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

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

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
RHEIN CHEMIE CORPORATION RETIREMENT PLAN FOR UNION EMPLOYEES AT LITTLE ROCK, AR

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 04/30/2005

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)
LANXESS CORPORATION

111 PARK WEST DRIVE
PITTSBURGH, PA 15275

2b Employer Identification Number (EIN) 21-0730107

2c Sponsor's telephone number 412-809-2204

2d Business code (see instructions) 325900

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**	34
b Total number of participants at the end of the plan year	**5b**	34
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**5c**	
d(1) Total number of active participants at the beginning of the plan year	**5d(1)**	13
d(2) Total number of active participants at the end of the plan year	**5d(2)**	10
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.	10/10/2017	GRETCHEN ECKERT
	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

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	3288079	3506692
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	3288079	3506692
8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: (1) Employers	8a(1)	257268	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	161537	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		418805
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	191819	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g	8373	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		200192
i Net income (loss) (subtract line 8h from line 8c)	8i		218613
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 1I 3H

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			2000000
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				

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 contributions 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? (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)	[ ] Yes [X] No
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 [X] 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 [X] 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? If "No," skip b.	[ ] Yes [ ] No
15b	How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	[ ] Design-based safe harbor [ ] "Prior year" ADP test [ ] "Current year" ADP test [ ] N/A
16a	What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	[ ] Ratio percentage test [ ] Average benefit test [ ] N/A
16b	Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	[ ] Yes [ ] No

17a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number _____.

17b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/_____.

18	Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	[ ] Yes [ ] No
19	Was any plan participant a 5% owner who had attained at least age 70 ½ during the prior plan year?	[ ] Yes [ ] No

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

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **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
RHEIN CHEMIE CORPORATION RETIREMENT PLAN FOR UNION EMPLOYEES AT LITTLE ROCK, AR

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
LANXESS CORPORATION

D Employer Identification Number (EIN)
21-0730107

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 01 Day 01 Year 2016

2 Assets:

a Market value	**2a**	3286697
b Actuarial value	**2b**	3380168

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	16	2261486	2261486
b For terminated vested participants	5	376906	376906
c For active participants	13	983805	983805
d Total	34	3622197	3622197

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**	6.09 %
6 Target normal cost	**6**	8000

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

09/28/2017
Date

SANNIDH S. AMBERKAR
Type or print name of actuary

17-07276
Most recent enrollment number

AON CONSULTING, INC.
Firm name

847-295-5000
Telephone number (including area code)

4 OVERLOOK POINT
LINCOLNSHIRE, IL 60069
Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 0.74%	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		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 6.28 %		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)	0	0

Part III Funding Percentages

14	Funding target attainment percentage	14	93.31%
15	Adjusted funding target attainment percentage	15	93.31%
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	83.72%
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
04/15/2016	77189	0			
07/14/2016	77189	0			
10/14/2016	55857	0			
01/12/2017	47033	0			
			Totals ► 18(b)	257268	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	248268

20 Quarterly contributions and liquidity shortfalls:

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

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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:	2nd segment:	3rd segment:	
4.43%	5.91%	6.65%	☐ N/A, full yield curve used

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

22 Weighted average retirement age **22** 62

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** 8000

b Excess assets, if applicable, but not greater than line 31a **31b** 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	242029	240249
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** 248249

	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** 248249

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 248268

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

a Total (excess, if any, of line 37 over line 36) **38a** 19

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)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2016

Number of Participants

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										
30-34										
35-39										
40-44		1								
45-49										
50-54			3			1				
55-59					1		2			
60-64			1				2	1		
65-69										
70+										

N-13

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

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

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of September 2015), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	4.43%
2nd Segment Rate	5.91%
3rd Segment Rate	6.65%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2015), without regard to interest rate stabilization
1st Segment Rate	1.34%
2nd Segment Rate	4.03%
3rd Segment Rate	5.06%
Retirement Age	
Active Participants	62
Terminated Vested Participants	62
Mortality Rates	
Healthy and Disabled	Generational mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(d)
Withdrawal Rates	None
Disability Rates	None

