

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 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>05/01/2015</u> and ending <u>04/30/2016</u>	
A This return/report is for:	☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions) ☐ a one-participant plan ☐ a foreign plan
B This return/report is	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)

Part II Basic Plan Information —enter all requested information			
1a Name of plan <u>THE DESCO FEDERAL CREDIT UNION DEFINED BENEFIT PLAN AND TRUST</u>	1b Three-digit plan number (PN) ►	<u>001</u>	
	1c Effective date of plan	<u>05/01/1967</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>DESCO FEDERAL CREDIT UNION</u> <u>401 CHILLICOTHE STREET</u> <u>PORTSMOUTH, OH 45662</u>	2b Employer Identification Number (EIN) <u>31-6042202</u>	2c Sponsor's telephone number <u>740-354-7791</u>	
	2d Business code (see instructions)	<u>522130</u>	
3a Plan administrator's name and address ☒ Same as Plan Sponsor.	3b Administrator's EIN		
	3c Administrator's telephone number		
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. a Sponsor's name	4b EIN		
	4c PN		
5a Total number of participants at the beginning of the plan year	5a	<u>45</u>	
b Total number of participants at the end of the plan year	5b	<u>45</u>	
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	5c		
d(1) Total number of active participants at the beginning of the plan year	5d(1)	<u>41</u>	
d(2) Total number of active participants at the end of the plan year	5d(2)	<u>41</u>	
e Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	5e	<u>0</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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.			
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u> Signature of plan administrator	<u>12/12/2016</u> Date	<u>R. LEE POWELL JR.</u> Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets.....	7a	6535783	5967021
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	6535783	5967021
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	900000	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	-245804	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		654196
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	1189319	
e Certain deemed and/or corrective distributions (see instructions)....	8e		
f Administrative service providers (salaries, fees, commissions).....	8f		
g Other expenses	8g	33639	
h Total expenses (add lines 8d, 8e, 8f, and 8g).....	8h		1222958
i Net income (loss) (subtract line 8h from line 8c)	8i		-568762
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

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

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

Part V Compliance Questions

10 During the plan year:		Yes	No	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? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X		
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X		
c Was the plan covered by a fidelity bond?.....	10c	X			450000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X		
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.).....	10e		X		
f Has the plan failed to provide any benefit when due under the plan?	10f		X		
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g		X		
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h				
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	10i				
j Did the plan trust incur unrelated business taxable income?	10j				

Part VI Pension Funding Compliance

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

11a Enter the unpaid minimum required contribution for all years from Schedule SB (Form 5500) line 40..... **11a**

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA?... ☐ Yes ☒ No

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

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

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

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

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year **13a**

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No

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

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

Part VIII Trust Information

14a Name of trust	14b Trust's EIN
14c Name of trustee or custodian	14d Trustee's or custodian's telephone number

Part IX IRS Compliance Questions

15a Is the plan a 401(k) plan? ☐ Yes ☐ No

15b 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

15c 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

16a 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

16b 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

17a Has the plan been timely amended for all required tax law changes? ☐ Yes ☐ No ☐ N/A

17b 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).

17c 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 ____.

17d 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 ____/____/____.

18 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

19 Were in-service distributions made during the plan year? ☐ Yes ☐ No

If "Yes," enter amount **19**

20 Were required minimum distributions made to 5% owners who have attained age 70 ½ (regardless of whether or not retired), as required under section 401(a)(9)? ☐ Yes ☐ No ☐ N/A

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration 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>
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For calendar plan year 2015 or fiscal plan year beginning 05/01/2015 and ending 04/30/2016

▶ 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 THE DESCO FEDERAL CREDIT UNION DEFINED BENEFIT PLAN AND TRUST	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF DESCO FEDERAL CREDIT UNION	D Employer Identification Number (EIN) 31-6042202
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 05 Day 01 Year 2015	
2 Assets:	
a Market value	2a 6535783
b Actuarial value	2b 6535783
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants 0 (2) Vested Funding Target 0 (3) Total Funding Target 0
b For terminated vested participants	4 0 0
c For active participants	41 3046903 3046903
d Total	45 3046903 3046903
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 6.38%
6 Target normal cost	6 230536

