

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
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Part I Annual Report Identification Information			
For calendar plan year 2016 or fiscal plan year beginning <u>10/01/2016</u> and ending <u>09/30/2017</u>			
A This return/report is for:	☒	a single-employer plan	a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
	☐	a one-participant plan	
B This return/report is	☐	the first return/report	the final return/report
	☐	an amended return/report	a short plan year return/report (less than 12 months)
C Check box if filing under:	☒	Form 5558	☐ automatic extension ☐ DFVC program
	☐	special extension (enter description)	

Part II Basic Plan Information —enter all requested information				
1a Name of plan	<u>WALTER USA, LLC PENSION PLAN</u>		1b Three-digit plan number (PN) ►	<u>002</u>
			1c Effective date of plan	<u>10/01/1966</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>WALTER USA, LLC</u> <u>N22 W23855 RIDGEVIEW PKWY W</u> <u>WAUKESHA, WI 53188</u>			2b Employer Identification Number (EIN)	<u>39-0925180</u>
			2c Sponsor's telephone number	<u>262-347-2420</u>
			2d Business code (see instructions)	<u>333510</u>
3a Plan administrator's name and address ☒ Same as Plan Sponsor.			3b Administrator's EIN	
			3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. a Sponsor's name			4b EIN	
			4c PN	
5a Total number of participants at the beginning of the plan year	5a		<u>56</u>	
b Total number of participants at the end of the plan year	5b		<u>0</u>	
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)		<u>26</u>	
d(2) Total number of active participants at the end of the plan year	5d(2)		<u>0</u>	
e Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	5e		<u>0</u>	
Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.				
Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.				
SIGN HERE	Filed with authorized/valid electronic signature.	07/16/2018	THOMAS W. GORR	
	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.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	1201105	1514625
b Total plan liabilities	7b		0
c Net plan assets (subtract line 7b from line 7a)	7c	1201105	1514625
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	585000	
(2) Participants	8a(2)	0	
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	40840	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		625840
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	312320	
e Certain deemed and/or corrective distributions (see instructions) ..	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g	0	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		312320
i Net income (loss) (subtract line 8h from line 8c)	8i		313520
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:
1B 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			2900000
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		X		
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?	☐ Yes ☒ No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)	
a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____	
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.	
b Enter the minimum required contribution for this plan year	12b
c Enter the amount contributed by the employer to the plan for this plan year	12c
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d
e Will the minimum funding amount reported on line 12d be met by the funding deadline?	☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?	☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐ Yes ☒ No
c If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)	
13c(1) Name of plan(s):	13c(2) EIN(s)
	13c(3) PN(s)

Part VIII Trust Information

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

Part IX IRS Compliance Questions

15a Is the plan a 401(k) plan? 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
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For calendar plan year 2016 or fiscal plan year beginning 10/01/2016 and ending 09/30/2017

▶ **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 <u>WALTER USA, LLC PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>WALTER USA, LLC</u>	D Employer Identification Number (EIN) <u>39-0925180</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>10</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>1282763</u>
b Actuarial value	2b <u>1282763</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>0</u> (2) Vested Funding Target <u>0</u> (3) Total Funding Target <u>0</u>
b For terminated vested participants	<u>30</u> <u>402634</u> <u>402634</u>
c For active participants	<u>26</u> <u>775172</u> <u>794564</u>
d Total	<u>56</u> <u>1177806</u> <u>1197198</u>
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 <u>6.20 %</u>
6 Target normal cost	6 <u>42151</u>

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		<u>07/16/2018</u>
	Signature of actuary	Date
<u>AIKAZ MAKAROVSKIY</u>	Type or print name of actuary	<u>17-06311</u>
		Most recent enrollment number
<u>MERCER</u>	Firm name	<u>212-345-7685</u>
<u>1166 AVENUE OF THE AMERICAS</u> <u>NEW YORK, NY 10036</u>	Address of the firm	Telephone number (including area code)

