

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 2015 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>	
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 ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☒ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>SUSQUEHANNA BANCSHARES, INC. CASH BALANCE PENSION PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u>
	1c Effective date of plan <u>01/01/1989</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>SUSQUEHANNA BANCSHARES, INC.</u> <u>BBT FINANCIAL CENTER</u> <u>PO BOX 1215, 200 WEST SECOND STREET</u> <u>WINSTON-SALEM, NC 27102-1215</u>	2b Employer Identification Number (EIN) <u>23-2201716</u> 2c Plan Sponsor's telephone number <u>800-716-2455</u> 2d Business code (see instructions) <u>522110</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/14/2016</u>	<u>STEVE REEDER</u>
	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)			Preparer's telephone number

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

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v. 150123

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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 3477
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 a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits..... f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 1555 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 6h 0
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: 1C 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
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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)
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Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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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 2015 Form M-1 annual report. If the plan was not required to file the 2015 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 _____

<div>SCHEDULE SB (Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>		<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div>		<div>OMB No. 1210-0110</div> <div>2015</div> <div>This Form is Open to Public Inspection</div>	
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015					
▶ 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 SUSQUEHANNA BANCSHARES, INC. CASH BALANCE PENSION PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SUSQUEHANNA BANCSHARES, INC.				D Employer Identification Number (EIN) 23-2201716	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B			F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		
Part I Basic Information					
1 Enter the valuation date: Month 01 Day 01 Year 2015					
2 Assets:					
a Market value				2a	174051412
b Actuarial value				2b	174051412
3 Funding target/participant count breakdown					
				(1) Number of participants	(2) Vested Funding Target
a For retired participants and beneficiaries receiving payment				1013	54524561
b For terminated vested participants				909	27199294
c For active participants				1555	51762209
d Total				3477	133486064
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	6.34 %
6 Target normal cost				6	0
Statement by Enrolled Actuary					
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.					
SIGN HERE					
Signature of actuary				06/16/2016	
JOSEPH C. SNELL				Date	
Type or print name of actuary				14-05878	
AON CONSULTING, INC.				Most recent enrollment number	
Firm name				610-834-2100	
555 EAST LANCASTER AVE, SUITE 300 RADNOR, PA 19087-5159				Telephone number (including area code)	
Address of the firm					
If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions					
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF. Schedule SB (Form 5500) 2015 v. 150123					

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	☐ 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	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	0	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	76111390	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	76111390	
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		

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan SUSQUEHANNA BANCSHARES, INC. CASH BALANCE PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 SUSQUEHANNA BANCSHARES, INC.	D Employer Identification Number (EIN) 23-2201716	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

(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?
12 15 28 50 59 62 63 64	RECORDKEEPER	8268	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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:

<div>SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2015</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015					
A Name of plan SUSQUEHANNA BANCSHARES, INC. CASH BALANCE PENSION PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 SUSQUEHANNA BANCSHARES, INC.				D Employer Identification Number (EIN) 23-2201716	
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: COMMON COLLECTIVE TRUST FUNDS					
b Name of sponsor of entity listed in (a): TRANSAMERICA RETIREMENT SOLUTIONS					
c EIN-PN 13-3689044-001		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
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)	
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,	

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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>		
A Name of plan <u>SUSQUEHANNA BANCSHARES, INC. CASH BALANCE PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SUSQUEHANNA BANCSHARES, INC.</u>	D Employer Identification Number (EIN) <u>23-2201716</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a Total noninterest-bearing cash	1a			
b Receivables (less allowance for doubtful accounts):				
(1) Employer contributions	1b(1)			
(2) Participant contributions	1b(2)			
(3) Other	1b(3)	309878		0
c General investments:				
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	523651		0
(2) U.S. Government securities	1c(2)	3750		0
(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)	5444624		0
(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)	1200749		0
(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)	166568759		0
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)			
(15) Other	1c(15)			

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	174051411	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	174051411	0
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	81018679	
(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)		81018679

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)	6209252	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		6209252

(3) Rents	2b(3)		
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(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)		
(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)		-7847499
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		79380432

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	5551909	
(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)		5551909
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	200851	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		200851
j Total expenses. Add all expense amounts in column (b) and enter total	2j		5752760

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		73627672
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		247679083

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: REINSEL KUNTZ LESHAR LLP

(2) EIN: 23-2108173

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	N/A	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.)		☒		
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	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			50000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X			
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)				
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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)
BB&T CORPORATION PENSION PLAN	56-0939887	001

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

6a Name of trust

6b Trust's EIN

6c Name of trustee or custodian

6d Trustee's or custodian's telephone number

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 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>SUSQUEHANNA BANCSHARES, INC. CASH BALANCE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SUSQUEHANNA BANCSHARES, INC.</u>	D Employer Identification Number (EIN) <u>23-2201716</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	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>13-3689044</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>93</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)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☒ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____			
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2015
v. 150123

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:		14a	
	a The current year		14b	
	b The plan year immediately preceding the current plan year		14c	
	c The second preceding plan year			
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
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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: <u>26.0</u> % Investment-Grade Debt: <u>65.0</u> % High-Yield Debt: <u>8.0</u> % Real Estate: <u>0.0</u> % Other: <u>1.0</u> %
	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):

Part VII	IRS Compliance Questions
-----------------	---------------------------------

20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

**Susquehanna Bancshares, Inc.
Cash Balance Pension Plan**

**Financial Statements and
Supplemental Schedule**

December 31, 2015 and 2014



REINSEL KUNTZ LESHNER
certified public accountants & consultants

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Susquehanna Bancshares, Inc. Cash Balance Pension Plan

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December 31, 2015 and 2014

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Independent Auditor's Report

To the Benefits Committee and Participants
Susquehanna Bancshares, Inc.
Cash Balance Pension Plan
Lititz, Pennsylvania

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Susquehanna Bancshares, Inc. Cash Balance Pension Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the years then ended, and the statement of accumulated plan benefits as of December 31, 2014, and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. 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, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by Susquehanna Trust & Investment Company and State Street Bank and Trust Company, the trustees of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the plan administrator that the trustees hold the Plan's assets and executes transactions. The plan administrator has obtained certifications from the trustees as of December 31, 2015 and 2014, and for the years then ended, that the information provided to the plan administrator 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 basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Emphasis of Matter

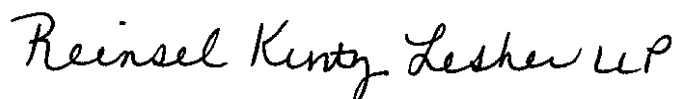
As discussed in Note 1 to the financial statements, the Board of Directors of Susquehanna Bancshares, Inc., the Plan's sponsor, voted to merge the Plan into the BB&T Corporation Pension Plan effective December 31, 2015. All plan assets and accumulated benefits were transferred to the BB&T Corporation Pension Plan on December 31, 2015. Our disclaimer of opinion has not been modified with respect to this matter.

Other Matter

The supplemental schedule of Schedule H, Line 4j - Schedule of Reportable Transactions for the year ended December 31, 2015, is required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis and is not a required part of the financial statements. This supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

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

A handwritten signature in cursive script, reading "Reinsel Kintz Leshen LLP".

