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

Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 12/30/2015 and ending 12/29/2016

A This return/report is for:
- [X] 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:
- [X] Form 5558
- [ ] automatic extension
- [ ] DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
UNITED DAIRY INC SALARIED EMPLOYEES' RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 12/30/1958

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)
UNITED DAIRY INC

300 N 5TH ST
MARTINS FERRY, OH 43935-1647

2b Employer Identification Number (EIN) 34-1141090

2c Sponsor's telephone number 740-633-1451

2d Business code (see instructions) 311500

3a Plan administrator's name and address [X] 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**	57
b Total number of participants at the end of the plan year	**5b**	56
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)**	31
d(2) Total number of active participants at the end of the plan year	**5d(2)**	31
e Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**5e**	0

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	Filed with authorized/valid electronic signature.	09/29/2017	MICHELLE VANNEST
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/29/2017	MICHELLE VANNEST
	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.) [X] 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.) [X] 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)? [X] 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	2054254	2009736
b Total plan liabilities	7b	0	0
c Net plan assets (subtract line 7b from line 7a)	7c	2054254	2009736
8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: (1) Employers	8a(1)	0	
(2) Participants	8a(2)	0	
(3) Others (including rollovers)	8a(3)	0	
b Other income (loss)	8b	132594	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		132594
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	149936	
e Certain deemed and/or corrective distributions (see instructions)	8e	0	
f Administrative service providers (salaries, fees, commissions)	8f	27176	
g Other expenses	8g	0	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		177112
i Net income (loss) (subtract line 8h from line 8c)	8i		-44518
j Transfers to (from) the plan (see instructions)	8j	0	

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 1I

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			250000
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			6310
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) [X] Yes [ ] No

11a Enter the unpaid minimum required contribution for all years from Schedule SB (Form 5500) line 40 **11a** 0

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 [X] 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

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

2015

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For calendar plan year 2015 or fiscal plan year beginning 12/30/2015 and ending 12/29/2016

▶ **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
UNITED DAIRY INC SALARIED EMPLOYEES' RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
UNITED DAIRY INC

D Employer Identification Number (EIN)
34-1141090

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

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

Part I Basic Information

1 Enter the valuation date: Month 12 Day 30 Year 2015

2 Assets:

a Market value	**2a**	2054254
b Actuarial value	**2b**	2119442

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	24	395294	395294
c For active participants	32	1509069	1509069
d Total	56	1904363	1904363

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**	6.33%
6 Target normal cost	**6**	29216

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 — Date: 07/25/2017

MICHAEL A. CARLSON — Type or print name of actuary

17-05860 — Most recent enrollment number

PRINCIPAL FINANCIAL GROUP — Firm name

412-394-9331 — Telephone number (including area code)

PO BOX 9394
DES MOINES, IA 50306-9394

Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	154770	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	154770	0
10	Interest on line 9 using prior year's actual return of -0.11%	-170	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.54%		0
	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		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	154600	0

Part III Funding Percentages

14	Funding target attainment percentage	14	103.17 %
15	Adjusted funding target attainment percentage	15	108.61 %
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	113.29 %
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
			Totals ► 18(b)	0	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	0

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.72 %	6.11 %	6.81 %	☐ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 4

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**: 29216

b Excess assets, if applicable, but not greater than line 31a — **31b**: 29216

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
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**: 0

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

a Total (excess, if any, of line 37 over line 36) — **38a**: 0

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances — **38b**: 0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) — **39**: 0

40 Unpaid minimum required contributions for all years — **40**: 0

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

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

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

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

42 Amount of acceleration adjustment — **42**:

43 Excess installment acceleration amount to be carried over to future plan years — **43**:

Schedule SB, Line 26 - Schedule of Active Participant Data
UNITED DAIRY INC SALARIED EMPLOYEES' RETIREMENT PLAN
EIN 34-1141090 Plan No. 002

Form 5500 - Schedule of Active Participation Data					Valuation Date 12/30/2015					
	YEARS OF CREDITED SERVICE									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Attained Age	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Under 25	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	1	1	0	0	0	0
40 to 44	0	0	0	0	1	0	0	0	0	0
45 to 49	0	0	0	0	1	2	1	0	0	0
50 to 54	0	0	0	0	1	4	3	1	0	0
55 to 59	0	0	0	0	0	1	3	0	3	0
60 to 64	0	0	0	0	1	0	0	2	0	1
65 to 69	0	0	0	0	0	0	1	3	0	1
70 & up	0	0	0	0	0	0	0	0	0	0

