# 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

**2014**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or
- [X] 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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
SULZER PUMPS (US) INC RETIREMENT PLAN

**1b** Three-digit plan number (PN) ▶ 003

**1c** Effective date of plan 01/01/1969

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

800 KOOMEY RD
BROOKSHIRE, TX 77423

**2b** Employer Identification Number (EIN)
94-3007659

**2c** Plan Sponsor's telephone number
281-934-6014

**2d** Business code (see instructions)
333610

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/15/2015 | NICOLE BAILEY |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/15/2015 | BARBARA RODRIGUEZ |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

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

Preparer's telephone number (optional)

**3a** Plan administrator's name and address ☐ Same as Plan Sponsor

SULZER PUMPS (US) INC.

800 KOOMEY RD
BROOKSHIRE, TX 77423

**3b** Administrator's EIN
94-3007659

**3c** Administrator's telephone number
281-934-6014

**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** | 804 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 304 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 269 |
| **b** | Retired or separated participants receiving benefits | **6b** | 163 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 321 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 753 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 20 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 773 |
| **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** | 2 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

**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)

| **Part III** | **Form M-1 Compliance Information (to be completed by welfare benefit plans)** |
|---|---|

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

# SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

**2014**

**This Form is Open to Public Inspection**

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

▶ **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
SULZER PUMPS (US) INC RETIREMENT PLAN

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
SULZER PUMPS (US) INC.

**D** Employer Identification Number (EIN)
94-3007659

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

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

## Part I Basic Information

**1** Enter the valuation date: Month 01 Day 01 Year 2014

**2** Assets:

| | | |
|---|---|---|
| **a** Market value | **2a** | 34452161 |
| **b** Actuarial value | **2b** | 32015666 |

**3** Funding target/participant count breakdown

| | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
|---|---|---|---|
| **a** For retired participants and beneficiaries receiving payment | 175 | 10779016 | 10779016 |
| **b** For terminated vested participants | 325 | 9027863 | 9027863 |
| **c** For active participants | 304 | 14890601 | 15004109 |
| **d** Total | 804 | 34697480 | 34810988 |

**4** If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

| | | |
|---|---|---|
| **a** Funding target disregarding prescribed at-risk assumptions | **4a** | |
| **b** Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | **4b** | |
| **5** Effective interest rate | **5** | 6.52% |
| **6** Target normal cost | **6** | 34602 |

**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

10/15/2015
Date

MATTHEW R. LARRABEE
Type or print name of actuary

14-06154
Most recent enrollment number

MILLIMAN, INC.
Firm name

503-227-0634
Telephone number (including area code)

111 SW FIFTH AVE, SUITE 3700
PORTLAND, OR 97204
Address of the firm

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

## Part II Beginning of Year Carryover and Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 0 | 0 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 0 | 0 |
| 10 | Interest on line 9 using prior year's actual return of 18.23% | 0 | 0 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 1103 |
| | b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.72 % | | 74 |
| | b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 1177 |
| | d Portion of (c) to be added to prefunding balance | | |
| 12 | Other reductions in balances due to elections or deemed elections | | |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 0 | 0 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 91.97 % |
| 15 | Adjusted funding target attainment percentage | 15 | 91.97 % |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement | 16 | 91.99 % |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage | 17 | % |

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| 03/27/2014 | 155400 | | 01/12/2015 | 159100 | |
| 03/31/2014 | 222100 | | | | |
| 06/30/2014 | 222100 | | | | |
| 08/11/2014 | 17632 | | | | |
| 09/30/2014 | 222100 | | | | |
| 10/15/2014 | 109900 | | | | |
| | | Totals ► 18(b) | | 1108332 | 18(c) 0 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| | a Contributions allocated toward unpaid minimum required contributions from prior years. | 19a | |
| | b Contributions made to avoid restrictions adjusted to valuation date | 19b | |
| | c Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 1069576 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

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

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

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| 0 | 0 | 0 | 0 |

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

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | |
|---|---|---|---|
| 4.99 % | 6.32 % | 6.99 % | ☐ N/A, full yield curve used |

| | | |
|---|---|---|
| **b** Applicable month (enter code) | **21b** | 0 |
| **22** Weighted average retirement age | **22** | 63 |

**23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

## Part VI Miscellaneous Items

| | | |
|---|---|---|
| **24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment | ☒ Yes | ☐ No |
| **25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment | ☐ Yes | ☒ No |
| **26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment | ☒ Yes | ☐ No |

| | | |
|---|---|---|
| **27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment | **27** | |

## Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

## Part VIII Minimum Required Contribution For Current Year

**31** Target normal cost and excess assets (see instructions):

| | | |
|---|---|---|
| **a** Target normal cost (line 6) | **31a** | 34602 |
| **b** Excess assets, if applicable, but not greater than line 31a | **31b** | 0 |