October 7, 2016
Lancaster, Pennsylvania

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Statement of Net Assets Available for Benefits

	December 31,	
	2015	2014
Assets		
Investments, at Fair Value		
Money market fund	\$ -	\$ 523,651
Registered investment companies	-	166,568,759
Common stocks	-	5,444,624
Common collective trust funds	-	1,200,749
U.S. Government agencies	-	3,750
	-	173,741,533
Accrued Interest and Dividend Income	-	309,878
Net Assets Available for Benefits	\$ -	\$ 174,051,411

Susquehanna Bancshares, Inc. Cash Balance Pension Plan**Statement of Changes in Net Assets Available for Benefits**

	Years Ended December 31, 2015	2014
Additions		
Investment income (loss)		
Net appreciation (depreciation) in fair value of investments	\$ (7,847,499)	\$ 9,130,476
Interest and dividends	6,209,252	4,762,337
	(1,638,247)	13,892,813
Contributions		
Employer	81,018,679	22,900,000
Total Additions	79,380,432	36,792,813
Deductions		
Benefits paid to participants	5,551,909	9,160,127
Administrative expenses	200,851	8,557
Total Deductions	5,752,760	9,168,684
Net Increase	73,627,672	27,624,129
Transfer to BB&T Corporation Pension Plan	(247,679,083)	-
Net Assets Available for Benefits at Beginning of Year	174,051,411	146,427,282
Net Assets Available for Benefits at End of Year	\$ -	\$ 174,051,411

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Statement of Accumulated Plan Benefits

December 31, 2014

Actuarial Present Value of Accumulated Plan Benefits

Vested benefits

Retired participants	\$ 61,030,317
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Active and terminated participants	<u>98,747,065</u>
------------------------------------	-------------------

159,777,382

Nonvested benefits	<u>871,279</u>
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Total Actuarial Present Value of Accumulated Plan Benefits	<u><u>\$ 160,648,661</u></u>
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Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Statement of Changes in Accumulated Plan Benefits

Year Ended December 31, 2014

Actuarial Present Value of Accumulated Plan Benefits at Beginning of Year	<u>\$ 138,242,760</u>
Increase (Decrease) During the Year Attributable to	
Increase for interest due to the decrease in the discount period	8,691,697
Change in actuarial assumptions	22,727,675
Benefits accumulated	179,955
Benefits paid	<u>(9,193,426)</u>
Net Increase	<u>22,405,901</u>
Actuarial Present Value of Accumulated Plan Benefits at End of Year	<u><u>\$ 160,648,661</u></u>

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Notes to Financial Statements

December 31, 2015 and 2014

Note 1 - Description of Plan

The following description of the Susquehanna Bancshares, Inc. Cash Balance Pension Plan (the Plan) provides only general information. Participants should refer to the plan agreement for more complete information.

Effective August 1, 2015, the plan sponsor was acquired by BB&T Corporation. The Plan was merged into and all plan assets were transferred to the BB&T Corporation Pension Plan (BB&T Plan) effective December 31, 2015.

General

The Plan is a noncontributory defined benefit plan covering substantially all full-time employees of Susquehanna Bancshares, Inc. and its Affiliates (the Company) who have attained age twenty-one and were hired before January 1, 2009. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective June 30, 2009, certain plan benefits under the Plan were frozen for employees hired before January 1, 2009, who were not age 50, or who had not earned at least 15 years of vesting service as of December 31, 2009. These employees will retain the benefits they have earned through June 30, 2009, but will no longer accrue future pay-based credits to their accounts within the Plan. These employees will continue to receive interest each year at a guaranteed minimum rate of 5%. All other employees hired before January 1, 2009, will continue to participate and accrue benefits under the Plan.

Effective December 31, 2013, all benefit accruals under the Plan were frozen, to the extent that benefit accruals were not previously frozen (the freeze). Affected participants will retain the benefits they have earned through December 31, 2013, but will no longer accrue future pay-based credits to their accounts within the Plan. Participants will continue to receive interest credits each year at a guaranteed minimum rate of 5% per year. After December 31, 2013, for any participant that did not have a vested benefit in the Plan, the participant's eligible service will continue to be credited for purposes of determining vesting under the Plan. In connection with the freeze, the Plan will provide the option for lump sum distributions from the Plan in 2014 and 2015 to terminated vested participants in the Plan with plan benefits that meet a certain dollar limit.

Employers participating in the Plan are as follows:

Susquehanna Bancshares, Inc.
Susquehanna Bank
Susquehanna Trust & Investment Company
Boston Service Company, Inc. (t/a Hann Financial Service Corp.)
Valley Forge Asset Management Corp.
The Addis Group, LLC
Susquehanna Commercial Finance, Inc.
Stratton Management Company

The Company acquired Tower Bancorp, Inc. on February 17, 2012. Tower Bancorp, Inc. was merged into Susquehanna Bancshares, Inc. The employees of Tower Bancorp, Inc. are not eligible to participate in this Plan.

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Notes to Financial Statements

December 31, 2015 and 2014

Note 1 - Description of Plan (continued)

Funding Policy

The Company's policy is to contribute funds to the Plan in such amounts as are required on an actuarial basis to provide the Plan with assets sufficient to meet the benefits to be paid to plan participants. To the extent that these requirements are fully covered by assets in the Plan, the Company may elect not to make a contribution in a particular year. The Company's contributions for the years ended December 31, 2015 and 2014 met, or exceeded, the minimum funding requirements of ERISA.

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA (see Note 7).

Participant Accounts

Under the Plan, an account balance is maintained for each participant to track their appreciation of benefits under the Plan. For participants whose benefits are not frozen, each participant's account is credited with an allocation of (a) an annual contribution based on earnings and (b) an interest credit. For participants that had certain benefits frozen as of June 30, 2009, each participant's account was credited with an annual allocation of interest.

Through December 31, 2013, an annual contribution, equal to a percentage of pensionable earnings, was credited to the account of each eligible participant who worked at least 1,000 hours of service during the plan year. The annual contribution percentage was based upon each participant's age plus years of service as of the beginning of each plan year. The annual contribution percentage ranged from 3% for participants with a total of age plus service of less than 30 years to 11% for participants with a total of age plus service of 100 years or more.

In addition, the account balance as of the end of the preceding year is credited with interest based on the one-year U.S. Treasury bill, as defined in the Plan, but not less than 5% and not more than 8%. The rate of interest used to credit participant accounts was 5% for the years ended December 31, 2015 and 2014.

Pension Benefits and Vesting

A participant is 100% vested after three years of credited service, based on the following vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
Less than 3	0%
3	100

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Notes to Financial Statements

December 31, 2015 and 2014

Note 1 - Description of Plan (continued)

Pension Benefits and Vesting (continued)

Participants are also eligible to receive their full accrued benefits upon reaching their normal retirement age (65). The benefit is the balance in the participant's cash balance account converted to an annuity of equivalent value as of the benefit commencement date. Participants who were age 55 or greater with ten or more years of service as of December 31, 1997, will receive the greater of the benefit payable under the prior plan provisions or the benefit payable based on the participant's cash balance account. The benefit payable under the prior plan provisions was equal to one and one-half percent (1-1/2%) of the final average compensation up to the social security covered compensation amount plus two percent (2%) of the final average compensation in excess of the social security covered compensation amount times the number of years of credited service up to a maximum of 25 years. Individuals who were participants under a merged plan prior to December 31, 1997, had the accrued benefit from prior bank pension plans included in the participants' opening cash balance account balance as of January 1, 1998. Early retirement is allowed upon the attainment of age 55 and at least 15 years of service.

If the lump sum value of a vested terminated participant on or before January 1, 2014 is less than \$20,000 and the participant is not entitled to benefits prior to August 1, 2014, they may elect to have their benefits commence on November 1, 2014 by filing such election between August 1, 2014 and September 15, 2014.

Notwithstanding any other provision of this Plan, for any participant whose benefit in the prior Susquehanna Bancshares, Inc. Retirement Income Plan that was converted to an opening account balance on the transition date, the participant's accrued benefit shall never be less than the plan benefit from the Susquehanna Bancshares, Inc. Retirement Income Plan (as of the transition date).

