<u>7,107.73</u>
	<u>15,589.11</u>	<u>7,107.73</u>
Total Additions	\$ 325,790.69	\$ 297,759.88
Deductions from Net Assets Attributed to:		
Pension Benefits	\$ 594,548.05	\$ 601,077.60
Administration Expenses (Schedule 1)	<u>221,122.95</u>	<u>176,365.21</u>
Total Deductions	<u>815,671.00</u>	<u>777,442.81</u>
Net Increase (Decrease)	\$ (489,880.31)	\$ (479,682.93)
Net Assets Available for Benefits		
Beginning of Year	<u>1,299,060.61</u>	<u>1,778,743.54</u>
End of Year	<u>\$ 809,180.30</u>	<u>\$1,299,060.61</u>

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

Exhibit C

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND
STATEMENTS OF ACCUMULATED PLAN BENEFITS
(BASED ON ACTUARIAL VALUES AS OF JANUARY 1, 2013 AND 2012)**

	<u>1/1/2013</u>	<u>1/1/2012</u>
Actuarial Present Value of Accumulated Plan Benefits as of January 1, 2013 and 2012		
Vested Benefits		
Participants Currently Receiving Benefits	\$ 5,368,746.00	\$ 5,330,404.00
Active & Terminated Vested Participants	<u>6,591,740.00</u>	<u>6,106,347.00</u>
	\$11,960,486.00	\$11,436,751.00
Non-vested Benefits	<u>14,589.00</u>	<u>19,856.00</u>
Total Actuarial Present Value of Accumulated Plan Benefits as of 1/1/13 and 1/1/12	<u>\$11,975,075.00</u>	<u>\$11,456,607.00</u>

TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND
STATEMENTS OF CHANGES IN ACCUMULATED PLAN BENEFITS
JANUARY 1, 2013 AND 2012

Changes in Present Value of Accumulated Benefits	<u>1/1/2013</u>	<u>1/1/2012</u>
1. Present Value at End of Prior Plan Year	\$11,456,607	\$11,134,507
2. Increase (Decrease) during the Plan Year due to:		
a. Benefits Accumulated	37,277	57,561
b. Plan Changes	--	--
c. Assumption Changes*	603,674	387,099
d. Interest Due to Decrease in the Discount period	478,595	484,152
e. Benefits Paid	(601,078)	(606,712)
f. Net Increase (Decrease)	<u>518,468</u>	<u>322,100</u>
3. Actuarial Present Value of Accumulated Benefits	\$11,975,075	\$11,456,607

*Assumption changes results from statutorily required changes in the Current Liability interest rates and mortality tables.

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

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. **Basis of Financial Statement Presentation**

The accounts of the Fund are maintained generally on the cash basis, but they include provision for unrealized gain or loss on investments. No recognition is given to accrued interest, dividends, and contributions receivable or to accrued expenses and payables for operations. There is normally a 30 to 60 day lag in reporting such items on the cash basis and the net amounts and changes thereof, on a year to year basis, are not material.

B. **Investment Valuations**

The Plan's investments are stated at fair value. Securities traded on the national securities exchange are valued at the last reported sales price on the last business day of the plan year. Investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and asked prices. Investments in certificates of deposits are valued at the amounts confirmed by the issuing financial institutions.

C. **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

2. **ACTUARIAL INFORMATION**

Results of the actuarial valuation as of 1/1/2013 from the most recent actuarial report dated October 3, 2014 as modified October 10, 2014 prepared by Horizon Actuarial are as follows:

a) **Actuarial Assumptions, Method and Data**

<u>Interest Rate</u>	7.50% per annum, compounded annually, net of investment expense for determining costs and liabilities.
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3.78% per annum for determining Current Liability

<u>Retirement Age</u>	Later of Age 65 or 5 years of Credited Service
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<u>Operating Expenses</u>	Expenses are assumed to be \$175,000, payable annually. Investment consulting fees are not included in assumed operating expenses.
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<u>Hours Worked</u>	For the purpose of projecting future benefit accruals, it is assumed that each active participant will work the same number of hours per year as worked during the plan year preceding the valuation date.
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The accompanying notes are an integral part of the financial statements.

