

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2017</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>	
A	This return/report is for: <div style="display: flex; justify-content: space-between;"> <div> ☐ a multiemployer plan ☒ a single-employer plan </div> <div> ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ a DFE (specify) ____ </div> </div>
B	This return/report is: <div style="display: flex; justify-content: space-between;"> <div> ☐ the first return/report ☐ an amended return/report </div> <div> ☒ the final return/report ☐ a short plan year return/report (less than 12 months) </div> </div>
C	If the plan is a collectively-bargained plan, check here. ☒
D	Check box if filing under: <div style="display: flex; justify-content: space-between;"> <div> ☒ Form 5558 ☐ special extension (enter description) </div> <div> ☐ automatic extension </div> <div> ☐ the DFVC program </div> </div>

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>PENSION PLAN FOR HOURLY EMPLOYEES OF LOUISVILLE, KENTUCKY FACILITY</u>	1b	Three-digit plan number (PN) ▶ <u>028</u>
		1c	Effective date of plan <u>02/01/1990</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>BASF CORPORATION</u> <u>100 PARK AVENUE</u> <u>FLORHAM PARK, NJ 07932</u>	2b	Employer Identification Number (EIN) <u>16-1090809</u>
		2c	Plan Sponsor's telephone number <u>973-245-6000</u>
		2d	Business code (see instructions) <u>325100</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2018	GEORGE H. MUSKAL, EMPLOYEE BENEFITS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2017)
v. 170203

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 175
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year	6a(1) 44
a(2) Total number of active participants at the end of the plan year	6a(2) 0
b Retired or separated participants receiving benefits	6b 0
c Other retired or separated participants entitled to future benefits	6c 0
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e	6f 0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1B 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ 0 **A** (Insurance Information)
- (4)** ☐ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

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 2017 This Form is Open to Public Inspection
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For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

▶ **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>PENSION PLAN FOR HOURLY EMPLOYEES OF LOUISVILLE, KENTUCKY FACILITY</u>	B Three-digit plan number (PN) ▶ <u>028</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>BASF CORPORATION</u>	D Employer Identification Number (EIN) <u>16-1090809</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>01</u> Day <u>01</u> Year <u>2017</u>			
2 Assets:			
a Market value	2a	<u>8528563</u>	
b Actuarial value	2b	<u>8528563</u>	
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	<u>106</u>	<u>6249790</u>	<u>6249790</u>
b For terminated vested participants	<u>25</u>	<u>345498</u>	<u>345498</u>
c For active participants	<u>44</u>	<u>2043116</u>	<u>2100263</u>
d Total	<u>175</u>	<u>8638404</u>	<u>8695551</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>5.83 %</u>	
6 Target normal cost	6	<u>54159</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>09/26/2018</u>
Signature of actuary		Date
<u>MARK SHIVE, F.S.A., E.A.</u>		<u>17-08352</u>
Type or print name of actuary		Most recent enrollment number
<u>WILLIS TOWERS WATSON</u>		<u>973-290-2797</u>
Firm name		Telephone number (including area code)
<u>8 CAMPUS DRIVE</u> <u>PARSIPPANY, NJ 07054-4409</u>		
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 <u>6.33</u> %	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)		76
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>6.02</u> %		5
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
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	98.07%
15 Adjusted funding target attainment percentage	15	98.07%
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	95.84%
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
04/11/2017	38229	0			
07/10/2017	37649	0			
10/11/2017	37649	0			
12/28/2017	190800	0			
Totals ▶			18(b)	304327	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	290577

20 Quarterly contributions and liquidity shortfalls:

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

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

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

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 5.72 %	3rd segment: 6.48 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age.....				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	54159	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	166988	231019	
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	285178	
	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	285178	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	290577	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	5399	
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	117866	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2017</div> This Form is Open to Public Inspection.
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For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan <u>PENSION PLAN FOR HOURLY EMPLOYEES OF LOUISVILLE, KENTUCKY FACILITY</u>	B Three-digit plan number (PN) ►	<u>028</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>BASF CORPORATION</u>	D Employer Identification Number (EIN) <u>16-1090809</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: BASF CORPORATION PENSION MASTER TR

b Name of sponsor of entity listed in (a): BASF CORPORATION

c EIN-PN <u>16-1090809-101</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2017 This Form is Open to Public Inspection
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>		
A Name of plan <u>PENSION PLAN FOR HOURLY EMPLOYEES OF LOUISVILLE, KENTUCKY FACILITY</u>		B Three-digit plan number (PN) <u>028</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BASF CORPORATION</u>		D Employer Identification Number (EIN) <u>16-1090809</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	203485	0
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(2) U.S. Government securities.....	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts.....	1c(9)		
	(10) Value of interest in pooled separate accounts.....	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)	8311108	0
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	8514593 0
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	6084 0
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	6084 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	8508509 0