Death and Disability Benefits

The Plan provides for a disability pension if a participant becomes disabled at a time when he or she has at least three years of continuous service and is eligible for Social Security Disability Benefits. Credits will be made to his or her account during the period of disability at the same rate of compensation he or she was receiving prior to becoming disabled if eligible for credits under the partial plan freeze. The amount of disability pension, payable to the participant, is based on his or her accrued benefit at normal or, if eligible, early retirement.

The Plan also provides benefits to spouses of participants who die before retirement, but after completing three years of continuous service. The Plan entitles the surviving spouse to the full benefit which would have been payable to the spouse if the participant had retired on the day preceding his death and elected a joint and 50% survivor option.

The pre-retirement death benefit provision provides for a single sum death benefit payable to the designated beneficiary of a participant not married as of his or her date of death. The single sum benefit is payable in incremental amounts based on the number of years of vesting service as defined.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates. The Plan uses an actuary to determine the actuarial present value of accumulated plan benefits. A change in the actuarial assumptions used could significantly change the amount of the actuarial present value of accumulated plan benefits reported in the accompanying financial statements.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future benefit payments that are attributable under the Plan's provisions to the service that employees have rendered. Accumulated plan benefits include benefits expected to be paid to (1) active employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) retired or terminated employees or their beneficiaries. The accumulated plan benefits under the current plan provisions are based on the participant's cash balance account converted to an annuity of equivalent value. For those employees grandfathered under the previous plan provisions, the accumulated plan benefits are the greater of benefits based on years of service and the employee's five highest paid consecutive years of employment during the last ten years of employment (final average compensation) or benefits calculated under the current cash balance plan provisions. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included to the extent they are deemed attributable to employee service rendered to the valuation date.

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

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Notes to Financial Statements

December 31, 2015 and 2014

Note 2 - Summary of Significant Accounting Policies (continued)

Actuarial Present Value of Accumulated Plan Benefits (continued)

The significant actuarial assumptions used in the valuations as of January 1, 2015 and 2014 are as follows:

Asset valuation	- Plan assets are valued at market value
Investment return	- 5.5% as of January 1, 2015 and 6.5% as of January 1, 2014, compounded annually
Mortality	- 2015 static mortality table for annuitants and non-annuitants as of January 1, 2015 and RP-2014 mortality table for employees and healthy annuitants (with a fully generational projections using scale MP-2014) as of January 1, 2014
Retirement age	- Normal retirement age: Retirement rates beginning at age 55 and ending at age 70 (100% retirement) for active participants and at age 65 for terminated vested participants
Salary scale	- 3.0%
Cash balance interest credits	- 5.0% compounded annually

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

The actuarial present value of accumulated plan benefits as of January 1, 2015 includes the effect of the Plan freeze effective June 30, 2009 and December 31, 2014.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan's expenses are paid either by the Plan or the Company, as provided by the plan document. Expenses that are paid directly by the Company are excluded from these financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment related expenses are included in net appreciation (depreciation) in fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

Note 2 - Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The amendments in ASU 2015-07 remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient. ASU 2015-07 is effective for annual periods beginning after December 15, 2016 and interim periods within those fiscal years, with early adoption permitted. The Plan has adopted this standard effective December 31, 2015 and applied the amendments retrospectively to December 31, 2014.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*. Part II eliminates the requirements to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics, and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Parts I and III are not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and III are to be applied retrospectively. Management has elected to adopt Part II early.

Note 3 - Information Certified and Provided by Susquehanna Trust & Investment Company and State Street Bank and Trust Company

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA for 2015 and 2014. Under that section, no auditing procedures are required to be performed with respect to the information certified by Susquehanna Trust & Investment Company and State Street Bank and Trust Company, the trustees of the Plan. The trustees have certified the completeness and accuracy of all investments and accrued interest and dividend income reported in the accompanying statement of net assets available for benefits as of December 31, 2015 and 2014 and the supplemental schedule of Schedule H, Line 4j - Schedule of Reportable Transactions for the year ended December 31, 2015, and the related investment activity reported in the statement of changes in net assets available for benefits for the years ended December 31, 2015 and 2014.

Note 4 - Fair Value Measurements

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

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

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

Money market fund is valued at the quoted net asset value of shares held by the Plan at year end.

Registered investment companies are valued at the net asset value of shares held by the Plan at year end.

Common stocks are valued at the closing price reported on the active market on which the individual securities are traded.

Common collective trust funds are valued at net asset value (NAV) of units held. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

U.S. Government agencies are valued using pricing models maximizing the use of observable inputs for similar securities.

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Notes to Financial Statements

December 31, 2015 and 2014

Note 4 - Fair Value Measurements (continued)

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

	Fair Value Measurements at December 31, 2014			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Money market fund	\$ 523,651	\$ -	\$ -	\$ 523,651
Registered investment companies	166,568,759	-	-	166,568,759
Common stocks	5,444,624	-	-	5,444,624
U.S. Government agencies	-	3,750	-	3,750
Investments measured at net asset value ⁽¹⁾				1,200,749
	<u>\$ 172,537,034</u>	<u>\$ 3,750</u>	<u>\$ -</u>	<u>\$ 173,741,533</u>

(1) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net assets available for benefits.

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. There were no significant transfers in or out of Level 3 for the years ended December 31, 2015 and 2014.

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Notes to Financial Statements

December 31, 2015 and 2014

Note 4 - Fair Value Measurements (continued)

Fair Value of Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)

The following table summarizes investments measured at fair value based on net asset value (NAV) per unit:

	Fair Value		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
	December 31, 2015	December 31, 2014			
Common Collective Trust Funds					
Other	\$ -	\$ 42,127	\$ -	Daily	None
Money market fund	(a) -	1,158,622	-	Daily	None

- (a) This class is a money market fund whose objective is to provide liquidity and as high a level of income as is consistent with the preservation of capital. The fund invests primarily in certificates of deposit, commercial paper, repurchase agreements, demand notes, short-term U.S. Government obligations, U.S. Government agency obligations, and corporate debt securities.

Note 5 - Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated July 6, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. The plan administrator believes that the Plan is designed and is currently being operated in compliance with applicable requirements of the IRC. The Plan is exempt from federal and state income taxes under current regulations.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan. Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax exempt status and had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before 2012.

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Notes to Financial Statements

December 31, 2015 and 2014

Note 6 - Plan Termination

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

- a. Annuity benefits that former employees, or their beneficiaries, have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.
- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. Government agency) up to the applicable limitations.
- c. All other vested benefits (that is, vested benefits not insured by the PBGC).
- d. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations, and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

Note 7 - Plan Transfer

Effective December 31, 2015, the Plan was merged into the BB&T Plan. As a result, assets of \$247,679,083 were transferred to the BB&T Plan on December 31, 2015. The asset transfer includes a 2015 contribution of \$81,018,679 made by BB&T Corporation on behalf of the Company. The total accumulated plan benefits as of December 31, 2015 were transferred to the BB&T Plan and did not impact participant benefits as the benefit provisions were incorporated into the BB&T Plan.

Note 8 - Risks and Uncertainties

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

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

Notes to Financial Statements

December 31, 2015 and 2014

Note 8 - Risks and Uncertainties (continued)

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

Note 9 - Related Party Transactions and Party-in-Interest Transactions

Certain plan investments are units of common collective trust funds managed by Transamerica Retirement Solutions Corporation (Transamerica). Transamerica is an agent for State Street Bank and Trust Company, the trustee as defined by the Plan. These transactions qualify as party-in-interest transactions. Fees paid by the Plan for investment management and administrative services to Transamerica amounted to \$8,268 and \$7,943 for the years ended December 31, 2015 and 2014, respectively.