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Decrement Timing	Middle of year decrements (except that retirement is assumed to occur at the beginning of the year for ages where the assumed retirement rate is 100%)
Surviving Spouse Benefit	It is assumed that 60% of males and 30% of females have an eligible spouse, and that males are four years older than their spouses.
Benefit Limits	Projected benefits are limited by the current IRC section 415 maximum benefit of $210,000.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).
Expected Return on Assets	
2015 Plan Year	5.75%
2016 Plan Year	4.50%
Optional Payment Form Election Percentage	The Liabilities reflect the following optional form election percentages:
50% Joint & Survivor	30%
100% Joint & Survivor	20%
5-year Certain & Life	50%
Trust Expenses Included in Target Normal Cost	Prior year administrative expenses rounded to $1,000 ($8,000 for 2016)
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2016

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

2016

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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

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
RHEIN CHEMIE CORPORATION RETIREMENT PLAN FOR UNION EMPLOYEES AT LITTLE ROCK, AR

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 04/30/2005

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)
LANXESS CORPORATION

111 PARK WEST DRIVE

PITTSBURGH PA 15275

2b Employer Identification Number (EIN) 21-0730107

2c Sponsor's telephone number 412-809-2204

2d Business code (see instructions) 325900

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**	34
b Total number of participants at the end of the plan year	**5b**	34
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**5c**	
d(1) Total number of active participants at the beginning of the plan year	**5d(1)**	13
d(2) Total number of active participants at the end of the plan year	**5d(2)**	10
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	Signature of plan administrator	Date 10/10/2017	GRETCHEN ECKERT 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.) [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	3,288,079	3,506,692
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	3,288,079	3,506,692
8 Income, Expenses, and Transfers for this Plan Year		**(a) Amount**	**(b) Total**
a Contributions received or receivable from: (1) Employers	8a(1)	257,268	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	161,537	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		418,805
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	191,819	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g	8,373	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		200,192
i Net income (loss) (subtract line 8h from line 8c)	8i		218,613
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 1I 3H

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			2,000,000
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				

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 contributions 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? (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)		☐ Yes ☒ No
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? If "No," skip b.	☐ Yes ☐ No
15b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
16a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
16b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No

17a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____ and the serial number _____.

17b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____.

18 Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	☐ Yes ☐ No
19 Was any plan participant a 5% owner who had attained at least age 70 ½ during the prior plan year?	☐ Yes ☐ No

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

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **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
RHEIN CHEMIE CORPORATION RETIREMENT PLAN FOR UNION EMPLOYEES AT LITTLE ROCK, AR

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
LANXESS CORPORATION

D Employer Identification Number (EIN)
21-0730107

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 01 Day 01 Year 2016

2 Assets:

a Market value	**2a**	3,286,697
b Actuarial value	**2b**	3,380,168

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	16	2,261,486	2,261,486
b For terminated vested participants	5	376,906	376,906
c For active participants	13	983,805	983,805
d Total	34	3,622,197	3,622,197

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**	6.09%
6 Target normal cost	**6**	8,000

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 SANNIDH S. AMBERKAR S.A. — 09/28/2017

Signature of actuary — Date

SANNIDH S. AMBERKAR — 1707276

Type or print name of actuary — Most recent enrollment number

AON CONSULTING, INC. — 847-295-5000

Firm name — Telephone number (including area code)

4 OVERLOOK POINT

LINCOLNSHIRE IL 60069

Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 0.74%	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		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 6.28%		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)	0	0

Part III Funding Percentages

14	Funding target attainment percentage	14	93.31%
15	Adjusted funding target attainment percentage	15	93.31%
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	83.72%
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
04/15/2016	77,189	0			
07/14/2016	77,189	0			
10/14/2016	55,857	0			
01/12/2017	47,033	0			
			Totals ▶ 18(b)	257,268	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	248,268

20 Quarterly contributions and liquidity shortfalls:

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

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
4.43 %	5.91 %	6.65%	

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

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**	8,000
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	242,029	240,249
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**	248,249

	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**	248,249
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	248,268
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	19
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)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2016

Date	Amount	Days to Discount to 1/1/2016 at 6.09%	Interest Adjusted Contribution
April 15, 2016	$ 77,189	105	$ 75,891
July 14, 2016	77,189	195	74,796
October 14, 2016	55,857	287	53,327
January 12, 2017	47,033	377	44,254
Total Contribution	$ 257,268		$ 248,268

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

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

All active participants are assumed to retire at age 62.