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Active Participant

For valuation purposes, an active participant is a participant who is a Union member and who is employed by a Participating Employer as of January 1, 2013.

Non-Disabled Mortality

Participants and Beneficiaries:

For determining the actuarial accrued liability, the RP-2000 Combined Mortality Table for males and females, with blue collar adjustment, and with no future improvement in mortality rates beyond any included in the published table.

For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

Disabled Mortality

For determining the actuarial accrued liability, the RP-2000 Disabled Mortality Table for males and females, with no future improvement in mortality rates beyond any included in the published table.

For determining the RPA '94 current liability, the mortality tables prescribed by the Pension Protection Act of 2006 were used.

Disability Incidence

Table S-10 of the 11th Railroad Retirement Board Valuation (modified)

Illustration of the annual probabilities of disablement are shown in the table below for selected ages (the same rates are used for males and females):

Representative Withdrawal Probabilities

<u>Age</u>	<u>Probability</u>
20	0.06%
25	0.06%
30	0.06%
35	0.08%
40	0.12%
45	0.23%
50	0.52%
55	1.07%
60	2.48%
65	3.00%

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

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Withdrawal

Illustrations of the annual probabilities of withdrawal (for reasons other than mortality or disablement) are shown in the table below for selected ages and length of service:

Representative Withdrawal Probabilities

Completed Years of Service

<u>Age</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>3+</u>
25	60.0%	35.0%	25.0%	20.0%
35	60.0%	35.0%	25.0%	6.8%
40	60.0%	35.0%	25.0%	6.0%
45	60.0%	35.0%	25.0%	5.0%
55	60.0%	35.0%	25.0%	1.2%

Reemployment

It is assumed that participants will not be reemployed following a break in service.

Form of Payment

All participants are assumed to elect a Life Annuity.

Marriage

85% of active participants are assumed to be married.

Spouse Ages

Wives are assumed to be three years younger than husbands.

Cost Method

The Unit Credit Cost Method is used to determine the normal cost and the actuarial accrued liability. The actuarial accrued liability is the present value of the accrued benefits as of the beginning of the year for active participants and is the present value of all benefits for other participants. The normal cost is the present value of the difference between the accrued benefits as of the beginning and end of the year. The normal cost and actuarial accrued liability for the plan are the sums of the individually computed normal costs and actuarial accrued liabilities for all plan participants.

Asset Valuation Method

The actuarial value of assets is determined as the cost value of any insurance company investments and the market value of all trust investments.

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

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Participant Data

Participant census data as of January 1, 2013 was provided by the Trustees and included all employees in the Eligible Class. We did not audit the data, but did compare it with the data used in prior valuation and found it to be consistent.

Missing or Incomplete
Participant Data

Assumptions were made to adjust for participants and beneficiaries with missing or incomplete data, based on those exhibited by participants with similar known characteristics.

Nature of Actuarial Calculations

The valuation results presented in this report are estimates. The results are based on data that may be imperfect and on assumptions made about future events. Certain plan provisions may be approximated or deemed immaterial for the purposes of the evaluation. Assumptions may be made about missing or incomplete participant census data or other factors. Reasonable efforts were made to ensure the significant items and factors are included in the valuation and treated appropriately. A range of results different from those presented in this report could also be considered reasonable.

The actuarial assumptions selected for this valuation – including the valuation interest rate – generally reflect average expectations over the long term. If overall future demographic or investment experience is less favorable than assumed, the relative level of plan costs determined in this valuation will likely increase in future valuations. Investment returns and demographic factors may fluctuate significantly from year to year. The deterministic actuarial models used in this valuation do not take into consideration the possibility of such volatility.