**32** Amortization installments:

| | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 2795322 | 841552 |
| **b** Waiver amortization installment | | |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____ ) and the waived amount | **33** | |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | **34** | 876154 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | | | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | **36** | 876154 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | **37** | 1069576 |

**38** Present value of excess contributions for current year (see instructions)

| | | |
|---|---|---|
| **a** Total (excess, if any, of line 37 over line 36) | **38a** | 193422 |
| **b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | **38b** | 0 |
| **39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | **39** | 0 |
| **40** Unpaid minimum required contributions for all years | **40** | 0 |

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

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

| | | |
|---|---|---|
| **42** Amount of acceleration adjustment | **42** | |
| **43** Excess installment acceleration amount to be carried over to future plan years | **43** | |

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

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

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

OMB No. 1210-0110

**2014**

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

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**A** Name of plan
SULZER PUMPS (US) INC RETIREMENT PLAN

**B** Three-digit plan number (PN) ▶ 003

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
SULZER PUMPS (US) INC.

**D** Employer Identification Number (EIN)
94-3007659

**Part I** **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: SULZER PUMPS US INC. MASTER TRUST

**b** Name of sponsor of entity listed in (a): SULZER PUMPS US INC

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 94-3007659-004 | M | 35463515 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

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

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

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

# 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

**2014**

**This Form is Open to Public Inspection**

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**A** Name of plan
SULZER PUMPS (US) INC RETIREMENT PLAN

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
SULZER PUMPS (US) INC.

**D** Employer Identification Number (EIN)
94-3007659

## 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) | 431068 | 159100 |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | | |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 34038641 | 35463515 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | | |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | | |
| **(2)** Employer real property | 1d(2) | | |
| **e** Buildings and other property used in plan operation | 1e | | |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 34469709 | 35622615 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | | |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 34469709 | 35622615 |

## 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) | 1108332 | |
| **(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) | | 1108332 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| **(B)** U.S. Government securities | 2b(1)(B) | | |
| **(C)** Corporate debt instruments | 2b(1)(C) | | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| **(E)** Participant loans | 2b(1)(E) | | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 0 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| **(B)** Common stock | 2b(2)(B) | | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 0 |
| **(3)** Rents | 2b(3) | | |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| **(B)** Other | 2b(5)(B) | | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **(6)** Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| **(7)** Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| **(8)** Net investment gain (loss) from master trust investment accounts | 2b(8) | | 2374970 |
| **(9)** Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| **(10)** Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | |
| **c** Other income | 2c | | |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 3483302 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 2265200 | |
| **(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) | | 2265200 |
| **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) | 33745 | |
| **(2)** Contract administrator fees | 2i(2) | | |
| **(3)** Investment advisory and management fees | 2i(3) | 31451 | |
| **(4)** Other | 2i(4) | | |
| **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 65196 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 2330396 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | 1152906 |
| **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)** [X] Disclaimer **(4)** [ ] Adverse

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

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

**(1)** Name: MCCONNELL & JONES LLP **(2)** EIN: 76-0488832

**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:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |
| **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.) | 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.) | 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.) | 4d | | X | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 10000000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 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? | 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? | 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.) | 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.) | 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? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 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

**2014**

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

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**A** Name of plan
SULZER PUMPS (US) INC RETIREMENT PLAN

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
SULZER PUMPS (US) INC.

**D** Employer Identification Number (EIN)
94-3007659

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**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): 41-6257133

**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** 20

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

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

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

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6 a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

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

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

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

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

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

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

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

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

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

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

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

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

MJ
McCONNELL & JONES LLP
CERTIFIED PUBLIC ACCOUNTANTS

# Independent Auditors' Report

To the Participants and Plan Administrator of
the Sulzer Pumps (U.S.) Inc. Retirement Plan:

***Report on the Financial Statements***

We were engaged to audit the accompanying financial statements of Sulzer Pumps (U.S.) Inc. Retirement Plan (the Plan), which comprise the Statements of Net Assets Available for Benefits as of December 31, 2014 and 2013, and the related Statements of Changes in Net Assets Available for Benefits for the years then ended, and the related Notes to Financial Statements.