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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)	99	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9 Amount remaining (line 7 minus line 8)	99	0
10 Interest on line 9 using prior year's actual return of 3.50%	3	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		76746
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 6.40%		4912
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		81658
d Portion of (c) to be added to prefunding balance		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	102	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	107.13%
15 Adjusted funding target attainment percentage	15	107.14%
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	109.70%
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
09/25/2017	500000	0			
Totals ►			18(b)	500000	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	471295
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost					
21	Discount rate:					
a	Segment rates:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">1st segment: 4.43%</td> <td style="width: 33%;">2nd segment: 5.91%</td> <td style="width: 33%;">3rd segment: 6.65%</td> </tr> </table>	1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%	☐ N/A, full yield curve used
1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%				
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	42151			
b	Excess assets, if applicable, but not greater than line 31a	31b	42151			
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			
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	471295			
38	Present value of excess contributions for current year (see instructions)					
a	Total (excess, if any, of line 37 over line 36)	38a	471295			
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

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											
25–29			1								1
30–34											
35–39				1							1
40–44			4								4
45–49			1			1					2
50–54			3		1						4
55–59			4		2	1	2	1	1		11
60–64			1		1						2
65 & up										1	1
Total			14	1	4	2	2	1	1	1	26

In each cell, the number is the count of active participants for each age/service.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Assumptions****Discount rate sponsor elections**

• Segment rates or full yield curve	Segment		
• Look-back months	4		
		Stabilized	Nonstabilized
• First 5 years		4.43%	1.50%
• Next 15 years		5.91%	3.88%
• Over 20 years		6.65%	4.89%

Mortality sponsor elections

• Healthy participants	Section 430(h)(3) prescribed combined static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.
• Disabled participants	Same as healthy

417(e) lump sums

Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year unisex 417(e) mortality.

Other economic assumptions

• Salary increases	N/A
• Social Security taxable wage base increases	N/A
• Inflation	N/A
• Expected investment return	3.50%
	Rationale: The expected investment return on plan assets is the prescribed guaranteed return in the underlying insurance contract of the investment manager.
• Expenses	No administrative expenses are assumed to be paid from the trust.

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

• Withdrawal	See table of sample rates.	
• Disability incidence	See table of sample rates.	
• Retirement age	65	
• Benefit commencement age for		
— Future vested deferred	65	
— Current vested deferred	65	
• Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
— Percentage married	80%	80%
— Spouse age difference	3 years younger	3 years older
Rationale: Because the employer does not have enough credible experience to analyze spousal demographics, the assumptions regarding percent married/spouse age difference at benefit commencement are based on the actuary's experience with many plans and discussions with employer representatives.		

Form of payment	<u>Lump sum</u>	<u>Single life</u>
• Active retirements	100%	0%
• Future vested deferred	100%	0%
• Future deaths	100%	0%
• Current vested deferred	100%	0%
Unpredictable contingent event assumptions	Not applicable	

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

Attained age	Percentage			
	Withdrawal		Disability incidence	
	Male	Female	Male	Female
20	5.4384%	5.4384%	0.0314%	0.0314%
25	5.2917%	5.2917%	0.0441%	0.0441%
30	5.0672%	5.0672%	0.0564%	0.0564%
35	4.6984%	4.6984%	0.0752%	0.0752%
40	3.5035%	3.5035%	0.1117%	0.1117%
45	1.7686%	1.7686%	0.1815%	0.1815%
50	0.4048%	0.4048%	0.3043%	0.3043%
55	0.0000%	0.0000%	0.5058%	0.5058%
60	0.0000%	0.0000%	0.8164%	0.8164%
65	0.0000%	0.0000%	0.0000%	0.0000%

Rationale: The rates were reviewed based on an experience study undertaken in 2014.

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

The asset valuation method is the fair market value.

Participant Methods

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

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

Minimum Funding Methods

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

A detailed description of the calculation follows:

- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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
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For calendar plan year 2016 or fiscal plan year beginning 10/01/2016 and ending 09/30/2017

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A Name of plan WALTER USA, LLC PENSION PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF WALTER USA, LLC	D Employer Identification Number (EIN) 39-0925180	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>10</u> Day <u>01</u> Year <u>2016</u>			
2 Assets:			
a Market value.....	2a	1,282,763	
b Actuarial value.....	2b	1,282,763	
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.....	30	402,634	402,634
c For active participants.....	26	775,172	794,564
d Total.....	56	1,177,806	1,197,198
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	6.20%	
6 Target normal cost.....	6	42,151	