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

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Changes in Assumptions

Since the prior valuation, the following assumptions have been changed:

- The non-disabled mortality assumption for Actuarial Accrued Liability was changed from the 1983 Group Annuity Mortality Table for males, set forward 2 years for males and set back 3 years for females, with no future improvement in mortality rates beyond any included in the published table, to the RP-2000 Combined Mortality Table for males and females, with blue collar adjustment, and with no future improvement in mortality rates beyond any included in the published table.
- The disabled mortality assumption for Actuarial Accrued liability was changed from the 11th Railroad Retirement Board Valuation (1968) rates for totally and permanently disabled lives (ultimate), with no future improvement in mortality rates beyond any included in the published table, to the RP-2000 Disabled Mortality Table for males and females, with no future improvement in mortality rates beyond any included in the published table.
- The Current Liability interest rate was decreased from 4.29% to 3.78%, in accordance with the change in the IRS prescribed rates.
- The Current Liability mortality table was also updated as required.

Justification for Changes in
Assumptions and Methods

The mortality assumption changes for actuarial accrued liability were updated to better reflect the anticipated experience of the plan.

The operating expense assumption was updated to reflect actual expenses paid in the prior year.

The changes in the interest rate and mortality tables used to determine the RPA '94 current liability were mandated legislative changes.

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

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Eligibility

Union members covered under a CBA between employers and the Union which provides for periodic contributions to the Pension Fund.

Service & Vesting

1000 hours in a plan year results in one year of Credited Service. 100% vested with 5 years of Credited Service.

Accrued Monthly Pension

\$7.50 per month per year of Credited Service, up to a maximum of 35 years.

Retirement Eligibility
& Benefit

Normal Retirement: Age 65 with 5 years of Credited Service. A monthly life annuity equal to the participant's accrued benefit.

Normal Form of Pension

Life annuity

Pre-Retirement Death Benefit

The eligible spouse is entitled to a benefit commencing at the date the participant would have reached age 60 equal to 50% of what the participant would have been entitled to had he (a) survived to age 60 (or date of death if later) (b) elected to retire at that time, and (c) died immediately thereafter.

Changes in Plan Provisions
Since Last Actuarial Valuation

There have been no changes in plan provisions since the prior valuation.

(i) Actuarial Present Value of Accumulated Plan Benefits

Under the terms of the Plan, participants had earned ("accumulated") certain pension credits at January 1, 2013. However, these participants did not then have a fully vested, nonforfeitable right to these benefits unless they had met the Plan's vesting requirements. See Exhibits C and D.

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

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

C. Minimum Funding Requirements

There is a funding deficiency of \$5,017,416 in the Funding Standard Account. Contributions are well below the minimum contributions required for the year. There has been a funding deficiency since 2004 and it has increased each year. As a result, the funding deficiency continues to increase each year. The Fund entered into a Rehabilitation Plan on November 25, 2008 to which it has adhered. Because of the limited ability of the industry to pay substantial increases in contributions it was determined the Plan cannot be successfully rehabilitated and no requests for Waiver of Funding Deficiencies have been filed. It is anticipated this entity will not continue as a going entity and the Fund administration is working with the contributing employers and special legal counsel to terminate the Fund. This information is not reflected in the financial statement.

Contributions plus Withdrawal Liability payments were not sufficient to meet Minimum Funding Requirements for the Plan Year. This Plan is considered to be in "critical status" under provisions of the Pension Protection Act of 2006 since the 2008 Plan Year and each following Plan Year. A 5% surcharge applied for 2008 and a 10% surcharge applied for 2009 and thereafter. The 10% surcharge will continue as long as the Plan is in critical status.

3. TAX STATUS

The Internal Revenue Service issued a determination letter dated January 30, 1978 exempting the Fund from Federal Income Taxes under Section 501(a). The most recent determination letter is dated May 13, 2013.