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

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

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of September 2015), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	4.43%
2nd Segment Rate	5.91%
3rd Segment Rate	6.65%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2015), without regard to interest rate stabilization
1st Segment Rate	1.34%
2nd Segment Rate	4.03%
3rd Segment Rate	5.06%
Retirement Age	
Active Participants	62
Terminated Vested Participants	62
Mortality Rates	
Healthy and Disabled	Generational mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(d)
Withdrawal Rates	None
Disability Rates	None

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Decrement Timing	Middle of year decrements (except that retirement is assumed to occur at the beginning of the year for ages where the assumed retirement rate is 100%)
Surviving Spouse Benefit	It is assumed that 60% of males and 30% of females have an eligible spouse, and that males are four years older than their spouses.
Benefit Limits	Projected benefits are limited by the current IRC section 415 maximum benefit of $210,000.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).
Expected Return on Assets	
2015 Plan Year	5.75%
2016 Plan Year	4.50%
Optional Payment Form Election Percentage	The Liabilities reflect the following optional form election percentages:
50% Joint & Survivor	30%
100% Joint & Survivor	20%
5-year Certain & Life	50%
Trust Expenses Included in Target Normal Cost	Prior year administrative expenses rounded to $1,000 ($8,000 for 2016)
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2016

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, Part V—Summary of Plan Provisions

History of Plan	The Tire Curing Bladders, LLC ("TCB LLC") entered into an asset purchase agreement with Pirelli Tire, LLC effective April 30, 2005. Under such agreement TCB LLC has established this plan solely for the participants of the Pirelli Tire Retirement Pension Plan (the "Pirelli Tire Plan") as of August 15, 2004 that were subject to the Little Rock collective bargaining agreement of which such employees continue to remain employed with the Employer on or after April 30, 2005. LANXESS U.S. acquired TCB LLC in 2012 and now maintains the plan.
Participation	Employees who were part of Pirelli Tire Retirement Pension Plan as of August 15, 2004 and continued to be employed on or after April 30, 2005.
Plan Freeze	On August 15, 2004, service was frozen for all active participants. Nonvested participants were fully vested in their benefit upon termination.
Normal Retirement	
Eligibility	Age 65 and five years of service.
Monthly Benefit	A + B, subject to a minimum monthly benefit of $41.00 multiplied by the participant's credit service: A. 0.5% of final compensation (monthly) prior to the participant's fifth anniversary date, multiplied by his full years of past service to said anniversary date. B. 0.5% of final compensation (monthly) up to $3,000 plus 1% of final compensation over $3,000, multiplied by his credit service between said anniversary date and his normal retirement date.
Early Retirement	
Eligibility	Age 55 and 10 years of service.
Benefit	Accrued normal retirement benefit reduced 4/10% for each month that the commencement date precedes the month in which the participant attains age.
Unreduced Early Retirement	
Eligibility	Age 62 and 10 years of service, or complete 30 years of service.

Monthly Benefit	Unreduced normal retirement benefit.
Special Early Retirement	
Eligibility	Age 55 and 30 years of service.
Monthly Benefit	Pre-62: $50 multiplied by credit service plus $10 multiplied by credit service after age 55. Post-62: Unreduced normal retirement benefit.
Late Retirement	
Benefit	Accrued normal retirement benefit, including accruals beyond age 65.
Disability Retirement	
Eligibility	Ten years of service and total disability.
Benefit	Unreduced accrued benefit at time of disability, payable in the sixth month following the disability.
Deferred Vested Retirement	
Eligibility	Five years of service.
Benefit	Accrued benefit at termination if benefits deferred to normal retirement age. Actuarial equivalent of accrued benefit at termination if commencing before normal retirement age.
Preretirement Death Benefit	
Eligibility	Five years of service and married for at least one year.
Benefit	For active participants: qualified joint and survivor annuity (QJSA) deferred to participant's earliest retirement age, reduced based on actuarial equivalence if commencing immediately. For terminated vested participants: Deferred vested benefit payable as a QJSA at the earliest retirement date, reduced by 0.5% for each year of coverage.
Supplemental Postretirement Death Benefit	
Eligibility	Retired from active status, or retired from terminated vested status after age 60, and married for at least one year.
Benefit	Lump sum of $4,000.