***Plan Management's Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

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

***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), Plan management instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by Wells Fargo, N.A., the trustee of the Plan (Trustee) and the Sulzer Pumps (U.S.) Master Trust (Master Trust) in which the Plan has a beneficial interest, except for comparing such information with the related information included in the financial statements. We have been informed by Plan management that the Trustee held the Plan's investment assets and executed investment transactions. Plan management has obtained certifications from the Trustees as of and for the years ended December 31, 2014 and 2013, that the information provided to Plan management by the Trustees is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a

4828 Loop Central Drive
Suite 1000
Houston, TX 77081
Phone: 713.968.1600
Fax: 713.968.1601

WWW.MCCONNELLJONES.COM

basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

McConnell & Jones LLP

Houston, Texas
October 14, 2015

2014 Schedule SB, Line 19 – Discounted Employer Contributions
Sulzer Pumps (US) Inc. Retirement Plan
EIN/PN: 94-3007659/003

**Line 19a. - Contribution Allocated Toward Unpaid Minimum Required Contribution from Prior Plan Years**

None.

**Line 19b. - Contributions Made To Avoid Benefit Restrictions**

None.

**Line 19c. - Contributions Allocated Toward Minimum Required Contribution for Current Year**

| Date | Plan Year to Apply Contribution | Effective Interest Rate | Late Quarterly Interest Rate | Contribution Amount | Discounted Value as of 1/1/2014 |
|---|---|---|---|---|---|
| 3/27/2014 | 2014 | 6.52% | | $ 155,400 | $ 153,131 |
| 3/31/2014 | 2014 | 6.52% | | 222,100 | 218,706 |
| 6/30/2014 | 2014 | 6.52% | | 222,100 | 215,289 |
| 8/11/2014 | 2014 | 6.52% | 11.52% | 17,632 | 16,910 |
| 9/30/2014 | 2014 | 6.52% | | 222,100 | 211,888 |
| 10/15/2014 | 2014 | 6.52% | | 109,900 | 104,575 |
| 1/12/2015 | 2014 | 6.52% | | 159,100 | 149,077 |
| Total | | | | $ 1,108,332 | $ 1,069,576 |

## DESCRIPTION OF WEIGHTED AVERAGE RETIREMENT AGE

Sulzer Pumps and Sulzer Process Pumps divisions

| AGE | RATES | PROBABILITY OF RETIREMENT | AGE x PROBABILITY OF RETIREMENT |
|---|---|---|---|
| 55 | 2.5% | 0.025000 | 1.375 |
| 56 | 2.5% | 0.024375 | 1.365 |
| 57 | 2.5% | 0.023766 | 1.355 |
| 58 | 2.5% | 0.023171 | 1.344 |
| 59 | 2.5% | 0.022592 | 1.333 |
| 60 | 2.5% | 0.022027 | 1.322 |
| 61 | 2.5% | 0.021477 | 1.310 |
| 62 | 30.0% | 0.251277 | 15.579 |
| 63 | 15.0% | 0.087947 | 5.541 |
| 64 | 15.0% | 0.074755 | 4.784 |
| 65 | 100.0% | 0.423612 | 27.535 |
| WEIGHTED AVERAGE RETIREMENT AGE | | | 62.843 |
| ACTIVE COUNT ON VALUATION DATE | | | 281 |

Sulzer Pump Solutions division

| AGE | RATES | PROBABILITY OF RETIREMENT | AGE x PROBABILITY OF RETIREMENT |
|---|---|---|---|
| 60 | 5.0% | 0.050000 | 3.000 |
| 61 | 5.0% | 0.047500 | 2.898 |
| 62 | 25.0% | 0.225625 | 13.989 |
| 63 | 10.0% | 0.067688 | 4.264 |
| 64 | 10.0% | 0.060919 | 3.899 |
| 65 | 50.0% | 0.274134 | 17.819 |
| 66 | 50.0% | 0.137067 | 9.046 |
| 67 | 100.0% | 0.137067 | 9.184 |
| WEIGHTED AVERAGE RETIREMENT AGE | | | 64.099 |
| ACTIVE COUNT ON VALUATION DATE | | | 44 |

All divisions

| | |
|---|---|
| COUNT WEIGHTED AVERAGE RETIREMENT AGE | 63.013 |
| ROUNDED WEIGHTED AVERAGE RETIREMENT AGE | 63 |

The weighted average retirement age was calculated by multiplying each possible retirement age by the probability of surviving to that age and then retiring. These products were then summed to produce the weighted average retirement age. The results for each division were weighted by active counts as shown above.

# CHANGE IN ACTUARIAL ASSUMPTIONS

## Actuarial Assumption Changes since Prior Valuation

- Interest discounts and mortality rates were updated from 2013 to 2014 in accordance with PPA.
- Expense normal cost increased from $29,364 to $34,602 to reflect expectations for the current plan year.