Assumptions Prescribed by Law	
Mortality	During Benefit Payment Period IRS Prescribed Mortality - Optional Combined Table for Small Plans, male and female. Before Benefit Payment Period IRS Prescribed Mortality - Optional Combined Table for Small Plans, male and female.
Assumptions Selected by Actuary	
Inflation	2.25% increase per year. See Long-Term Capital Market Assumptions link.
Asset Return	8.25% for the current plan year. The Asset Return is developed as a weighted average rate based on the target asset allocation of the plan and the long-term capital market assumptions. The calculated return is on an arithmetic mean basis. For details, see the See Long-Term Capital Market Assumptions link.
Expected Expense	The expected expense included in Target Normal Cost is an estimate based on prior year expenses paid from plan assets. This is the best estimate available of upcoming year's expenses.
Retirement	Active and inactive participants are assumed to retire at Normal Retirement Age as defined in Plan Provisions. This assumption is based on the results of recent experience analysis and anticipated future experience.
Disability	None. Due to the size of the plan and limited experience, we are not recognizing a disability assumption prior to retirement.
Marriage	75% married; husbands are 3 years older than wives. This assumption does not have material impact on the results of this report and has been selected based on our best estimate of active workforce.
Withdrawal	None. Due to the size of the plan and limited experience, we are not recognizing a withdrawal assumption prior to retirement. This provides a conservative measurement of obligations.
Methods Prescribed by Law	
Liability Measure	Funding target is the present value of the benefits accrued on the valuation date. Target Normal Cost is based on benefits expected to accrue during the current plan year and includes an estimate of plan expenses for the year.

Purchased Annuities	Plan liabilities do not recognize any additional cost for purchasing annuities; benefits are valued as though paid on a monthly basis from plan assets, per IRS guidance. Although required, this method may not result in the plan accumulating adequate assets and you may wish to consider additional contributions.
HCE Benefit Payment Restrictions	A ratio of the plan assets and accrued liability is used to determine if restrictions apply. Assets and accrued liability are as of the valuation date and are reduced by: • any retiree benefit index or floor • amounts for HCEs who were previously restricted • an amount for the retiring HCE The estimated HCE ratio illustrated in this report is based on the market value of plan assets (excluding late deposits) and Funding Target as of the valuation date. The Funding Target uses the non-stabilized interest rates as defined in IRC §430(h)(2)(C)(iv). Other assumptions or methods could be used.
Methods Selected by Plan Sponsor	
Asset Method	The asset valuation method is prescribed by law for plans that elect to use a value other than market value. For each of the preceding two years, an expected value of assets at the end of the year is compared to the end of year market value. The resulting gain or loss is recognized evenly over three plan years. The expected value includes contributions, distributions, any deducted administrative expenses, and expected earnings (based on the lesser of the assumed interest rate or the Maximum Allowable Rate). The deferred gains and losses are added to the current market value and then restricted to no more than 110% and no less than 90% of that market value. When actual returns exceed the assumed return, the actuarial value of assets will lag below market value. The lag and the smoothing effect are limited since the value must be within 10% of market value.
Segment Rates	24-month average with no weighting to prior law basis. Use rates where July is the last month included in the average.
PBGC Premium Basis	Your plan is a small plan as defined by PBGC. Variable Rate Premiums are calculated using census, market value of assets and interest rates in effect on the current valuation date. Interest rates are the one-month average of corporate bond rates.

Segment Rates

Years 0-5	Years 5-20	Years 20+
1.76%	4.15%	5.13%

Methods Elected by Actuary	
Vested Benefits	A benefit is included in vested benefits if it meets the requirements under PBGC. The benefit is multiplied by the participant's vesting percentage applicable to each benefit on the valuation date. The following ancillary benefits are always treated as nonvested: disability benefits payable to retirement age unless in pay status, pre-retirement death benefits in excess of the Survivor Annuity Death Benefit and post retirement death benefits for non-retired participants except as noted in the Plan Provisions.

Assumptions and Methods Elected by Actuary
Plan Accounting (ASC 960)

With the exceptions below, all assumptions and methods are the same as those used in determining your plan's regular Funding Target and Target Normal Cost.

Mortality

Rates: Total Mortality rates from RP-2006 (baseline table from SOA RP-2014 study based on experience data for private pension plans).