Transition Survivor Income Benefit	
Eligibility	Thirty days of credit service at death.
Monthly Benefit	$500 less any qualified preretirement survivor annuity payable, subject to a maximum of $300, payable until survivor reaches age 62 for at most two years.
Bridge Survivor Benefit	
Eligibility	Age 45 at death.
Monthly Benefit	$500 less any qualified preretirement survivor annuity payable, subject to a maximum of $300, payable two years after death and until survivor reaches age 62 or remarries.
Special Medicare Benefit	
Eligibility	Age 65.
Monthly Benefit	$50, subject to maximum of the standard monthly premium for Medicare Part B coverage.
Form of Benefit Payment	
Normal	Single participant: Five-year certain and life annuity. Married participant: 50% joint and survivor annuity.
Optional	10- and 15-year certain and life annuity; 50% and 100% joint and survivor annuity with pop-up; cash refund annuity.

Plan Changes Since the Prior Year

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

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

The actuarial valuation was conducted on an ongoing (not termination) basis using personnel data furnished as of January 1, 2016 by LANXESS Corporation. The dates and amounts of contributions are based on information supplied by LANXESS Corporation. Asset information was furnished by Vanguard.

All applicable IRC Section 415 limits have been taken into account to the extent that no participants are expected to be affected by the limits.

The target liability was calculated using the segment rates with a four-month lookback (September 2015 rates). As such, "4" was entered on line 21b as the applicable lookback month.

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following assumption change:

- A change in the expected rate of return on plan assets from 5.75% to 4.50%.

This change was made to better reflect the anticipated plan experience. This assumption change did not reduce the funding shortfall; as such, approval of the Commissioner is not required.

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2016

Number of Participants

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										
30-34										
35-39										
40-44		1								
45-49										
50-54			3			1				
55-59					1		2			
60-64			1				2	1		
65-69										
70+										

N-13

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	$ 147,536	October 1, 2009	1	$ 147,536
Shortfall	$ 51,791	October 1, 2010	1.75	$ 30,143
Shortfall	$ 355,468	October 1, 2011	2.75	$ 134,377
Shortfall	$ (238,565)	October 1, 2012	3.75	$ (67,523)
Shortfall	$ 151,988	January 1, 2013	4	$ 40,502
Shortfall	$ (133,885)	January 1, 2014	5	$ (29,147)
Shortfall	$ (17,702)	January 1, 2015	6	$ (3,313)
Shortfall	$ (74,602)	January 1, 2016	7	$ (12,326)
	$ 242,029			$ 240,249

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2016

Date	Amount	Days to Discount to 1/1/2016 at 6.09%	Interest Adjusted Contribution
April 15, 2016	$ 77,189	105	$ 75,891
July 14, 2016	77,189	195	74,796
October 14, 2016	55,857	287	53,327
January 12, 2017	47,033	377	44,254
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Schedule SB, line 22—Description of Weighted Average Retirement Age

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Schedule SB Attachment (Form 5500)—2016 Plan Year
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Schedule SB, Part V—Summary of Plan Provisions

History of Plan	The Tire Curing Bladders, LLC ("TCB LLC") entered into an asset purchase agreement with Pirelli Tire, LLC effective April 30, 2005. Under such agreement TCB LLC has established this plan solely for the participants of the Pirelli Tire Retirement Pension Plan (the "Pirelli Tire Plan") as of August 15, 2004 that were subject to the Little Rock collective bargaining agreement of which such employees continue to remain employed with the Employer on or after April 30, 2005. LANXESS U.S. acquired TCB LLC in 2012 and now maintains the plan.
Participation	Employees who were part of Pirelli Tire Retirement Pension Plan as of August 15, 2004 and continued to be employed on or after April 30, 2005.
Plan Freeze	On August 15, 2004, service was frozen for all active participants. Nonvested participants were fully vested in their benefit upon termination.
Normal Retirement	
Eligibility	Age 65 and five years of service.
Monthly Benefit	A + B, subject to a minimum monthly benefit of $41.00 multiplied by the participant's credit service: A. 0.5% of final compensation (monthly) prior to the participant's fifth anniversary date, multiplied by his full years of past service to said anniversary date. B. 0.5% of final compensation (monthly) up to $3,000 plus 1% of final compensation over $3,000, multiplied by his credit service between said anniversary date and his normal retirement date.
Early Retirement	
Eligibility	Age 55 and 10 years of service.
Benefit	Accrued normal retirement benefit reduced 4/10% for each month that the commencement date precedes the month in which the participant attains age.
Unreduced Early Retirement	
Eligibility	Age 62 and 10 years of service, or complete 30 years of service.