4. DESCRIPTION

The Fund was formed in 1963 under a trust agreement between participating employer and Local Union No. 1 and continues as subsequently amended and restated. Benefits noted in (b) and (c) may be modified by the Fund's Rehabilitation Plan. That agreement provides for contributions to be made by employers to a Fund expressly devoted to the purpose of providing retirement benefits. Participants should refer to the Summary Plan Description for a complete description of the Plan's provisions. Principal features of the Fund are:

- a. A normal retirement benefit payable at age 65 after 5 years of credit service.
- b. A reduced early retirement benefit at age 60 after 10 years of credit service.
- c. A disability retirement benefit payable at age 55 after 10 years of credit service.
- d. Full vesting after 5 years of fund participation.
- e. A pre-retirement death benefit for the eligible spouse once the participant has become vested.

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

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

The Plan's Board of Trustees, as sponsor, has the right under the Plan to modify benefits provided. A Rehabilitation Plan pursuant to the provisions of the Pension Protection Act of 2006 was executed November 25, 2008 and amended January 3, 2010. Since the Plan cannot reasonably be expected to emerge from critical status within the rehab period the Plan was adopted to forestall insolvency. A new schedule of benefits must be adopted as each Collective Bargaining Agreement opens for negotiation which will affect all adjustable benefits. If the new Collective Bargaining Agreement does not incorporate the new schedule of benefits they will become effective automatically six months after the new Collective Bargaining Agreement is effective. All matters concerning pension provisions in Collective Bargaining Agreements opened in 2009 remains pending. The Plan was subsequently amended in 2002.

5. **PLAN TERMINATION**

- a. The Plan and Trust can be terminated by the Trustees when there is no longer in effect a collective bargaining agreement requiring Participating Employers to contribute to the Trust Fund.
- b. After notice by the Trustees to the Pension Benefit Guaranty Corporation of its intention to terminate the Plan, upon receipt by the Trustees of a notice from the Pension Benefit Guaranty Corporation that the assets held under the Plan are sufficient to discharge when due all obligations of the Plan with respect to the basic benefits of Plan participants, or after said corporation has notified the Trustees that the Plan should be terminated and has applied for and been granted a decree by the United States District court having jurisdiction, adjudicating that the Plan must be terminated, the Trustees, or trustee appointed by the aforesaid court pursuant to said Trustees application, shall allocate the assets of the Plan in accordance with Section 4044 of the Employee Retirement Income Security Act of 1974 to the extent the assets are available to provide guaranteed benefits to Plan participants and beneficiaries.

Upon fulfillment of the above obligations, the remaining assets will be distributed first to terminated participants with vested interests, then to those participants who have accrued benefits which are not vested.

If the assets available for allocation under any priority category established under the Act are insufficient to satisfy in full the benefits of all individuals, the assets shall be allocated pro-rata among such individuals on the basis of the present value (as of the termination date) of their respective benefits.

Upon fulfillment of the above obligations, the remaining assets will be distributed first to terminated participants with vested interests, then to those participants who have accrued benefits which are not vested.

If the assets available for allocation under any priority category established under the Act are insufficient to satisfy in full the benefits of all individuals, the assets shall be allocated pro-rata among such individuals on the basis of the present value (as of the termination date) of their respective benefits.

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

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Any residual assets of the Plan remaining after distribution in accordance with said Section 4044 shall be distributed to the Participating Employers provided all liabilities of the Plan to participants and their beneficiaries have been satisfied and provided the distribution does not contravene any provisions of law.