Mortality Improvement (MI): RPEC_2014_v2011 model, reflecting historical U.S. mortality data to 2011 and with the last year of historical graduated data of 2009, with the following assumptions:

- Convergence period of 10-years
- Long-term mortality improvement is the sex-distinct and the age-based assumption calibrated to the annual improvement averages, for the period 2010-2088 published in the Social Security Administration (SSA) Trustees Report 2014.

Long-Term Mortality Improvement Rates (averages 2010-2088 in SSA Trustees 2014 Report)		
Age Group	Male	Female
15-49	0.89%	0.91%
50-64	1.09%	1.11%
65-84	0.92%	0.83%
85+	0.59%	0.53%
65+	0.77%	0.68%
Total	0.84%	0.77%

During Benefit Payment Period
Above table with generational MI, Annuitant, male and female.

Before Benefit Payment Period
Above table with generational MI, Non-annuitant, male and female.

See Mortality rationale for additional information.

Interest Rate Used to Value Liabilities	7.25% The interest rate used to value ASC 960 liabilities is developed as long-term expected geometric return on plan assets. Arithmetic expected return is calculated as the weighted average of broad asset classes' arithmetic returns of the plan's target asset allocation, and then converted to the geometric under lognormal distribution assumption. For details, see Long-Term Capital Market Assumptions link.
Form of Benefit and Basis	Purchased annuity on the normal form at assumed retirement age based on GAM 1994 Generational mortality and 4.25% interest. Annuiities are purchased when participnts retire. Hisorically annuity purchase rates have been at or bleow treasury bond rates. See the details on Treasury Bond yield in Capital Market Modeling Assumptions link. The forward-looking yield ranges from 4.80% to 5.15%; historically, the average yield over 15 years is 4.25%. Therefore, I selected 4.25% as the long term assumption.

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

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

OMB No. 1210-0110

2015

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For calendar plan year 2015 or fiscal plan year beginning 12/30/2015 and ending 12/29/2016

▶ **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
UNITED DAIRY INC SALARIED EMPLOYEES' RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
UNITED DAIRY INC

D Employer Identification Number (EIN)
34-1141090

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

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

Part I Basic Information

1 Enter the valuation date: Month 12 Day 30 Year 2015

2 Assets:

a Market value	**2a**	2054254
b Actuarial value	**2b**	2119442

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	24	395294	395294
c For active participants	32	1509069	1509069
d Total	56	1904363	1904363

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**	6.33 %
6 Target normal cost	**6**	29216

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

MAC
Signature of actuary

07-25-2017
Date

Michael A. Carlson
Type or print name of actuary

1705860
Most recent enrollment number

Principal Financial Group
Firm name

412-394-9331
Telephone number (including area code)

PO Box 9394 Des Moines, IA 50306-9394
Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	154770	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	154770	0
10	Interest on line 9 using prior year's actual return of -0.11 %	-170	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.54 %		0
	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		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	154600	0

Part III Funding Percentages

14	Funding target attainment percentage	14	103.17 %
15	Adjusted funding target attainment percentage	15	108.61 %
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	113.29 %
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
			Totals ► 18(b)	0	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	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [ ] Yes [X] 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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.72 %	6.11 %	6.81 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
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**	29216
b Excess assets, if applicable, but not greater than line 31a	**31b**	29216

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
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**	0
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

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

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

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

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

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

Schedule SB, Line 22 - Description Of Weighted Average Retirement Age
UNITED DAIRY INC SALARIED EMPLOYEES' RETIREMENT PLAN
EIN 34-1141090 Plan No. 002

Active participants are expected to retire at the plan's assumed retirement age. The retirement rate reflects only those participants who meet retirement eligibility. An active participant working past assumed retirement age is expected to retire at current age.

(1) Age	(2) Expected Active Headcount	(3) Retirement Rate	(4) Expected Retirements (2)*(3)	(5) Weighted Age (1)*(4)
65	25.8047	1.0000	25.8047	1,677.3029
66	2.0000	1.0000	2.0000	132.0000
67	2.0000	1.0000	2.0000	134.0000
68	1.0000	1.0000	1.0000	68.0000
Total			30.8047	2,011.3029
Average				65.29

This report reflects the maximum benefit limits under Internal Revenue Code (IRC) Section 415 and maximum compensation limits under IRC Section 401 in effect on the first day of each plan year.

The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document. This report reflects the provisions of the plan signed 07/21/2010, through amendments signed 12/31/2014.

Plan Eligibility	
Age	Attained age 21.
Service	1,000 hours of service.
Class	An employee who is paid on a salaried basis. Effective 12/29/2004, no new entrants are allowed in the plan.