Monthly Benefit	Unreduced normal retirement benefit.
Special Early Retirement	
Eligibility	Age 55 and 30 years of service.
Monthly Benefit	Pre-62: $50 multiplied by credit service plus $10 multiplied by credit service after age 55. Post-62: Unreduced normal retirement benefit.
Late Retirement	
Benefit	Accrued normal retirement benefit, including accruals beyond age 65.
Disability Retirement	
Eligibility	Ten years of service and total disability.
Benefit	Unreduced accrued benefit at time of disability, payable in the sixth month following the disability.
Deferred Vested Retirement	
Eligibility	Five years of service.
Benefit	Accrued benefit at termination if benefits deferred to normal retirement age. Actuarial equivalent of accrued benefit at termination if commencing before normal retirement age.
Preretirement Death Benefit	
Eligibility	Five years of service and married for at least one year.
Benefit	For active participants: qualified joint and survivor annuity (QJSA) deferred to participant's earliest retirement age, reduced based on actuarial equivalence if commencing immediately. For terminated vested participants: Deferred vested benefit payable as a QJSA at the earliest retirement date, reduced by 0.5% for each year of coverage.
Supplemental Postretirement Death Benefit	
Eligibility	Retired from active status, or retired from terminated vested status after age 60, and married for at least one year.
Benefit	Lump sum of $4,000.

Transition Survivor Income Benefit	
Eligibility	Thirty days of credit service at death.
Monthly Benefit	$500 less any qualified preretirement survivor annuity payable, subject to a maximum of $300, payable until survivor reaches age 62 for at most two years.
Bridge Survivor Benefit	
Eligibility	Age 45 at death.
Monthly Benefit	$500 less any qualified preretirement survivor annuity payable, subject to a maximum of $300, payable two years after death and until survivor reaches age 62 or remarries.
Special Medicare Benefit	
Eligibility	Age 65.
Monthly Benefit	$50, subject to maximum of the standard monthly premium for Medicare Part B coverage.
Form of Benefit Payment	
Normal	Single participant: Five-year certain and life annuity. Married participant: 50% joint and survivor annuity.
Optional	10- and 15-year certain and life annuity; 50% and 100% joint and survivor annuity with pop-up; cash refund annuity.

Plan Changes Since the Prior Year

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

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

The actuarial valuation was conducted on an ongoing (not termination) basis using personnel data furnished as of January 1, 2016 by LANXESS Corporation. The dates and amounts of contributions are based on information supplied by LANXESS Corporation. Asset information was furnished by Vanguard.

All applicable IRC Section 415 limits have been taken into account to the extent that no participants are expected to be affected by the limits.

The target liability was calculated using the segment rates with a four-month lookback (September 2015 rates). As such, "4" was entered on line 21b as the applicable lookback month.

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	$ 147,536	October 1, 2009	1	$ 147,536
Shortfall	$ 51,791	October 1, 2010	1.75	$ 30,143
Shortfall	$ 355,468	October 1, 2011	2.75	$ 134,377
Shortfall	$ (238,565)	October 1, 2012	3.75	$ (67,523)
Shortfall	$ 151,988	January 1, 2013	4	$ 40,502
Shortfall	$ (133,885)	January 1, 2014	5	$ (29,147)
Shortfall	$ (17,702)	January 1, 2015	6	$ (3,313)
Shortfall	$ (74,602)	January 1, 2016	7	$ (12,326)
	$ 242,029			$ 240,249

Schedule SB Attachment (Form 5500)—2016 Plan Year
Rhein Chemie Corporation Retirement Plan for Union Employees at Little Rock, AR
EIN: 21-0730107 PN: 002

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following assumption change:

- A change in the expected rate of return on plan assets from 5.75% to 4.50%.

This change was made to better reflect the anticipated plan experience. This assumption change did not reduce the funding shortfall; as such, approval of the Commissioner is not required.