6. **PARTY IN INTEREST TRANSACTIONS DURING 2012**

<u>Name</u>	<u>Relationship to Plan</u>	<u>Description of Transaction</u>	<u>Amount</u>
Textile Processors Local #1	Union	Administration	\$91,637.76
Fifth Third Bank	Investment Mgr.	Investment Fee	6,069.69
Cozza & Steuer	Auditor	Audit Fee	12,000.00
Arlene B. Steuer	Attorney	Legal Fee	12,000.00
Goldstein Gragel LLC	Attorney	Legal Fees	11,271.18

7. **SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AND SIGNIFICANT
CONCENTRATION OF CREDIT AND MARKET RISK**

The Fund maintains a cash balance at Fifth Third Bank in Cleveland, Ohio. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per beneficiary. In addition, the Fund invests in various equity and fixed income securities which are subject to market fluctuations.

<u>Issuer</u>	<u>Description</u>	<u>2013 Cost</u>	<u>2013 Market Value</u>	<u>2012 Cost</u>	<u>2012 Market Value</u>
<u>Investment Bearing Cash</u>					
Checking-General	Cash Checking	\$141,681.12	\$141,681.12*	\$181,341.35	\$181,341.35*

Ancora Securities is insured through Security Investors Protection Corporation for the sum of \$500,000 for each account. Fifth Third maintains all assets in a separate trust account in the Plan's name.

Investments are held by various investment managers as noted upon the Statement of Assets Available for Benefits are as follows:

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

<u>Issuer</u>		<u>2013 Cost</u>	<u>2013 Market</u>	<u>2012 Cost</u>	<u>2012 Market</u>
<u>Cash Equivalents</u>					
Fifth Third Bank		\$ 54,473.78	\$ 54,473.78*	\$135,207.46	\$135,207.46*
Ancora Securities*		<u>21,847.97</u>	<u>21,847.97</u>	<u>20,732.88</u>	<u>20,732.88</u>
		\$76,321.75	\$76,321.75	\$155,940.34	\$155,940.34
<u>Mutual Funds</u>					
Ancora Equity Fund Class D		\$ 56,523.39	\$ 94,214.52*	\$ 56,523.39	\$ 71,115.09*
Ancora Income Fund Class D		<u>68,706.26</u>	<u>64,863.44*</u>	<u>63,872.46</u>	<u>66,668.81*</u>
		\$125,229.65	\$159,077.96	\$120,395.85	\$137,783.90
<u>Government Bonds</u>					
FHLMC Multiple Class 5.5% 9/15/21		<u>\$ 1,179.51</u>	<u>\$ 1,134.76</u>	<u>\$ 2,362.79</u>	<u>\$ 2,365.58</u>
		\$ 1,179.51	\$ 1,134.76	\$ 2,362.79	\$ 2,365.58
<u>Corporate Bonds</u>					
Cisco Systems Inc. 4.45% 1/15/20		\$ 54,125.00	\$ 54,533.50	\$ 54,125.00	\$ 57,978.50*
General Electric Cap Corp 3.5% 6/29/15		49,929.50	52,181.00*	99,859.00	106,262.00*
JPMorgan Chase & Co 3.4% 6/24/15		<u>.</u>	<u>.</u>	<u>76,210.50</u>	<u>79,129.50*</u>
		\$104,054.50	\$106,714.50	\$230,194.50	\$243,370.00
<u>Common Stock</u>					
220 Air Products & Chems.				\$ 12,546.60	\$ 18,484.40
700 Bank of New York Mellon Corp	\$ 19,441.52		\$ 24,458.00	19,441.52	17,990.00
455 Centurytel Inc.				12,318.36	17,799.60
350 CVS Caremark Corp.	10,723.75		25,049.50	21,447.51	33,845.00
500 Danaher Corp.	17,807.50		38,600.00	21,369.00	33,540.00
1200 E M C Corp				20,122.80	30,360.00
405 Ecolab, Inc.	15,477.56		42,229.35	15,477.56	29,119.50
260 Exxon Mobil Corp.				18,064.72	22,503.00
600 General MLS Inc	20,876.70		29,946.00	20,876.70	24,252.00
650 Gilead Sciences	14,991.99		48,815.00*	29,983.98	47,742.50*
885 Intel Corp				18,735.51	18,248.70
600 Lowes Corporation Inc.				14,822.23	21,312.00
1000 Microsoft Corp.				29,600.00	26,709.70
425 Omnicorn Group Inc.	15,377.27		31,607.25	29,849.99	41,217.00*
425 Philip Morris Intl Inc.				19,625.65	35,547.00
200 Phillips 66 Corp.				4,651.57	10,620.00
260 Praxir Inc.	18,797.00		32,507.50	18,797.00	27,362.50
300 Schlumberger Ltd.				18,965.40	20,789.58
525 Sysco Corp.				12,564.79	16,621.50
1300 US Bankcorp Del	30,004.00		52,520.00*	30,004.00	41,522.00*
400 Verizon Communications				13,158.18	17,308.00
320 Wal-Mart Stores, Inc.		<u>.</u>	<u>.</u>	<u>15,612.17</u>	<u>21,833.60</u>
		163,497.29	325,732.60	418,035.24	574,727.58
TOTAL		\$470,282.70	\$668,981.57	\$926,928.72	\$1,114,187.40