Note 10 - Voluntary Correction Program

The Company entered into the Voluntary Correction Program that was accepted on May 22, 2014 by the Internal Revenue Service. For the period January 1, 2007 to September 25, 2013, participants in the Plan were permitted to terminate employment, commence annuity distributions, and then arrange to be rehired. Because it was understood at the time this occurred that the terminating employees were going to be rehired, this had the effect of creating, de facto, an in-service distribution contrary to the terms of the Plan. All employees who were affected by this failure had attained age 62 or greater at the time the distribution commenced. A retroactive amendment was adopted as of January 1, 2007 to permit in-service distributions to Plan participants who have attained at least age 62 and continue to be employed by the Company.

Note 11 - Subsequent Events

Plan management has evaluated subsequent events through October 7, 2016. This date is the date the financial statements were available to be issued. No material events subsequent to December 31, 2015 were noted.

Susquehanna Bancshares, Inc. Cash Balance Pension Plan

EIN: 23-2201716, Plan Number 001

Schedule H, Line 4j - Schedule of Reportable Transactions

Year Ended December 31, 2015

(a) Identity of Party Involved	(b) Description of Asset (Including Interest Rate and Maturity in Case of Loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Single Transactions						
The Vanguard Group						
	Vanguard Long-Term Investment Grade Fund	\$ -	\$ 63,543,621	\$ 61,017,475	\$ 63,543,621	\$ 2,526,146
	Vanguard Dividend Growth Fund	\$ -	\$ 9,944,562	\$ 9,251,241	\$ 9,944,562	\$ 693,321
	Vanguard Intermediate-Term Investment Grade Fund	\$ -	\$ 33,547,759	\$ 34,016,577	\$ 33,547,759	\$ (468,818)
	Vanguard 500 Index Fund	\$ -	\$ 10,304,831	\$ 9,103,250	\$ 10,304,831	\$ 1,201,581
Lord Abbott						
	Lord Abbott Short Duration Income Fund	\$ -	\$ 8,330,229	\$ 8,764,610	\$ 8,330,229	\$ (434,381)
Osterweis						
	Osterweis Strategic Income Fund	\$ -	\$ 8,094,205	\$ 8,909,202	\$ 8,094,205	\$ (814,997)
Series Transactions						
The Vanguard Group						
	Vanguard Long-Term Investment Grade Fund	\$ 5,163,941 (20)	\$ -	\$ -	\$ 5,163,941	\$ -
	Vanguard Long-Term Investment Grade Fund	\$ -	\$ 68,162,143 (6)	\$ 64,133,083	\$ 68,162,143	\$ 4,029,060
	Vanguard Intermediate-Term Investment Grade Fund	\$ 300,000 (1)	\$ -	\$ -	\$ 300,000	\$ -
	Vanguard Intermediate-Term Investment Grade Fund	\$ -	\$ 33,997,759 (2)	\$ 34,458,977	\$ 33,997,759	\$ (461,218)
Federated Government Obligations						
	Federated Government Obligations Money Market Fund	\$ 5,548,515 (1)	\$ -	\$ -	\$ 5,548,515	\$ -
	Federated Government Obligations Money Market Fund	\$ -	\$ 5,664,427 (1)	\$ 6,072,166	\$ 5,664,427	\$ (407,739)
Transamerica Retirement Solutions Corporation						
*	Transamerica Retirement Solutions Corporation Money Market Fund	\$ 4,724,485 (31)	\$ -	\$ -	\$ 4,724,485	\$ -
	Transamerica Retirement Solutions Corporation Money Market Fund	\$ -	\$ 5,883,107 (95)	\$ 5,883,107	\$ 5,883,107	\$ -

The above information has been certified by Susquehanna Trust Company and State Street Bank and Trust Company, the trustees, as complete and accurate.

* Represents a party-in-interest.

"Lease Rental" and "Expense Incurred with Transaction" are not applicable.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2015

Number of Participants, Average Compensation and Average Cash Balance Account

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29		63 \$33,807 \$1,350								
30-34		115 \$44,465 \$2,300	49 \$51,417 \$8,385	1						
35-39		93 \$54,666 \$3,658	54 \$65,726 \$13,097	10		1				
40-44		79 \$60,708 \$4,953	56 \$62,027 \$17,345	19	5	2	3			
45-49		67 \$50,178 \$4,156	43 \$74,016 \$22,682	22 \$62,696 \$31,759	8	13	11			
50-54		101 \$58,340 \$5,833	64 \$66,751 \$22,452	33 \$68,699 \$44,931	18	19	9	9	8	
55-59		2	99 \$61,054 \$25,250	59 \$84,430 \$59,050	48 \$74,224 \$78,256	26 \$62,488 \$77,296	18	15	8	8
60-64		2	82 \$61,272 \$28,292	45 \$74,439 \$63,048	28 \$77,148 \$84,869	22 \$41,621 \$59,701	11	5	12	12
65-69			26 \$73,966 \$34,441	15	7	6	4	3	1	3
70+			6	2	3		2			

N-1,555

Schedule SB Attachment (Form 5500)—2014 Plan Year
 Susquehanna Bancshares, Inc. Cash Balance Pension Plan
 EIN: 23-2201716 PN: 001

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

For ERISA Requirements

Interest Rates for Minimum Funding Purposes	Based on segment rates with no lookback (as of January 2015), each adjusted as needed to fall within the 25-year average interest rate corridor under HATFA
1st Segment Rate	4.72%
2nd Segment Rate	6.11%
3rd Segment Rate	6.81%
Interest Rates for Maximum Tax Purposes	Based on segment rates with no lookback (as of January 2015), without regard to interest rate stabilization
1st Segment Rate	1.22%
2nd Segment Rate	4.11%
3rd Segment Rate	5.20%
Salary Increases	
Minimum Funding Target Normal Cost	3.00%
Maximum Tax Expected Benefit Increase	3.00%
Cash Balance Interest Crediting Rate	5.00%
Cash Balance Annuity Conversion Rate	7.00%
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 4.50% per year.
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	See Table 2
Mortality Rates	
Healthy and Disabled	2015 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e)
Withdrawal Rates	See Table 3
Disability Rates	See Table 4
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are three years older than their spouses.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

For ERISA Requirements
Valuation Compensation

2014 Pensionable earnings rolled forward one year
with the salary increase assumption

Benefit and Compensation Limits

Projected benefits and compensation are limited by
the current IRC section 415 maximum benefit of
\$210,000.

Valuation of Plan Assets

Fair market value

Trust Expenses Included in Target Normal Cost

None

Actuarial Method

Standard unit credit cost method

Valuation Date

January 1, 2015

Changes in ERISA Methods/Assumptions Since the Prior Year

Method Changes

There have been no method changes in the funding valuation since the prior year.

Assumption Changes

The funding valuation reflects the following assumption change:

- A change in the interest rate assumption from segment rates as of January 2014 to segment rates as of January 2015, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.
- A change in the mortality assumption from the 2014 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e).
- A change in the terminated vested rates of retirement to better reflect the anticipated experience of the plan.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Actuarial Assumptions and Methods

Table 1

Retirement Rates

<u>Age</u>	<u>Rate</u>
55	2.00%
56	2.00%
57	5.00%
58	5.00%
59	5.00%
60	10.00%
61	10.00%
62	15.00%
63	15.00%
64	25.00%
65	35.00%
66	30.00%
67	30.00%
68	30.00%
69	30.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Table 2

Retirement Rates

<u>Age</u>	<u>Rate</u>
55	5.00%
56	5.00%
57	5.00%
58	10.00%
59	10.00%
60	25.00%
61	10.00%
62	30.00%
63	5.00%
64	40.00%
65	75.00%
66	20.00%
67	20.00%
68	40.00%
69	40.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Table 3—Page 1 of 2