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		11/01/2016
	Signature of actuary	Date
ERIC P. BRUST	Type or print name of actuary	14-06770
		Most recent enrollment number
MATTHEWS BENEFIT GROUP, INC.	Firm name	727-577-7000
		Telephone number (including area code)
701 94TH AVENUE NORTH SUITE 200 ST. PETERSBURG, FL 33702	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

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)	175943	715272
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8)	175943	715272
10	Interest on line 9 using prior year's actual return of <u>2.94</u> %	5173	21029
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		856947
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>6.55</u> %		56130
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c	Total available at beginning of current plan year to add to prefunding balance.....		913077
d	Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	181116	736301

Part III Funding Percentages			
14	Funding target attainment percentage.....	14	184.40 %
15	Adjusted funding target attainment percentage	15	184.40 %
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	197.26 %
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
08/25/2015	100000				
10/20/2015	100000				
10/23/2015	100000				
01/14/2016	100000				
02/04/2016	400000				
04/08/2016	100000				
			Totals ►	18(b)	900000
				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	864078
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

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 3
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):												
a Target normal cost (line 6)	31a	230536										
b Excess assets, if applicable, but not greater than line 31a	31b	230536										
32 Amortization installments:	<table border="1"> <tr> <td></td> <td>Outstanding Balance</td> <td>Installment</td> </tr> <tr> <td>a Net shortfall amortization installment</td> <td>0</td> <td>0</td> </tr> <tr> <td>b Waiver amortization installment</td> <td></td> <td></td> </tr> </table>				Outstanding Balance	Installment	a Net shortfall amortization installment	0	0	b Waiver amortization installment		
	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									
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	864078										
38 Present value of excess contributions for current year (see instructions)												
a Total (excess, if any, of line 37 over line 36)	38a	864078										
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b											
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		

Desco Federal Credit Union
Defined Benefit Plan and Trust

Schedule of Active Participant Data

Plan Year: 5/1/2015 to 4/30/2016

Valuation Date: 5/1/2015

Svc/ Age	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total
<25	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0	0
40-44	0	0	0	1	2	4	0	0	0	0	7
45-49	0	0	0	1	5	1	2	0	0	0	9
50-54	0	0	0	1	0	0	4	1	0	0	6
55-59	0	0	0	1	1	1	3	0	2	0	8
60-64	0	0	0	2	1	1	1	0	2	1	8
65-69	0	0	0	0	1	0	1	0	0	1	3
70+	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	6	10	7	11	1	4	2	41

*Employees who have not met the minimum eligibility requirements are excluded

Average Age: 53.3

Average Service: 24

Desco Federal Credit Union
Defined Benefit Plan and Trust

Summary of Actuarial Assumptions and Method

Plan Year: 5/1/2015 to 4/30/2016

Valuation Date: 5/1/2015

	For Funding					
		<u>Min</u>	<u>Max</u>	<u>For 417(e)</u>	<u>For Actuarial Equiv.</u>	
Interest Rates	Seg 1:	4.72%	1.25%	Seg 1:	1.38%	Pre-Retirement: 6.50%
	Seg 2:	6.11%	4.08%	Seg 2:	3.58%	Post-Retirement: 6.50%
	Seg 3:	6.81%	5.15%	Seg 3:	4.50%	
Pre-Retirement						
Turnover	None			None		None
Mortality	None			None		Male-1971 GAM Female-1971 GROUP ANNUITY MORTALITY TABLE UNPROJECTED - FEMALE
Assumed Ret Age	Normal retirement age 65			Normal retirement age 65		Normal retirement age 65
Future Salary Incr	4% SALARY SCALE			None		None
Post-Retirement						
Mortality	2015 Applicable Mortality table from notice 2013-49			2015 Applicable Mortality table from notice 2013-49		Male-1971 GAM Female-1971 GROUP ANNUITY MORTALITY TABLE UNPROJECTED - FEMALE
Assumed Benefit Form For Funding				Lump Sum		
Calculated Effective Interest Rate				6.38%		
Actuarial Cost Method				The Unit Credit funding method was used as prescribed by the Pension Protection Act. This method sets the funding target equal to the present value of accrued benefits, and sets the normal cost equal to the present value of the benefit accrued in the current year.		