2014 Schedule SB, Line 26 – Schedule of Active Participant Data
Sulzer Pumps (US) Inc. Retirement Plan
EIN/PN: 94-3007659/003

## DISTRIBUTION OF ACTIVE PARTICIPANTS BY AGE AND YEARS OF CREDITED SERVICE (January 1, 2014)

### Number of Participants by Age and Service Groups

| | Years of Service | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Age | <1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40&Up | Total |
| 0-24 | - | 2 | - | - | - | - | - | - | - | - | 2 |
| 25-29 | - | 4 | 1 | - | - | - | - | - | - | - | 5 |
| 30-34 | - | 2 | 5 | - | - | - | - | - | - | - | 7 |
| 35-39 | - | 4 | 7 | 2 | - | - | - | - | - | - | 13 |
| 40-44 | - | 11 | 4 | 4 | 1 | 1 | - | - | - | - | 21 |
| 45-49 | - | 8 | 11 | 13 | 7 | 3 | 1 | - | - | - | 43 |
| 50-54 | - | 11 | 13 | 11 | 15 | 9 | 2 | - | - | - | 61 |
| 55-59 | 2 | 15 | 10 | 16 | 18 | 11 | 3 | 1 | - | - | 76 |
| 60-64 | - | 9 | 11 | 12 | 9 | 8 | 2 | 1 | - | - | 52 |
| 65-69 | - | 6 | 3 | 4 | 5 | - | 3 | - | - | - | 21 |
| 70&Up | - | - | - | 1 | - | - | - | 1 | - | - | 2 |
| Total | 2 | 72 | 65 | 63 | 55 | 32 | 11 | 3 | - | - | 303* |

*Excludes one active participant for whom service data is unavailable

## SCHEDULE OF AMORTIZATION BASES
## (January 1, 2014)

| | Date Established | Description | Amortization Amount | Remaining Years | Outstanding Balance |
|---|---|---|---|---|---|
| a. | 01/01/2009 | Shortfall Amortization | $ 104,693 | 2 | $ 204,410 |
| b. | 01/01/2010 | Shortfall Amortization | $ 469,891 | 3 | $ 1,343,735 |
| c. | 01/01/2011 | Shortfall Amortization | $ 438,413 | 4 | $ 1,632,544 |
| d. | 01/01/2012 | Shortfall Amortization | $ (575,778) | 5 | $ (2,617,933) |
| e. | 01/01/2013 | Shortfall Amortization | $ 264,898 | 6 | $ 1,399,418 |
| f. | 01/01/2014 | Shortfall Amortization | $ 139,435 | 7 | $ 833,148 |
| g. | Total | | $ 841,552 | | $ 2,795,322 |

# ACTUARIAL ASSUMPTIONS AND ACTUARIAL COST METHOD

## Actuarial Methods

### Asset Methods - Effective January 1, 2009

The asset valuation method is an average of the adjusted market value at the current valuation date and each of the prior 2 years, rolled forward to the current valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is limited to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

### Participant Methods - Effective January 1, 2009

Participants or former participants are included or excluded from the valuation as described below:

- Participants included: The plan sponsor provides us with data on all participants as of the valuation date. Only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- Participants excluded: No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.

### Minimum Funding Methods - Effective January 1, 2008

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on the individual's accrued benefit as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue during the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs plus expected administrative expenses for the following year, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

### Maximum Deductible Contribution Method

Calculations of maximum deductible contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target (both calculated for maximum deductible contribution purposes without reflecting the impact of HATFA). The objective of the projected unit credit

method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future benefit increases.

Since the plan is frozen, there are no expected future benefit increases, so the funding target computed using the projected unit credit method is equal to the minimum funding target.

**Method changes since prior valuation**

None.

## Actuarial Assumptions

## Sulzer Pumps and Sulzer Process Pumps divisions

**Discount rate sponsor elections**

- Segment rates or full yield curve — Segment rates
- Look-back months — 0

*Funding Target after application of HATFA*

- 1st 5 years — 4.99%
- Next 15 years — 6.32%
- Over 20 years — 6.99%

*Funding Target for maximum deductible contribution purposes (does not reflect HATFA)*

- 1st 5 years — 1.25%
- Next 15 years — 4.06%
- Over 20 years — 5.08%

**Mortality sponsor elections**

*Healthy participants*

Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement, based on Scale AA, to the valuation year plus 7 and 15 years respectively.

*Disabled participants*

No incidence of disability was assumed.

**Other economic assumptions**

- Inflation — 2.80% per year
- Expected investment return — 7.00% per year
- Expenses — Prior year administrative expenses are included in the beginning of year normal cost.

**Demographic Assumptions**

*Withdrawal*

Termination from service prior to retirement is determined using 85% of the rates in the Mercer Modified 2003 SOA Withdrawal Table. (Effective January 1, 2008).

Example rates of withdrawal are as follows:

| Age | Rate |
|---|---|
| 25 | 15.30% |
| 30 | 10.37% |
| 35 | 7.40% |
| 40 | 5.87% |
| 45 | 5.19% |
| 50 | 4.76% |
| 55+ | 0.00% |

*Disability Incidence*

No incidence of disability was assumed.