Withdrawal Rates

Age	Years of Service			
	0-1	2-4	5-9	10+
18	39.64%	0.00%	0.00%	0.00%
19	20.23%	0.00%	0.00%	0.00%
20	17.99%	14.19%	0.00%	0.00%
21	22.38%	18.19%	0.00%	0.00%
22	24.07%	19.60%	15.00%	0.00%
23	23.85%	19.58%	15.09%	0.00%
24	22.70%	18.32%	14.25%	0.00%
25	21.74%	17.14%	12.96%	0.00%
26	20.95%	16.27%	11.29%	0.00%
27	20.41%	15.29%	9.97%	0.00%
28	19.42%	14.52%	9.15%	8.75%
29	18.73%	13.93%	8.69%	5.21%
30	18.61%	13.58%	8.39%	4.84%
31	18.83%	13.09%	8.02%	5.39%
32	18.32%	12.60%	7.76%	5.47%
33	17.39%	11.97%	7.56%	5.30%
34	16.94%	11.33%	7.37%	5.15%
35	16.78%	11.02%	7.15%	5.02%
36	16.69%	10.98%	6.85%	4.87%
37	16.29%	10.99%	6.68%	4.68%
38	16.00%	10.77%	6.44%	4.43%
39	15.36%	10.59%	6.27%	4.32%
40	15.91%	10.35%	6.01%	4.15%
41	15.94%	10.01%	5.89%	3.93%
42	16.05%	9.72%	5.84%	3.86%
43	15.98%	9.71%	5.75%	3.81%
44	15.88%	9.62%	5.77%	3.79%
45	15.48%	9.47%	5.82%	3.73%
46	15.61%	9.54%	5.81%	3.64%
47	15.30%	9.47%	5.61%	3.66%

Schedule SB Attachment (Form 5500)—2014 Plan Year
 Susquehanna Bancshares, Inc. Cash Balance Pension Plan
 EIN: 23-2201716 PN: 001

Table 3—Page 2 of 2

Withdrawal Rates

Age	Years of Service			
	0-1	2-4	5-9	10+
48	15.15%	9.37%	5.52%	3.70%
49	15.53%	9.02%	5.60%	3.65%
50	15.60%	8.90%	5.32%	3.49%
51	15.35%	9.32%	5.13%	3.38%
52	14.35%	9.52%	4.99%	3.35%
53	14.34%	9.24%	4.70%	3.22%
54	14.17%	8.80%	4.12%	2.37%
55	13.52%	7.82%	2.59%	0.88%
56	12.84%	7.49%	1.84%	0.23%
57	12.66%	7.67%	1.54%	0.11%
58	12.74%	7.68%	1.58%	0.22%
59	13.50%	7.94%	1.92%	0.31%
60+	13.63%	7.84%	2.12%	0.20%

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Table 4
Disability Rates

Age	Rate	Age	Rate
15	0.00%	45	0.22%
16	0.00%	46	0.25%
17	0.00%	47	0.27%
18	0.00%	48	0.30%
19	0.00%	49	0.32%
20	0.09%	50	0.35%
21	0.09%	51	0.42%
22	0.09%	52	0.49%
23	0.10%	53	0.57%
24	0.10%	54	0.64%
25	0.10%	55	0.71%
26	0.10%	56	0.82%
27	0.10%	57	0.93%
28	0.11%	58	1.04%
29	0.11%	59	1.15%
30	0.11%	60	1.26%
31	0.11%	61	0.00%
32	0.12%	62	0.00%
33	0.12%	63	0.00%
34	0.13%	64	0.00%
35	0.13%	65	0.00%
36	0.14%	66	0.00%
37	0.14%	67	0.00%
38	0.15%	68	0.00%
39	0.15%	69	0.00%
40	0.16%	70	0.00%
41	0.17%	71	0.00%
42	0.18%	72	0.00%
43	0.20%	73	0.00%
44	0.21%	74	0.00%

Plan Name	Susquehanna Bancshares, Inc. Cash Balance Pension Plan
Plan Sponsor EIN	23-2201716
ERISA Plan No.	001
Plan Year End	12/31/2015

The required attachment noted below is included within the Accountant's Opinion attachment to the Form 5500 Schedule H, Part III, Line 4, which consists of the entire Audit report issued by the Plan's Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4j	Schedule of Reportable Transactions

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	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 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

► **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 SUSQUEHANNA BANCSHARES, INC. CASH BALANCE PENSION PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">B Three-digit plan number (PN) ►</td> <td style="width: 40%; text-align: center;">001</td> </tr> </table>	B Three-digit plan number (PN) ►	001
B Three-digit plan number (PN) ►	001		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Susquehanna Bancshares, Inc.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>D Employer Identification Number (EIN) 23-2201716</td> </tr> </table>	D Employer Identification Number (EIN) 23-2201716	
D Employer Identification Number (EIN) 23-2201716			
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B			
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500			

Part I Basic Information			
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>		
2	Assets:		
	a Market value	2a	174,051,412
	b Actuarial value	2b	174,051,412
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	1,013	54,524,561
	b For terminated vested participants.....	909	27,199,294
	c For active participants.....	1,555	51,762,209
	d Total.....	3,477	133,486,064
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	6.34%
6	Target normal cost.....	6	0

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

SIGN HERE	<div style="text-align: center; font-size: 1.5em; margin-bottom: 10px;">JCS</div> Signature of actuary JOSEPH C. SNELL Type or print name of actuary AON CONSULTING, INC. Firm name 555 EAST LANCASTER AVE, SUITE 300 RADNOR PA 19087-5159 Address of the firm	<div style="text-align: center; font-size: 1.5em; margin-bottom: 10px;">06/16/2016</div> Date 1405878 Most recent enrollment number 610-834-2100 Telephone number (including area code)
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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)	6,666,248	13,958,374
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)	6,666,248	13,958,374
10 Interest on line 9 using prior year's actual return of <u>9.77%</u>	651,292	1,363,733
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		21,527,682
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 <u>6.50%</u>		1,412,216
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		22,939,898
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	7,317,540	15,322,107

Part III Funding Percentages

14 Funding target attainment percentage	14	112.42%
15 Adjusted funding target attainment percentage	15	129.23%
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	103.02%
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
01/07/2016	81,018,679	0			
Totals ▶			18(b)	81,018,679	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	76,111,390

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:			
a Segment rates:	1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%
			☐ 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	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	0
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
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	0
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36		0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37		76,111,390
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	76,111,390
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 SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2015

Date	Amount	Days to Discount to 1/1/2015 at 6.34%	Interest Adjusted Contribution
January 7, 2016	\$ 81,018,679	371	\$ 76,111,390
Total Contribution	\$ 81,018,679		\$ 76,111,390

Schedule SB Attachment (Form 5500)—2015 Plan Year
 Susquehanna Bancshares, Inc. Cash Balance Pension Plan
 EIN: 23-2201716 PN: 001

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

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

(a) Age	(b) Rate	(c) Weight	(d) Product (a)x(b)x(c)
55	2.00%	1.0000	1.10
56	2.00%	0.9800	1.10
57	5.00%	0.9604	2.74
58	5.00%	0.9124	2.65
59	5.00%	0.8668	2.56
60	10.00%	0.8234	4.94
61	10.00%	0.7411	4.52
62	15.00%	0.6670	6.20
63	15.00%	0.5669	5.36
64	25.00%	0.4819	7.71
65	35.00%	0.3614	8.22
66	30.00%	0.2349	4.65
67	30.00%	0.1644	3.31
68	30.00%	0.1151	2.35
69	30.00%	0.0806	1.67
70	100.00%	0.0564	3.95
Weighted Average:			63.03

Schedule SB Attachment (Form 5500)—2015 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Schedule SB, line 24—Change in Actuarial Assumptions

Assumption Changes

The funding valuation reflects the following assumption changes:

- A change in the terminated vested rates of retirement to better reflect the anticipated experience of the plan.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
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Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2015