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	304327
	(B) Participants	2a(1)(B)	
	(C) Others (including rollovers)	2a(1)(C)	
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	304327
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	0
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	0
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		912549
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1216876

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	642622	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		642622
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		642622

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		574254
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		9082763

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: COHNREZNICK LLP

(2) EIN: 22-1478099

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
BASF CORPORATION BARGAINING UNIT EMPLOYEES' PENSION PLAN	16-1090809	003

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4078693. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2017</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017		
A Name of plan PENSION PLAN FOR HOURLY EMPLOYEES OF LOUISVILLE, KENTUCKY FACILITY		B Three-digit plan number (PN) ▶ 028
C Plan sponsor's name as shown on line 2a of Form 5500 BASF CORPORATION		D Employer Identification Number (EIN) 16-1090809
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-3275867		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3 0
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☒ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2017 v. 170203		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**PENSION PLAN FOR HOURLY EMPLOYEES
OF LOUISVILLE, KENTUCKY FACILITY**

Financial Statements
and Independent Auditor's Report

December 31, 2017 and 2016

**PENSION PLAN FOR HOURLY EMPLOYEES
OF LOUISVILLE, KENTUCKY FACILITY**

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Note: All schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

Independent Auditor's Report

BASF Corporation as Plan Sponsor and Plan Administrator
and Participants in the
Pension Plan for Hourly Employees of Louisville, Kentucky Facility

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Pension Plan for Hourly Employees of Louisville, Kentucky Facility (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by JPM Chase Bank, N.A. and BNY Mellon, N.A., the Trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that JPM Chase Bank, N.A. held the Plan's investment assets and executed investment transactions for the period from August 31, 2017 to December 31, 2017, and that BNY Mellon, N.A. held the Plan's investment assets and executed investment transactions as of December 31, 2016 and for the period from January 1, 2016 to August 31, 2017. The Plan

Administrator has obtained certifications from the Trustees as of and for the years ended December 31, 2017 and 2016, that the information provided to the Plan Administrator by the Trustees is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

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

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

CohnReznick LLP

Roseland, New Jersey
September 28, 2018

**PENSION PLAN FOR HOURLY EMPLOYEES
OF LOUISVILLE, KENTUCKY FACILITY**

Statements of Net Assets Available for Benefits
December 31, 2017 and 2016
(In thousands)

	<u>2017</u>	<u>2016</u>
Assets:		
Investment in the BASF Corporation Master Trust, at fair value	\$ 9,083	\$ 8,311
Contribution receivable	<u>—</u>	<u>204</u>
Total assets	<u>9,083</u>	<u>8,515</u>
Liabilities:		
Accrued administrative expenses	—	6
Due to BASF Corporation Consolidated Bargaining Unit Employees' Pension Plan	<u>9,083</u>	<u>—</u>
Total liabilities	<u>9,083</u>	<u>6</u>
Net assets available for benefits	<u>\$ —</u>	<u>\$ 8,509</u>

See accompanying notes to financial statements.

**PENSION PLAN FOR HOURLY EMPLOYEES
OF LOUISVILLE, KENTUCKY FACILITY**

Statements of Changes in Net Assets Available for Benefits
December 31, 2017 and 2016
(In thousands)

	<u>2017</u>	<u>2016</u>
Additions:		
Net investment gain from the BASF Corporation Master Trust	\$ 1,029	\$ 479
Contributions	<u>304</u>	<u>293</u>
Total additions	<u>1,333</u>	<u>772</u>
Deductions:		
Benefits paid to participants	643	781
Investment and administrative expenses	<u>116</u>	<u>127</u>
Total deductions	<u>759</u>	<u>908</u>
Net increase (decrease) before transfer	574	(136)
Transfer to BASF Corporation Consolidated Bargaining Unit Employees' Pension Plan	<u>9,083</u>	<u>—</u>
Net decrease	(8,509)	(136)
Net assets available for benefits:		
Beginning of year	8,509	8,645
End of year	\$ <u>—</u>	\$ <u>8,509</u>

See accompanying notes to financial statements.

PENSION PLAN FOR HOURLY EMPLOYEES OF LOUISVILLE, KENTUCKY FACILITY

Notes to Financial Statements
December 31, 2017 and 2016
(In thousands)

(1) Description of the Plan

The following description of the Pension Plan for Hourly Employees of Louisville, Kentucky Facility (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the provisions of the Plan and detailed definitions of various Plan terms.