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
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EACH LISTED ASSET FOLLOWED BY AN ASTERISK IS VALUED AT MORE THAN 5% OF THE TOTAL VALUE OF THE PLAN'S ASSETS. In addition, as all assets except Ancora are now in the custodial care of Fifth Third Institution Services it now holds approximately 90% of the Plan's assets in its custodial account.

8. **INVESTMENTS**

During 2013 and 2012 the Plan's investments (including investments bought and/or held during the year) appreciated (depreciated) in value by \$11,440.19 and \$69,427.98 respectively as follows:

<u>Investments at Fair Value as Determined by Quoted Market Price</u>	<u>Net Appreciation (Depreciation) in Market Value</u>	
	<u>2013</u>	<u>2012</u>
Mutual Funds	\$16,460.26	\$ (3,758.17)
Corporate Stock - Common	5,542.97	68,123.22
Government Bonds	(47.54)	(162.32)
Corporate Bonds	<u>(10,515.50)</u>	<u>5,215.25</u>
TOTAL	<u>\$11,440.19</u>	<u>\$69,417.98</u>

8A. During the year the Plan sold investments resulting in a realized gain of \$132,295.14 as follows:

<u>Description</u>	<u>Selling Price</u>	<u>Cost</u>	<u>Gain (Loss)</u>
Corporate Stock	\$382,261.09	\$254,537.95	\$127,723.14
Corporate Bonds	<u>130,712.00</u>	<u>126,140.00</u>	<u>4,572.00</u>
	\$512,973.09	\$380,677.95	\$132,295.14

9. **SCHEDULE OF FIXED ASSETS**
As of December 31, 2013

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Equipment	\$10,910.78	\$10,421.40	\$489.38

As of December 31, 2012

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Equipment	\$10,910.78	\$9,917.61	\$993.17

10. The Fund is being audited by the Internal Revenue Service and the Department of Labor on a continuing basis due to its funding deficiencies.

11. Administrative Service fees are based on computations by Local Union CPA and the figures are not reviewed by Cozza and Steuer.

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
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12. **WITHDRAWAL LIABILITY PAYMENTS**

During the year 2013 the Fund received the following installment withdrawal payments:

Arrow	\$23,378.65 - Installments Paid
Spirit	\$23,721.92 - Installments Paid

The employer withdrawal liability receivable at December 31, 2013 consists of the following:

	Principal Due
Arrow	\$173,665.38
Spirit	<u>372,179.85</u>
Total	<u>\$545,845.23</u>

The above amount due from Arrow is to be repaid in quarterly payments of \$9,545 which includes interest per agreement with the employer. The amount is to be repaid in monthly payments of \$3,100.03 which includes interest per settlement with the employer.