Number of Participants, Average Compensation and Average Cash Balance Account

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29		63 \$33,807 \$1,350								
30-34		115 \$44,465 \$2,300	49 \$51,417 \$8,385	1						
35-39		93 \$54,666 \$3,658	54 \$65,726 \$13,097	10		1				
40-44		79 \$60,708 \$4,953	56 \$62,027 \$17,345	19	5	2	3			
45-49		67 \$50,178 \$4,156	43 \$74,016 \$22,682	22 \$62,696 \$31,759	8	13	11			
50-54		101 \$58,340 \$5,833	64 \$66,751 \$22,452	33 \$68,699 \$44,931	18	19	9	9	8	
55-59		2	99 \$61,054 \$25,250	59 \$84,430 \$59,050	48 \$74,224 \$78,256	26 \$62,488 \$77,296	18	15	8	8
60-64		2	82 \$61,272 \$28,292	45 \$74,439 \$63,048	28 \$77,148 \$84,869	22 \$41,621 \$59,701	11	5	12	12
65-69			26 \$73,966 \$34,441	15	7	6	4	3	1	3
70+			6	2	3		2			

N-1,555

Schedule SB Attachment (Form 5500)—2014 Plan Year
 Susquehanna Bancshares, Inc. Cash Balance Pension Plan
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Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

For ERISA Requirements

Interest Rates for Minimum Funding Purposes	Based on segment rates with no lookback (as of January 2015), each adjusted as needed to fall within the 25-year average interest rate corridor under HATFA
1st Segment Rate	4.72%
2nd Segment Rate	6.11%
3rd Segment Rate	6.81%
Interest Rates for Maximum Tax Purposes	Based on segment rates with no lookback (as of January 2015), without regard to interest rate stabilization
1st Segment Rate	1.22%
2nd Segment Rate	4.11%
3rd Segment Rate	5.20%
Salary Increases	
Minimum Funding Target Normal Cost	3.00%
Maximum Tax Expected Benefit Increase	3.00%
Cash Balance Interest Crediting Rate	5.00%
Cash Balance Annuity Conversion Rate	7.00%
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 4.50% per year.
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	See Table 2
Mortality Rates	
Healthy and Disabled	2015 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e)
Withdrawal Rates	See Table 3
Disability Rates	See Table 4
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are three years older than their spouses.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

For ERISA Requirements
Valuation Compensation

2014 Pensionable earnings rolled forward one year
with the salary increase assumption

Benefit and Compensation Limits

Projected benefits and compensation are limited by
the current IRC section 415 maximum benefit of
\$210,000.

Valuation of Plan Assets

Fair market value

Trust Expenses Included in Target Normal Cost

None

Actuarial Method

Standard unit credit cost method

Valuation Date

January 1, 2015

Changes in ERISA Methods/Assumptions Since the Prior Year

Method Changes

There have been no method changes in the funding valuation since the prior year.

Assumption Changes

The funding valuation reflects the following assumption change:

- A change in the interest rate assumption from segment rates as of January 2014 to segment rates as of January 2015, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.
- A change in the mortality assumption from the 2014 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e).
- A change in the terminated vested rates of retirement to better reflect the anticipated experience of the plan.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Actuarial Assumptions and Methods

Table 1

Retirement Rates

<u>Age</u>	<u>Rate</u>
55	2.00%
56	2.00%
57	5.00%
58	5.00%
59	5.00%
60	10.00%
61	10.00%
62	15.00%
63	15.00%
64	25.00%
65	35.00%
66	30.00%
67	30.00%
68	30.00%
69	30.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Table 2

Retirement Rates

<u>Age</u>	<u>Rate</u>
55	5.00%
56	5.00%
57	5.00%
58	10.00%
59	10.00%
60	25.00%
61	10.00%
62	30.00%
63	5.00%
64	40.00%
65	75.00%
66	20.00%
67	20.00%
68	40.00%
69	40.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Table 3—Page 1 of 2

Withdrawal Rates

Age	Years of Service			
	0-1	2-4	5-9	10+
18	39.64%	0.00%	0.00%	0.00%
19	20.23%	0.00%	0.00%	0.00%
20	17.99%	14.19%	0.00%	0.00%
21	22.38%	18.19%	0.00%	0.00%
22	24.07%	19.60%	15.00%	0.00%
23	23.85%	19.58%	15.09%	0.00%
24	22.70%	18.32%	14.25%	0.00%
25	21.74%	17.14%	12.96%	0.00%
26	20.95%	16.27%	11.29%	0.00%
27	20.41%	15.29%	9.97%	0.00%
28	19.42%	14.52%	9.15%	8.75%
29	18.73%	13.93%	8.69%	5.21%
30	18.61%	13.58%	8.39%	4.84%
31	18.83%	13.09%	8.02%	5.39%
32	18.32%	12.60%	7.76%	5.47%
33	17.39%	11.97%	7.56%	5.30%
34	16.94%	11.33%	7.37%	5.15%
35	16.78%	11.02%	7.15%	5.02%
36	16.69%	10.98%	6.85%	4.87%
37	16.29%	10.99%	6.68%	4.68%
38	16.00%	10.77%	6.44%	4.43%
39	15.36%	10.59%	6.27%	4.32%
40	15.91%	10.35%	6.01%	4.15%
41	15.94%	10.01%	5.89%	3.93%
42	16.05%	9.72%	5.84%	3.86%
43	15.98%	9.71%	5.75%	3.81%
44	15.88%	9.62%	5.77%	3.79%
45	15.48%	9.47%	5.82%	3.73%
46	15.61%	9.54%	5.81%	3.64%
47	15.30%	9.47%	5.61%	3.66%

Schedule SB Attachment (Form 5500)—2014 Plan Year
 Susquehanna Bancshares, Inc. Cash Balance Pension Plan
 EIN: 23-2201716 PN: 001

Table 3—Page 2 of 2

Withdrawal Rates

Age	Years of Service			
	0-1	2-4	5-9	10+
48	15.15%	9.37%	5.52%	3.70%
49	15.53%	9.02%	5.60%	3.65%
50	15.60%	8.90%	5.32%	3.49%
51	15.35%	9.32%	5.13%	3.38%
52	14.35%	9.52%	4.99%	3.35%
53	14.34%	9.24%	4.70%	3.22%
54	14.17%	8.80%	4.12%	2.37%
55	13.52%	7.82%	2.59%	0.88%
56	12.84%	7.49%	1.84%	0.23%
57	12.66%	7.67%	1.54%	0.11%
58	12.74%	7.68%	1.58%	0.22%
59	13.50%	7.94%	1.92%	0.31%
60+	13.63%	7.84%	2.12%	0.20%

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Table 4
Disability Rates

Age	Rate	Age	Rate
15	0.00%	45	0.22%
16	0.00%	46	0.25%
17	0.00%	47	0.27%
18	0.00%	48	0.30%
19	0.00%	49	0.32%
20	0.09%	50	0.35%
21	0.09%	51	0.42%
22	0.09%	52	0.49%
23	0.10%	53	0.57%
24	0.10%	54	0.64%
25	0.10%	55	0.71%
26	0.10%	56	0.82%
27	0.10%	57	0.93%
28	0.11%	58	1.04%
29	0.11%	59	1.15%
30	0.11%	60	1.26%
31	0.11%	61	0.00%
32	0.12%	62	0.00%
33	0.12%	63	0.00%
34	0.13%	64	0.00%
35	0.13%	65	0.00%
36	0.14%	66	0.00%
37	0.14%	67	0.00%
38	0.15%	68	0.00%
39	0.15%	69	0.00%
40	0.16%	70	0.00%
41	0.17%	71	0.00%
42	0.18%	72	0.00%
43	0.20%	73	0.00%
44	0.21%	74	0.00%

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Schedule SB, Part V—Summary of Plan Provisions

General Information

Original Effective Date	January 1, 1989
Effective Date of Last Amendment	December 31, 2013
Plan Year	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st
Employer ID Number	23-2201716
Plan Administrator's ID Number	23-2201716
Plan Number	001
Plan Administrator	Susquehanna Bancshares, Inc.