*Retirement Age*

Rates of retirement are as follows:

| Age | Decrement |
|---|---|
| 55-61 | 2.50% |
| 62 | 30.00% |
| 63-64 | 15.00% |
| 65+ | 100.00% |

(Effective January 1, 2000)

Current and future vested deferred participants are assumed to commence benefits at age 65, or current age if later.

*Spouse Assumptions*

80% of non-retired participants are assumed to be married. Males are assumed to be three years older than their spouses.

*Form of Payment Assumptions*

Non-retired participants are assumed at retirement to elect a single life annuity with 50% probability and a 50% joint and survivor annuity with 50% probability.

For future pre-retirement deaths, 100% of surviving spouses are assumed to receive the survivor portion of a 50% joint and survivor annuity.

## Sulzer Pump Solutions division

Except as noted below, all assumptions applicable to Sulzer Pumps and Sulzer Process Pumps also apply to Sulzer Pump Solutions.

**Demographic Assumptions**

*Withdrawal*

Vaughn Select and Ultimate Table multiplied by two, sample rates:

| | Service | | | |
|---|---|---|---|---|
| Age | 1 | 2 | 3 | 4+ |
| 25 | 55.6% | 45.0% | 37.0% | 27.2% |
| 30 | 51.6 | 44.0 | 32.0 | 20.2 |
| 35 | 47.6 | 35.6 | 27.6 | 15.8 |
| 40 | 43.6 | 31.6 | 23.6 | 13.0 |
| 45 | 39.6 | 28.2 | 20.2 | 11.0 |
| 50 | 35.6 | 25.2 | 17.2 | 9.0 |
| 55+ | 0.0 | 0.0 | 0.0 | 0.0 |

Note that all Sulzer Pump Solutions participants are currently beyond the select period of the above table.

*Retirement Age*

Rates of retirement are as follows:

| Age | Decrement |
|---|---|
| 60-61 | 5.00% |
| 62 | 25.00% |
| 63-64 | 10.00% |
| 65-66 | 50.00% |
| 67+ | 100.00% |

(Effective January 1, 2013)

Current and future vested deferred participants are assumed to commence benefits at age 65, or current age if later.

*Form of Payment Assumptions*

Actives are assumed to elect a single life annuity with 50% probability and a lump sum with 50% probability. Current vested terminated participants are assumed to elect a single life annuity with 100% probability.

For future pre-retirement deaths, 100% of surviving spouses are assumed to elect lump sums.

## Actuarial Assumption Changes Since Prior Valuation

- Interest discounts and mortality rates were updated from 2013 to 2014 in accordance with PPA.
- Expense normal cost increased from $29,364 to $34,602 to reflect expectations for the current plan year.

**SUMMARY OF PLAN PROVISIONS**

## Plan Provisions

### Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated effective January 1, 2010 and amended through Amendment 2, are included in this valuation.

**IRC Section 436 benefit restrictions:** None applicable for current or prior plan years.

**Late retirement increases:**

- *Active participants:* The plan does not provide benefit suspension notices to participants who work beyond normal retirement. We value benefits for participants past normal retirement age (if applicable) based on the larger of the benefit accrued at their normal retirement date actuarially increased to the valuation date or the accrued benefit under the plan assuming continued benefit accruals until the valuation date. Where information regarding the accrued benefit as of a participant's normal retirement date was unavailable for active participants beyond normal retirement age, the accrued benefit assuming continued benefit accruals until the valuation date was used.
- *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued using their normal retirement benefit actuarially increased to the valuation date.

**Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

**IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.

**IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

## Summary of Major Plan Provisions

**Effective date (Original plan):** January 1, 1969

**Restated plan:** January 1, 2010

**Plan year:** January 1 through December 31

**Most recent amendment:** Amendment 2

**Status of the plan:** The plan was frozen and closed to new entrants effective December 31, 2013 for Sulzer Process Pumps employees. The plan was frozen and closed to new entrants effective January 1, 2004 for Sulzer Pumps employees. The plan was frozen and closed to new entrants effective immediately as of the merger date of December 31, 2012 for Sulzer Pump Solutions employees. (The former Cardo Retirement Plan was frozen and closed to new entrants effective January 1, 2007.)

**Significant events that occurred during the year:** The plan was frozen and closed to new entrants effective December 31, 2013 for Sulzer Process Pumps employees. The plan is now fully frozen and closed to new entrants. Sulzer Process Pumps and Sulzer Pump Solutions combined effective January 1, 2014 to form Sulzer Pumps Solutions.