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

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1510-0110 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 05/01/2015 and ending 04/30/2016

► 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 The Desco Federal Credit Union Defined Benefit Plan and Trust	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">B Three-digit plan number (PN) ►</td> <td style="width: 30%; 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 Desco Federal Credit Union	D Employer Identification Number (EIN) 31-6042202		

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500
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Part I Basic Information			
1 Enter the valuation date: Month <u>05</u> Day <u>01</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a	6535783	
b Actuarial value	2b	6535783	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	0	0	0
b For terminated vested participants	4	0	0
c For active participants	41	3046903	3046903
d Total	45	3046903	3046903
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	6.38 %	
6 Target normal cost	6	230536	

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 Eric P. Brust Type or print name of actuary Matthews Benefit Group, Inc. Firm name 701 94th Avenue North Suite 200 St. Petersburg, FL 33702 Address of the firm	11/01/2016 Date 14-06770 Most recent enrollment number (727) 577-7000 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 ☐

Desco Federal Credit Union
Defined Benefit Plan and Trust

Weighted Average Retirement Age

Plan Year: 5/1/2015 to 4/30/2016

Valuation Date: 5/1/2015

Assumed Retirement Age - 100% of the participants are assumed to retire at the date the plan's normal retirement age is attained, which is defined as:

Attainment of age 65

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

Weighted average retirement age 65

**Desco Federal Credit Union
Defined Benefit Plan and Trust**

Summary of Plan Provisions
Plan Year: 5/1/2015 to 4/30/2016
Valuation Date: 5/1/2015

Plan Effective Date	May 1, 1967
Plan Year	From May 1 to April 30
Eligibility	<p>All employees not excluded by class are eligible to enter on the May 1 coincident with or following the completion of the following requirements:</p> <p>6 months of service Minimum age 20</p>
Normal Retirement Age	All participants are eligible to retire with their full retirement benefit on attainment of age 65
Normal Retirement Benefit	<p>Upon normal retirement each participant will be entitled to a benefit payable in the normal form equal to the following:</p> <p>40% of average compensation plus 12.5% of compensation in excess of invalid table name, reduced by the ratio of years to retirement to years to 65 with the benefit reduced for each year of service less than 25 plus 0.55% of compensation in excess of Covered Compensation Tables per credited year of service with a maximum of 35 years</p> <p>Credited years are plan years commencing with the year of hire and ending with the retirement year excluding the following:</p> <p>Years with less than 1,000 hours</p> <p>Maximum benefit is \$17,500.00 per month Maximum percent of salary is 100%</p> <p>Benefit is based on average salary during the highest 15 consecutive years of employment</p>
Early Retirement Age	<p>Attainment of age 55 Completion of 5 plan years of service</p>
Early Retirement Benefit	1/15th, 1/30th
Normal Form of Benefit	A benefit payable for the life of the participant and payments guaranteed for 10 years

**Desco Federal Credit Union
Defined Benefit Plan and Trust**

Summary of Plan Provisions
Plan Year: 5/1/2015 to 4/30/2016
Valuation Date: 5/1/2015

Accrued Benefit

A fraction of the normal retirement benefit, calculated based on average salary on the calculation date. The numerator of the fraction is equal to the participant's credited years earned on the calculation date, and the denominator is equal to the participant's total projected credited years at normal retirement.

Credited years are plan years commencing with the year of hire and ending with the retirement year excluding the following:

Years with less than 1,000 hours

invalid table name

Termination Benefit

Upon termination for any reason other than death or retirement a participant shall be entitled to a portion of the actuarial equivalent of his accrued benefit in accordance with the following vesting schedule:

<u>Credited Years</u>	<u>Vested Percent</u>
1	0
2	0
3	20
4	40
5	60
6	80
7	100

Credited years are plan years commencing with the year of hire and ending with the retirement year excluding the following:

Years with less than 1,000 hours

Top-Heavy Status

A plan is top-heavy if over 60% of the value of all accrued benefits in all of the employer's plans are for the benefit of key employees. A key employee is generally an officer or owner of the company. This plan is currently not top-heavy.

Death Benefit

Actuarial Equivalent of the accrued benefit earned to date of death but in no event more than the actuarial equivalent of the accrued benefit earned to date of death