Eligibility

Employees who were participants on December 31, 1997 are participants effective January 1, 1998. All other employees become participants on the January 1 of the year in which the employee attains age 21 and completes one year of service. Effective January 1, 2005, employees will become participants on the January 1 following employment.

Participants in the plan prior to January 1, 1998 are eligible for a minimum accrued benefit determined as of December 31, 1997. Participants who attained age 55 and 10 years of credited service receive continuing credited service and compensation under the terms of the Retirement Income Plan. Participants in prior plans merged into this plan have their prior plan accrued benefits and certain optional features preserved under this plan.

Effective as of June 30, 2009, the plan became closed to new entrants.

Effective as of December 31, 2013, the plan eliminated all future pay credits.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Credited Service

Plan years in which 1,000 hours of service are earned as an eligible employee. For the purpose of the grandfathered benefit, completed calendar months in the year of hire and termination are counted as credited service regardless of the number of hours of service. Service under the prior Retirement Income Plan is limited to 25 years. Credited service is generally limited to service from the date of acquisition if the participant was not a member of a prior plan.

Vesting Service

Plan years in which 1,000 hours of service are earned. Prior to 2005, a year of vesting service is also earned for the period from date of hire to the anniversary thereof, with the next vesting period beginning with the January 1 following employment.

Compensation

Compensation for Pay Credits

Compensation is defined as total pay for the calendar year including overtime, bonus, pretax contributions to 401(k) or Section 125 plans and severance. Compensation for a given year is limited to \$200,000 (as adjusted by law).

Final Average Compensation

For grandfathered benefits only, compensation is defined as base pay for the calendar year, excluding overtime, bonuses or other awards. The average of the compensation received during the five consecutive calendar years which produces the highest result.

Covered Compensation

For Grandfathered benefits only, the average of the Social Security taxable wage base for the 35-year period prior to, and including, the year in which the participant attains Social Security retirement age. The wage base is assumed to remain constant from age at determination to Social Security retirement age.

Cash Balance Account

Initial Account

A cash balance account was established for each participant based on the present value of their accrued benefit at December 31, 1997, increased by 5%.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Pay Credits

At the end of each plan year, an annual contribution is made to a participant's account equal to a percentage of compensation, provided that the participant worked at a rate of at least 1,000 hours of service during the plan year. The contribution is based on each participant's age (full years) plus credited service as of the beginning of each plan year, determined as follows:

Participant's Age Plus Service	Contribution Allocation
Less than 30	3%
30–39	4%
40–49	5%
50–59	6%
60–69	7%
70–79	8%
80–89	9%
90–99	10%
100 or more	11%

Effective June 30, 2009, participants with fewer than 15 years of credited service and who have not attained age 50 as of December 31, 2009 will no longer accrue pay credits under the plan. Effective as of December 31, 2013, the plan eliminated all future pay credits.

Interest Credits

The cash balance account balance is credited with interest equal to the average one-year Treasury bill rate in effect at the end of October of the prior year. Effective as of January 1, 2002, the interest credit is limited to a minimum of 5% and a maximum of 8%.

Annuity Conversion Factor

The annuity conversion factor is the amount used to convert the cash balance account to an annuity. It is currently determined using the IRS applicable table as determined by Revenue Ruling 2007-67 and an interest rate of 7%.

Normal Retirement

Normal retirement date is the first day of the month coincident with or next following the attainment of age 65 and five years of vesting service. Upon retirement, participants will receive their cash balance account converted to an annuity using the annuity conversion factor, or if greater, their grandfathered benefit.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
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Early Retirement

A participant may choose to retire on an early retirement date after attainment of age 55 and 15 years of vesting service. Upon retirement, participants will receive their cash balance account converted to an annuity using the annuity conversion factor, or if greater, their grandfathered benefit. The grandfathered benefit is reduced by 4% per year for early commencement.

Disability Retirement Eligibility

A disabled participant who has attained five years of vesting service and is eligible for Social Security disability benefits will continue to earn pay credits and service during the period of disability, based on the rate of compensation at the time the disability commenced. Participant may elect to retire at normal or, if eligible, early retirement.

Death Benefit

In the event of an active married participant's death on or before the earliest retirement age, the surviving spouse shall receive a benefit based on the participant's vested accrued benefit as of the date of death, but payable as if the participant had separated from service on the date of death, survived to the earliest retirement age, elected a joint and 100% survivor annuity, and died on the day after the earliest retirement age.

In the event of an active married participant's death after the attainment of age 55 and the completion of 15 years of credited service, but prior to normal retirement date, it will be assumed the participant had retired on the day prior to death and elected a joint and 100% survivor benefit.

In the event of an active non-married participant's death after the attainment of five years of vesting service, a single lump sum payment will be made based on years of service at date of death:

Years of Service	Single Sum Payment
Less than vesting Service requirement	\$0
Upon vesting, but fewer than 10	\$5,000
10, but fewer than 20	\$10,000
20 or more	\$25,000

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Severance Benefit

Upon the termination of employment after three or more years of service a participant shall have a vested interest in his accrued benefit which will be payable at normal retirement date. The percentage vested shall be:

Years of Service	Vested Percent
Fewer than 3	0%
3 or more	100%

In the event that a participant has met the service requirements for early retirement at the date of termination, he may elect to receive his vested interest at age 55. Such benefit will be reduced as described under Early Retirement.

Normal Form of Payment

For single participants, the normal form of payment is an annuity paid in monthly installments for life. For married participants, the normal form of payment is a joint and 50% survivor annuity (actuarially equivalent to the life annuity) with spouse as joint annuitant.

Optional Forms of Payment

All optional forms of payment are actuarially equivalent to the normal form of payment. If a married participant does not elect the normal form of payment or does not elect one of the optional forms of payment described below, then the participant's retirement benefit shall automatically be paid under option [1] below. The options are:

- (1) A reduced benefit to be paid during the participant's lifetime with 50% of the reduced benefit to be continued to his spouse for her lifetime after his death.
- (2) A reduced benefit to be paid during the participant's lifetime with 75% of the reduced benefit to be continued to his spouse for her lifetime after his death.
- (3) A reduced benefit to be paid during the participant's lifetime with the same reduced benefit to be continued to his spouse for her lifetime after his death.
- (4) A reduced benefit to be paid for 60, 120, 180, or 240 months certain and thereafter for life.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
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All optional forms of payment are actuarially equivalent to the normal form of payment on a unisex basis based on 7% interest and the RP-2000 Mortality Table as prescribed in Revenue Ruling 2007-67.

Plan Changes Since the Prior Year

The funding and plan reporting valuations do not reflect any plan changes.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2015

Date	Amount	Days to Discount to 1/1/2015 at 6.34%	Interest Adjusted Contribution
January 7, 2016	\$ 81,018,679	371	\$ 76,111,390
Total Contribution	\$ 81,018,679		\$ 76,111,390

Schedule SB Attachment (Form 5500)—2015 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

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

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

(a) Age	(b) Rate	(c) Weight	(d) Product (a)x(b)x(c)
55	2.00%	1.0000	1.10
56	2.00%	0.9800	1.10
57	5.00%	0.9604	2.74
58	5.00%	0.9124	2.65
59	5.00%	0.8668	2.56
60	10.00%	0.8234	4.94
61	10.00%	0.7411	4.52
62	15.00%	0.6670	6.20
63	15.00%	0.5669	5.36
64	25.00%	0.4819	7.71
65	35.00%	0.3614	8.22
66	30.00%	0.2349	4.65
67	30.00%	0.1644	3.31
68	30.00%	0.1151	2.35
69	30.00%	0.0806	1.67
70	100.00%	0.0564	3.95
Weighted Average:			63.03

Schedule SB Attachment (Form 5500)—2015 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Schedule SB, line 24—Change in Actuarial Assumptions

Assumption Changes

The funding valuation reflects the following assumption changes:

- A change in the terminated vested rates of retirement to better reflect the anticipated experience of the plan.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Schedule SB, Part V—Summary of Plan Provisions

General Information

Original Effective Date	January 1, 1989
Effective Date of Last Amendment	December 31, 2013
Plan Year	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st
Employer ID Number	23-2201716
Plan Administrator's ID Number	23-2201716
Plan Number	001
Plan Administrator	Susquehanna Bancshares, Inc.