The \$173,665.38 principal due from Arrow is as follows:

2014	\$26,207.81
2015	28,174.20
2016	30,288.13
2017	32,560.67
2018	35,003.74
2019	21,430.83

The \$372,179.85 principal due from Spirit is as follows:

2014	\$ 8,093.33
2015	8,188.17
2016	8,284.13
2017	8,381.19
2018	8,479.40
2019-2026	330,753.63

These payments will offset current and future Pension liabilities. Pursuant to Note 1 these receivables have not been listed on the Statement of Net Assets.

The following employers withdrew as participating employers when they failed to execute new collective bargaining agreements:

		Withdrawal Liability
Aramark	12/12/2011	\$1,422,107.00
Stanley Cleaners	3/26/2011	\$ 3,188.00

Withdrawal liability is being computed for each of the above.

**TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
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NOTES TO FINANCIAL STATEMENTS
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There are contribution delinquencies due from Stanley Cleaners and Boardman and the possibility of several additional withdrawal liabilities which are being pursued by legal counsel. This information is not included in the financial statements.

13. **FAIR VALUE MEASUREMENTS**

On July 1, 2009, the Program adopted FASB SFAS No. 157, *Fair Value Measurements*, for measuring "financial" assets and liabilities. SFAS 157 defines fair value as the price received to transfer an asset or paid to transfer a liability in an order transaction between market participants at the measurement date. SFAS 157 establishes a framework for measuring fair value by creating a hierarchy of valuation inputs used to measure fair value. The hierarchy prioritizes the inputs into three broad levels as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirect; and Level 3 inputs are unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own valuation assumptions. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset and are based on the best available information, which has been internally developed.

In accordance with FASB FSP 157-2, the Plan has elected to not apply the provision of SFAS 157 to non-financial assets and liabilities, except for those items that are recognized or disclosed at fair value in an entity's financial statements on a recurring basis.

Financial assets consisted of the following at December 31, 2013:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Interest Bearing Cash	\$ 76,321.75			\$ 76,321.75
US Government & Agencies	1,134.76			1,134.76
Common Stock	325,732.60			325,732.60
Mutual Funds	159,077.96			159,077.96
Corporate Bonds	<u>106,714.50</u>			<u>106,714.50</u>
Totals	\$668,981.57	\$ 0.00	\$ 0.00	\$668,981.57

14. **SUBSEQUENT EVENT & PLAN STATUS**

The Fund evaluated subsequent events through October 15, 2014 the date these statements were available to be issued and has incorporated material events requiring recognition/disclosure in these financial statements.

As of October 15, 2014 the Plan is actively working with the PBGC to assume active status concerning the Plan as it is anticipated the Plan will become insolvent as of January 2015 and will require PBGC action to meet payments and expenses.

Schedule 1

TEXTILE PROCESSORS, SERVICE TRADES, HEALTH CARE,
PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL #1 PENSION FUND
SCHEDULE OF ADMINISTRATIVE EXPENSES
YEAR ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Administrative Expenses		
Administrative Service	\$ 91,637.76	\$ 74,327.33
Legal Fees	23,271.18	34,340.76
Audit Fees	12,000.00	12,000.00
Actuarial Service	35,583.00	8,800.00
Insurance – General	300.00	
Insurance – PBGC	14,292.00	10,665.00
Office & Postage	3,882.30	3,083.55
Printing		898.11
Rent	15,360.00	15,129.60
Taxes	2,117.22	1,530.02
Repairs & Maintenance	3,595.65	3,315.55
Telephone & Utilities	2,691.85	1,994.82
Meetings	544.51	402.22
Depreciation	503.79	503.80
Consulting	2,400.00	4,600.00
Miscellaneous	39.75	172.25
Equipment Expense	1,112.80	797.32
Travel and Auto	3,551.61	734.48
Reimbursed Expense	(319.47)	3,070.40
Pension Checks Administration	<u>8,559.00</u>	<u>0.00</u>
Total Administrative Expenses	<u>\$221,122.95</u>	<u>\$176,365.21</u>