## Definitions

**Eligibility:** All Sulzer Pumps and Sulzer Process Pumps salaried employees with at least one year of service who have attained age 21. The plan was frozen and closed to new entrants effective January 1, 2004 and December 31, 2013, for Sulzer Pumps and Sulzer Process Pumps employees respectively.

In addition, all individuals with frozen accrued benefits under the Cardo Retirement Plan on December 31, 2012 became participants in the Sulzer Retirement Plan. The plan was frozen and closed to new entrants effective immediately as of the merger date of December 31, 2012 for Sulzer Pump Solutions employees. (The former Cardo Retirement Plan was frozen and closed to new entrants effective January 1, 2007.)

**Entry date:** Employees enter the plan on the January 1 or July 1 on or immediately following the completion of the eligibility requirements. For Sulzer Pumps employees, the Plan was closed to new entrants effective January 1, 2004, and thus the last allowable entry date was July 1, 2003. For Sulzer Pump Solutions employees, the plan was closed to new entrants effective immediately as of the merger date of December 31, 2012, so that is the only allowable entry date. (The former Cardo Retirement Plan was closed to new entrants effective January 1, 2007.) For Sulzer Process Pumps employees, the Plan was closed to new entrants effective December 31, 2013, and thus the last allowable entry date was July 1, 2013.

**Employer contributions:** Actuarially determined as necessary to fund the plan benefits.

**Participant contributions:** None required or permitted.

**Vesting service:** The number of plan years in which the participant worked at least 1,000 hours.

**Credited service:** The sum of (A) and (B) to a maximum of 35 years: (A) The participant's credited service under the prior plan as of December 31, 1983. (B) Beginning with January 1, 1984, the number of plan years in which the participant completes 2000 hours of employment. A participant who completes less than 2000 hours of employment in a year will receive 1/12 of a year of credited service for each 166 hours of employment completed.

Pre-acquisition service of former participants in the Atkinson 1987 Pension Plan as of June 1, 1988 is included. Pre-acquisition service of former participants in the Ahlstrom Group Retirement Plan as of June 1, 2000 is included.

No credited service will be given to Sulzer Pumps participants for hours worked after December 31, 2003. No credited service will be given to Sulzer Process Pumps participants for hours worked after December 31, 2013. No credited service under the Sulzer Retirement Plan will be given to Sulzer Pump Solutions participants.

**Compensation considered:** For Sulzer Pumps participants, total compensation excluding overtime, commissions, bonuses, supplemental compensation, retirement benefits, pensions or retainers, and limited to the maximum compensation under Code Section 401(a)(17). Compensation includes a year-end payment equal to 1/13 of a salaried employee's annual salary.

For Sulzer Process Pumps participants, plan compensation is total compensation, limited to the 401(a)(17) maximum compensation.

For Sulzer Pump Solutions participants, compensation under the Sulzer Retirement Plan is not considered.

**Average annual compensation:** The compensation of a participant averaged over the 60 consecutive calendar months that produce the highest average. Sulzer Pumps participants' average annual compensation was frozen as of December 31, 2003. Sulzer Process Pumps participants' average annual compensation was frozen as of December 31, 2013. Compensation under the Sulzer Retirement Plan for Sulzer Pump Solutions participants is not considered.

## Normal Retirement

**Eligibility:** Age 65 or, if later, the fifth anniversary of the participant's entry date.

**Benefit:** A monthly pension determined using service with prior sponsoring employers under the formula below, less any frozen benefit amount accrued under the prior Sulzer, Atkinson or Ahlstrom Plan.

For Sulzer Pumps participants, the formula is 1.0% of Average Compensation, plus 0.65% of Average Compensation in excess of Covered Compensation, all times years of Credited Service up to 35.

For Sulzer Process Pumps participants, the formula is the sum of (A) and (B): (A) 1.0% of Average Compensation, plus 0.5% of Average Compensation in excess of Covered Compensation, all times years of Credited Service prior to January 1, 1997. (B) 1.4% of Average Compensation, plus 0.65% of Average Compensation in excess of Covered Compensation, all times years of Credited Service after December 31, 1996. Total Credited Service is limited to 35.

For Sulzer Pump Solutions participants, the benefit is equal to the frozen accrued benefit under the former Cardo Retirement Plan. (Benefit accruals under the former Cardo Retirement Plan were frozen effective January 1, 2007.)

## Early Retirement

**Eligibility:** Age 55 and 10 years of vesting service for Sulzer Pumps and Sulzer Process Pumps participants; age 60 and 5 years of vesting service for Sulzer Pump Solutions participants.

**Benefit:** The normal retirement benefit earned to the date of actual retirement, actuarially reduced for early commencement. The actuarial reduction is 1/15 for each year prior to age 65 up to five years plus 1/30 for each year prior to age 65 in excess of five years.