Normal Retirement Benefit	
Age	Attained age 65.
Form	Monthly annuity with payments guaranteed for five years (optional forms may be elected in advance of retirement).
Amount (accrued benefit)	The sum of (a) and (b), multiplied by (c) and (d) reduced by (e), with a maximum monthly benefit of $4,000: (a) 23.5% of average compensation not in excess of the integration level. (b) 39% of average compensation in excess of the integration level. (c) Short service percentage. (d) Accrued benefit adjustment. (e) The offset from the prior Borden plan. Effective 12/29/2004 benefit accruals are frozen.

Early Retirement Benefit	
Age	Attained age 55.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced by 6 2/3% for each year up to five and 3 1/3% for each year between five and ten that the early retirement date precedes normal retirement date.

Late Retirement Benefit	
Age	No maximum age.
Form	Same as normal retirement benefit.
Amount	Greater of accrued benefit on normal retirement date actuarially increased to late retirement date or accrued benefit on late retirement date.

Termination Benefit	
Vesting Percentage	20% after three years of vesting service plus 20% per year thereafter, up to 100%.
Form	Same as normal retirement benefit with income deferred until normal retirement date.
Amount	Accrued benefit on date of termination multiplied by the vesting percentage.

Disability Benefit	
Eligibility	Attained age 50.
Service	Ten years of vesting service.
Form	Monthly income payable until normal retirement, death, or recovery and a deferred annuity payable at normal retirement date.
Amount	Accrued benefit on date of disability.

Lump Sum Death Benefit (a non-vested benefit)	
Form	A single sum death benefit payable to the participant's beneficiary.
Amount	The death benefit provided by a participant's transfer value.

Survivor Annuity Death Benefit (a vested benefit)	
Eligibility	Qualified married participant fully or partially vested in an accrued benefit.
Form	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.

Definitions	
Transfer value	The remaining cash value of a participant's life insurance policy in effect prior to the restatement of this plan. This amount will be increased with 5% interest annually.
Average compensation	The monthly average of "415" pay received for the ten latest compensation years.
Accrued benefit adjustment	The quotient of complete months of service as of a given date divided by the number of complete months of service as of retirement date.
Short service percentage	The percentage obtained by dividing the number of complete months of service between a participant's date of employment and retirement date by 300 (maximum 100%).
Integration level	A single amount in any given year equal to one half of the monthly average of the social security taxable wage bases in effect under section 230 of the Social Security Act for each year in the preceding 35 year period, for an individual that attains social security retirement age that year. Such amount will not be less than $833.33.
Optional Forms of Benefit Payments	The optional forms of benefit payments are: • Monthly annuity payable for life, or 5, 10, or 15 years certain and life • Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 66 2/3, 75 or 100. The optional form conversion basis is 7.5% interest and the 83GAM mortality table in Revenue Ruling 95-6 for payments other than lump sums. The optional form conversion basis uses the applicable interest rate and applicable mortality table as set forth in Code Section 417 for lump sum payments. The applicable interest rate uses the second calendar month preceding the first day of the stability period which is the one calendar month that contains the annuity start date.

Changes in Principal Eligibility or Benefit Provisions

There have been no changes in principal eligibility or benefit provisions since the last valuation.

Significant Event

The enrolled actuary has not been made aware that any significant events have occurred during the year.

Schedule SB, Line 25 – Change in Method
UNITED DAIRY INC SALARIED EMPLOYEES' RETIREMENT PLAN
EIN 34-1141090 Plan No. 002

The Employee Retirement Income Security Act of 1974, Section 103(c)(4), requires the plan administrator to furnish an explanation of a change in the enrolled actuary as part of the annual report. There was a change in enrolled actuaries since last year. The actuarial valuation work continues to be done by Principal Life Insurance Company. However, the individual involved with this plan as the enrolled actuary has changed due to a change in the plan assignment among enrolled actuaries at Principal Life Insurance Company.

Schedule SB, Line 24 – Change in Actuarial Assumptions
UNITED DAIRY INC SALARIED EMPLOYEES' RETIREMENT PLAN
EIN 34-1141090 Plan No. 002

Certain non-prescribed assumptions have been changed since last year. These assumptions were changed to better reflect the anticipated experience of your plan.

- The assumed asset return for the current year has increased from 7.00% to 8.25%. This rate is used in the calculation of the actuarial value of plan assets.