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	<u>7/16/2018</u> Date 1706311
Aikaz Makarovskiy Type or print name of actuary		Most recent enrollment number 212-345-7685 Telephone number (including area code)
MERCER Firm name		
1166 AVENUE OF THE AMERICAS NEW YORK NY 10036 Address of the firm		

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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).....	99	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8).....	99	0
10	Interest on line 9 using prior year's actual return of <u>3.50%</u>	3	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year).....		76,746
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.40%</u>		4,912
	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.....		81,658
	d Portion of (c) to be added to prefunding balance.....		
12	Other reductions in balances due to elections or deemed elections.....		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	102	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	107.13%
15	Adjusted funding target attainment percentage.....	15	107.14%
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	109.70%
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
09/25/2017	500,000	0			
Totals ►			18(b)	500,000	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	471,295
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: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %
			☐ 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	42,151	
b Excess assets, if applicable, but not greater than line 31a	31b	42,151	
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
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	471,295	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	471,295	
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

The weighted average retirement age is equal to the normal retirement age of 65.

Assumed retirement age is the normal retirement age of 65.

Schedule SB, Part V — Summary of Plan Provisions***Benefits Included or Excluded***

Unless noted below, all benefits provided by the plan, as restated and amended through the Fifth Amendment, are included in this valuation.

- **Most recent plan amendments included:** Effective October 10, 2011.
- **Plan amendments excluded:** Amendments adopted after the valuation date or effective after the current plan year are excluded from the valuation.
- **Late retirement increases:**
 - *Active participants:* There are no active participants over normal retirement age as of October 1, 2016.
 - *Deferred vested participants:* There are three deferred vested participants over normal retirement age as of October 1, 2016.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Plan Provisions Specific to Funding***Additional Benefits Included or Excluded***

- **IRC Section 436 benefit restrictions:**
 - *Plan amendments:* See above.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.

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

Plan Provision Changes Since Prior Valuation

Maximum benefit amounts under IRS rules were updated from 2015 to 2016.

Schedule SB, Part V — Summary of Plan Provisions**Summary of Major Plan Provisions**

Effective date and plan year	Original plan: October 1, 1966 Restated plan: January 1, 2012 Plan year: October 1 through September 30
Status of the plan	The plan has ongoing benefit accruals for a closed group of participants.
Significant events that occurred during the year	None.
Definitions	
• Covered employees	All employees covered by a Collective Bargaining Agreement. Leased Employees are included. Effective October 10, 2011, all future employees hired are excluded.
• Participation	Participation begins on the first day of the Plan Year following the date the employee is an eligible employee.
• Employee contributions	None.
• Vesting service	Anniversary years of employment with at least 1,000 hours of service
• Credited service	1,800 hour Plan Years of service. Partial credit is given for Plan Years of less than 1,800 hours, based on 150 hour increments. Credited service prior to October 1, 1966 is disregarded.
Normal retirement	
• Eligibility	First day of month coincident with or following the date on which the Participant has attained age 65.
• Benefit	Effective October 1, 2008, the amount of monthly benefits payable is equal to \$25 times the number of Credited Service years.
Early retirement	
• Eligibility	Age 55 and 10 years of Vesting Service
• Benefit	Accrued benefit, reduced 6% per year prior to age 65.
Late retirement	
• Benefit	Greater of continued accruals or actuarially equivalent Normal Retirement Benefit.
Disability	
• Eligibility	Disability as determined by a physician appointed by the Plan Administrator.
• Benefit	Unreduced accrued benefit, payable immediately.
Pre-retirement death	
• Benefit for Vested married participants	Survival portion of the Standard Qualified Joint and Survivor Annuity, payable at Participant's earliest retirement date.

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
• Automatic form for unmarried participants	Single Life Annuity with 5 years certain.
• Automatic form for married participants	Joint and 50% Survivor Annuity
• Optional forms	Option 1: A single life annuity Option 2: A single life annuity with 5 years certain Option 3: A joint and full (100%) survivor annuity Option 4: A joint and seventy-five percent (75%) survivor annuity Option 5: A joint and sixty-six and two-thirds percent (66 2/3%) survivor annuity Option 6: A joint and fifty percent (50%) survivor annuity Option 7: Lump sum
• Optional form conversion factors	Based on actuarial equivalence using 1983 Group Annuity Mortality table and 7.5% interest
Miscellaneous	
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2016, the limit is \$210,000.