## Late Retirement

**Eligibility:** Retirement after normal retirement eligibility.

**Benefit:** The greater of the normal retirement benefit earned to the date of actual retirement or the retirement benefit earned as of the participant's Normal Retirement Date actuarially increased for late commencement.

## Deferred Vested

**Eligibility:** Termination of employment with a vested benefit. Vesting occurs after five years of vesting service.

**Benefit:** The normal retirement benefit earned to the date of termination. The benefit is paid in the form of an immediate lump sum if the lump sum value of the benefit is $5,000 or less for Sulzer Pumps and Sulzer Process Pumps participants ($1,000 or less for Sulzer Pump Solutions participants). If not, it is paid in the same form available under normal retirement.

Sulzer Pump Solutions participants may elect to commence receipt of deferred vested benefits at any time following termination. If the participant does not year meet the eligibility requirements for early or normal retirement, actuarial equivalence (based on an annual interest rate of 8.0% and mortality rates specified by the 1984 PBGC Health/UP – 1984 unisex mortality table) is used to calculate the reduction applicable to the participant's frozen accrued normal retirement benefit.

## Pre-Retirement Death

**Eligibility:** Death prior to retirement of a vested participant.

**Benefit in the case of the death of a participant who was not eligible to retire:** The amount the spouse would have received had the participant terminated service on the date of death, survived to the earliest possible retirement age, retired with a 50% joint and survivor annuity, and died the next day.

**In the case of the death of a participant who was eligible to retire:** The amount the spouse would have received had the participant retired on the date of death and elected to receive his benefits as soon as possible in the form of a 50% joint and survivor annuity.

**In the case of Sulzer Pump Solutions participants:** The actuarial equivalent of the participant's accrued benefit, payable at a date elected by the beneficiary. Actuarial equivalence is calculated based on an annual interest rate of 8.0% and mortality rates specified by the 1984 PBGC Health/UP – 1984 unisex mortality table.

## Form of benefits

**Automatic form for unmarried participants:** Benefits are automatically paid in the form of a monthly life annuity.

**Automatic form for married participants:** Benefits are automatically paid in the form of an actuarially equivalent monthly 50% joint and survivor annuity.

**Optional forms:**

- 100% Joint and Survivor Annuity
- 75% Joint and Survivor Annuity
- 66⅔% Joint and Survivor Annuity
- 50% Joint and Survivor Annuity
- 10 year Certain and Life Annuity
- Life Annuity

In addition, Sulzer Pump Solutions participants may elect to receive a lump sum distribution of benefits.

**Optional form conversion factors:**
For Sulzer Pumps and Sulzer Process Pumps, the following factors apply:

- 50% Joint & Survivor Annuity- 0.874 plus 0.004 for each year that the joint annuitant is older than the employee or minus 0.004 for each year that the joint annuitant is younger than the employee. The initial factor will be increased by 0.004 for each year by which the employee is under age 65.
- 66 ⅔% Joint & Survivor Annuity- 0.838 plus 0.005 for each year that the joint annuitant is older than the employee or minus 0.005 for each year that the joint annuitant is younger than the employee. The initial factor will be increased by 0.006 for each year by which the employee is under age 65.
- 75% Joint & Survivor Annuity- 0.822 plus 0.005 for each year that the joint annuitant is older than the employee or minus 0.005 for each year that the joint annuitant is younger than the employee. The initial factor will be increased by 0.006 for each year by which the employee is under age 65.
- 100% Joint & Survivor Annuity- 0.776 plus 0.006 for each year that the joint annuitant is older than the employee or minus 0.006 for each year that the joint annuitant is younger than the employee. The initial factor will be increased by 0.007 for each year by which the employee is under age 65.
- 10 Year Certain & Life Annuity- 0.911 plus 0.007 for each year by which the employee is under 65.

For Sulzer Pump Solutions participants, optional form conversion factors (other than for lump sums) are calculated using actuarial equivalence based on an annual interest rate of 8.0% and mortality rates specified by the 1984 PBGC Health/UP – 1984 unisex mortality table. For lump sums, optional form conversion factors are calculated using actuarial equivalence based on the mortality rates specified in Code Section 417(e) and on PPA segment rates for the third month preceding the calendar year in which the payment is distributed.

## Miscellaneous

**Maximum compensation:** Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually.

**Maximum benefits:** Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2014, the limit is $210,000.

## Plan provision changes since prior valuation

Maximum benefits were updated from 2013 to 2014.

Effective December 31, 2013, the plan was frozen and closed to new entrants for Sulzer Process Pumps employees. The plan is now fully frozen and closed to new entrants.