Eligibility

Employees who were participants on December 31, 1997 are participants effective January 1, 1998. All other employees become participants on the January 1 of the year in which the employee attains age 21 and completes one year of service. Effective January 1, 2005, employees will become participants on the January 1 following employment.

Participants in the plan prior to January 1, 1998 are eligible for a minimum accrued benefit determined as of December 31, 1997. Participants who attained age 55 and 10 years of credited service receive continuing credited service and compensation under the terms of the Retirement Income Plan. Participants in prior plans merged into this plan have their prior plan accrued benefits and certain optional features preserved under this plan.

Effective as of June 30, 2009, the plan became closed to new entrants.

Effective as of December 31, 2013, the plan eliminated all future pay credits.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Credited Service

Plan years in which 1,000 hours of service are earned as an eligible employee. For the purpose of the grandfathered benefit, completed calendar months in the year of hire and termination are counted as credited service regardless of the number of hours of service. Service under the prior Retirement Income Plan is limited to 25 years. Credited service is generally limited to service from the date of acquisition if the participant was not a member of a prior plan.

Vesting Service

Plan years in which 1,000 hours of service are earned. Prior to 2005, a year of vesting service is also earned for the period from date of hire to the anniversary thereof, with the next vesting period beginning with the January 1 following employment.

Compensation

Compensation for Pay Credits

Compensation is defined as total pay for the calendar year including overtime, bonus, pretax contributions to 401(k) or Section 125 plans and severance. Compensation for a given year is limited to \$200,000 (as adjusted by law).

Final Average Compensation

For grandfathered benefits only, compensation is defined as base pay for the calendar year, excluding overtime, bonuses or other awards. The average of the compensation received during the five consecutive calendar years which produces the highest result.

Covered Compensation

For Grandfathered benefits only, the average of the Social Security taxable wage base for the 35-year period prior to, and including, the year in which the participant attains Social Security retirement age. The wage base is assumed to remain constant from age at determination to Social Security retirement age.

Cash Balance Account

Initial Account

A cash balance account was established for each participant based on the present value of their accrued benefit at December 31, 1997, increased by 5%.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
EIN: 23-2201716 PN: 001

Pay Credits

At the end of each plan year, an annual contribution is made to a participant's account equal to a percentage of compensation, provided that the participant worked at a rate of at least 1,000 hours of service during the plan year. The contribution is based on each participant's age (full years) plus credited service as of the beginning of each plan year, determined as follows:

Participant's Age Plus Service	Contribution Allocation
Less than 30	3%
30–39	4%
40–49	5%
50–59	6%
60–69	7%
70–79	8%
80–89	9%
90–99	10%
100 or more	11%

Effective June 30, 2009, participants with fewer than 15 years of credited service and who have not attained age 50 as of December 31, 2009 will no longer accrue pay credits under the plan. Effective as of December 31, 2013, the plan eliminated all future pay credits.

Interest Credits

The cash balance account balance is credited with interest equal to the average one-year Treasury bill rate in effect at the end of October of the prior year. Effective as of January 1, 2002, the interest credit is limited to a minimum of 5% and a maximum of 8%.

Annuity Conversion Factor

The annuity conversion factor is the amount used to convert the cash balance account to an annuity. It is currently determined using the IRS applicable table as determined by Revenue Ruling 2007-67 and an interest rate of 7%.

Normal Retirement

Normal retirement date is the first day of the month coincident with or next following the attainment of age 65 and five years of vesting service. Upon retirement, participants will receive their cash balance account converted to an annuity using the annuity conversion factor, or if greater, their grandfathered benefit.

Schedule SB Attachment (Form 5500)—2014 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
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Early Retirement

A participant may choose to retire on an early retirement date after attainment of age 55 and 15 years of vesting service. Upon retirement, participants will receive their cash balance account converted to an annuity using the annuity conversion factor, or if greater, their grandfathered benefit. The grandfathered benefit is reduced by 4% per year for early commencement.

Disability Retirement Eligibility

A disabled participant who has attained five years of vesting service and is eligible for Social Security disability benefits will continue to earn pay credits and service during the period of disability, based on the rate of compensation at the time the disability commenced. Participant may elect to retire at normal or, if eligible, early retirement.

Death Benefit

In the event of an active married participant's death on or before the earliest retirement age, the surviving spouse shall receive a benefit based on the participant's vested accrued benefit as of the date of death, but payable as if the participant had separated from service on the date of death, survived to the earliest retirement age, elected a joint and 100% survivor annuity, and died on the day after the earliest retirement age.

In the event of an active married participant's death after the attainment of age 55 and the completion of 15 years of credited service, but prior to normal retirement date, it will be assumed the participant had retired on the day prior to death and elected a joint and 100% survivor benefit.

In the event of an active non-married participant's death after the attainment of five years of vesting service, a single lump sum payment will be made based on years of service at date of death:

Years of Service	Single Sum Payment
Less than vesting Service requirement	\$0
Upon vesting, but fewer than 10	\$5,000
10, but fewer than 20	\$10,000
20 or more	\$25,000

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Severance Benefit

Upon the termination of employment after three or more years of service a participant shall have a vested interest in his accrued benefit which will be payable at normal retirement date. The percentage vested shall be:

Years of Service	Vested Percent
Fewer than 3	0%
3 or more	100%

In the event that a participant has met the service requirements for early retirement at the date of termination, he may elect to receive his vested interest at age 55. Such benefit will be reduced as described under Early Retirement.

Normal Form of Payment

For single participants, the normal form of payment is an annuity paid in monthly installments for life. For married participants, the normal form of payment is a joint and 50% survivor annuity (actuarially equivalent to the life annuity) with spouse as joint annuitant.

Optional Forms of Payment

All optional forms of payment are actuarially equivalent to the normal form of payment. If a married participant does not elect the normal form of payment or does not elect one of the optional forms of payment described below, then the participant's retirement benefit shall automatically be paid under option [1] below. The options are:

- (1) A reduced benefit to be paid during the participant's lifetime with 50% of the reduced benefit to be continued to his spouse for her lifetime after his death.
- (2) A reduced benefit to be paid during the participant's lifetime with 75% of the reduced benefit to be continued to his spouse for her lifetime after his death.
- (3) A reduced benefit to be paid during the participant's lifetime with the same reduced benefit to be continued to his spouse for her lifetime after his death.
- (4) A reduced benefit to be paid for 60, 120, 180, or 240 months certain and thereafter for life.

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All optional forms of payment are actuarially equivalent to the normal form of payment on a unisex basis based on 7% interest and the RP-2000 Mortality Table as prescribed in Revenue Ruling 2007-67.

Plan Changes Since the Prior Year

The funding and plan reporting valuations do not reflect any plan changes.

Schedule SB Attachment (Form 5500)—2015 Plan Year
Susquehanna Bancshares, Inc. Cash Balance Pension Plan
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Schedule SB, line 24—Change in Actuarial Assumptions

Assumption Changes

The funding valuation reflects the following assumption changes:

- A change in the terminated vested rates of retirement to better reflect the anticipated experience of the plan.