SB Actuary Signature

| SCHEDULE SB (Form 5500) | Single-Employer Defined Benefit Plan Actuarial Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury Internal Revenue Service<br>Department of Labor Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | 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).<br>▶ File as an attachment to Form 5500 or 5500-SF. | 2014<br>This Form is Open to Public Inspection |

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

▶ **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) ▶ |
|---|---|
| SULZER PUMPS (US) INC RETIREMENT PLAN | 003 |
| **C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF | **D** Employer Identification Number (EIN) |
| SULZER PUMPS (US) INC. | 94-3007659 |

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

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

## Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2014

| | | | |
|---|---|---|---|
| 2 Assets: | | | |
| a Market value | 2a | | 34,452,161 |
| b Actuarial value | 2b | | 32,015,666 |

| 3 Funding target/participant count breakdown | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
|---|---|---|---|
| a For retired participants and beneficiaries receiving payment | 175 | 10,779,016 | 10,779,016 |
| b For terminated vested participants | 325 | 9,027,863 | 9,027,863 |
| c For active participants | 304 | 14,890,601 | 15,004,109 |
| d Total | 804 | 34,697,480 | 34,810,988 |

| | | | |
|---|---|---|---|
| 4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ] | | | |
| a Funding target disregarding prescribed at-risk assumptions | 4a | | |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | 4b | | |
| 5 Effective interest rate | 5 | | 6.52 % |
| 6 Target normal cost | 6 | | 34,602 |

**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 | MATTHEW R. LARRABEE | 10/15/2015 |
|---|---|---|
| | Signature of actuary | Date |
| MATTHEW R. LARRABEE | | 14-06154 |
| Type or print name of actuary | | Most recent enrollment number |
| MILLIMAN, INC. | | (503) 227-0634 |
| Firm name | | Telephone number (including area code) |

111 SW FIFTH AVE, SUITE 3700

PORTLAND OR 97204

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 [ ]

SB Actuary Signature



## Part II Beginning of Year Carryover and Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 0 | 0 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 0 | 0 |
| 10 | Interest on line 9 using prior year's actual return of 18.23% | 0 | 0 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 1103 |
| | b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.72% | | 74 |
| | b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 1177 |
| | d Portion of (c) to be added to prefunding balance | | |
| 12 | Other reductions in balances due to elections or deemed elections | | |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 0 | 0 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 91.97 % |
| 15 | Adjusted funding target attainment percentage | 15 | 91.97 % |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement | 16 | 91.99 % |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage | 17 | % |

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| 03/27/2014 | 155,400 | | 01/12/2015 | 159,100 | |
| 03/31/2014 | 222,100 | | | | |
| 06/30/2014 | 222,100 | | | | |
| 08/11/2014 | 17,632 | | | | |
| 09/30/2014 | 222,100 | | | | |
| 10/15/2014 | 109,900 | | | | |
| | | | Totals ► 18(b) | 1,108,332 | 18(c) 0 |

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

| | | |
|---|---|---|
| a Contributions allocated toward unpaid minimum required contributions from prior years | 19a | |
| b Contributions made to avoid restrictions adjusted to valuation date | 19b | |
| c Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 1,069,576 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

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

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

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| 0 | 0 | 0 | 0 |

SB Actuary Signature



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

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | |
|---|---|---|---|
| 4.99 % | 6.32 % | 6.99 % | ☐ N/A, full yield curve used |

| | | |
|---|---|---|
| **b** Applicable month (enter code) | 21b | 0 |
| **22** Weighted average retirement age | 22 | 63 |

**23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

## Part VI Miscellaneous Items

| | | |
|---|---|---|
| **24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment | ☒ Yes | ☐ No |
| **25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment | ☐ Yes | ☒ No |
| **26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment | ☒ Yes | ☐ No |

| | | |
|---|---|---|
| **27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment | 27 | |

## Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

## Part VIII Minimum Required Contribution For Current Year

**31** Target normal cost and excess assets (see instructions):

| | | |
|---|---|---|
| **a** Target normal cost (line 6) | 31a | 34,602 |
| **b** Excess assets, if applicable, but not greater than line 31a | 31b | 0 |

**32** Amortization installments:

| | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 2,795,322 | 841,552 |
| **b** Waiver amortization installment | | |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount | 33 | |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | 34 | 876,154 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | | | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | 36 | 876,154 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | 37 | 1,069,576 |

**38** Present value of excess contributions for current year (see instructions)

| | | |
|---|---|---|
| **a** Total (excess, if any, of line 37 over line 36) | 38a | 193,422 |
| **b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | 38b | 0 |
| **39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | 39 | 0 |
| **40** Unpaid minimum required contributions for all years | 40 | 0 |

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

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

| | | |
|---|---|---|
| **42** Amount of acceleration adjustment | 42 | |
| **43** Excess installment acceleration amount to be carried over to future plan years | 43 | |