BASF Corporation (the Sponsor) administers the Plan through its Pension and Savings Plan Committee (the Plan Administrator) under the authority of the Pension and Benefits Committee of the Sponsor's Board of Directors. Effective as of August 31, 2017, the Plan has an agreement with JPM Chase Bank, N.A. (the Trustee) whereby the assets of the Plan are held in the BASF Corporation Master Trust (the Master Trust). Prior to September 1, 2017, BNY Mellon, N.A. was the Plan's trustee. The Master Trust was established by the Sponsor and is administered by the Trustee. The trust fund distributes the benefits to participants in accordance with the provisions of the Plan. The assets of the Plan are managed by the Trustee and several investment managers of the Sponsor.

a) General

The Plan is a defined benefit pension Plan providing retirement benefits to the Sponsor's eligible bargaining unit hourly employees of BASF Americas Corporation (the Company) or any of its subsidiaries or affiliates which have adopted the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan was created on February 1, 1990 and has been amended since that time.

Effective June 30, 2010, the Plan has ceased all accruals of future benefits for employees. No employee shall become a participant in the Plan after June 30, 2010.

At the close of business on December 31, 2017, the Plan merged into BASF Corporation Consolidated Bargaining Unit Employees' Pension Plan.

b) Sponsor Contributions

The Plan is noncontributory on the part of the employees. The Company contributes such amounts as are necessary to meet or exceed the minimum funding requirements as prescribed by any applicable law. The Company contributed \$304 and \$293 for the plan years ended December 31, 2017 and 2016, respectively. The Sponsor met or exceeded the minimum funding requirements of ERISA.

PENSION PLAN FOR HOURLY EMPLOYEES OF LOUISVILLE, KENTUCKY FACILITY

Notes to Financial Statements
December 31, 2017 and 2016
(In thousands)

c) Distributions

Normal retirement is at age 65. The monthly benefit is calculated based on an amount per month, as specified in the Plan for each year of credited service. Early retirement is available at age 55 with 10 years of credited service. If the participant has less than 25 years of credited service, the reduction amount is 3/10 of 1% per month for every month retired prior to attaining age 65. Otherwise, the reduction amount is 3/10 of 1% per month for every month retired prior to attaining age 62.

The normal form of retirement benefit payment is a life annuity. However, if an employee is married on the date their benefit payments commence, their retirement benefit is paid in the form of a 50% joint and survivor annuity – unless the member elects not to receive it in this form, and has obtained the spouse's written consent. There are also several optional forms of retirement benefit payments, all of which are actuarial equivalents to the life annuity. These optional forms of payment include: Social Security adjusted, 10-year period certain, Restoration Joint and Survivor Annuity (50% only), and Joint and Survivor Annuity 100%, 75%, 66-2/3%, and 50% contingent annuities. According to the Plan document, under the 100%, 75%, 66-2/3%, and 50% contingent annuity option, the participant designates another person (usually a spouse) to receive a continued monthly pension, after his death and for the life of the other person (the contingent annuitant), in the selected percentage. The participant's benefit is reduced to reflect payout over two lifetimes. The greater the continuation percentage, the greater the reduction will be. Further details on these optional payment methods can be found in the Plan document.

Any member whose service is terminated other than by death or retirement and who has completed 5 years of service is eligible to receive a vested retirement allowance commencing at age 65. Total and permanent disability benefits are provided for any qualified participant with 10 years of credited service. The disability pension ceases at age 65, at which time the employee receives the normal retirement pension based on credited service to date of disability. Automatic death benefits are payable to the surviving spouse of an employee who dies in active service and who has completed 5 years of active service. The monthly benefit is equal to 50% of the normal benefit accrued to date of death. Benefit commences immediately if the participant is age 55 or older, or when the participant would have reached 55.

d) Vesting

Benefits become vested after five years of service to the Sponsor.

**PENSION PLAN FOR HOURLY EMPLOYEES
OF LOUISVILLE, KENTUCKY FACILITY**

Notes to Financial Statements
December 31, 2017 and 2016
(In thousands)

(2) Summary of Significant Accounting Policies

a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (GAAP).

b) Valuation of Investments

The Plan's investment in the Master Trust has been presented at fair value, which has been determined based on the fair value of the underlying investments of the Master Trust. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See "Note 6 Fair Value Measurements" for discussion of fair value measurement.

c) Security Transactions

Purchases and sales of securities are recorded on a trade date basis. Net investment gain includes the Plan's gains and losses on investments bought and sold as well as held during the year.

d) Investment Income

Dividend income is recorded on the ex-dividend date; interest is recorded as earned on the accrual basis.

e) Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

f) Payment of Benefits

Benefit payments to participants are recorded upon distribution.

**PENSION PLAN FOR HOURLY EMPLOYEES
OF LOUISVILLE, KENTUCKY FACILITY**

Notes to Financial Statements
December 31, 2017 and 2016
(In thousands)

g) Administrative Costs

All administrative expenses of the Master Trust, such as trustee, custodian and accounting services, are paid by the Master Trust and then allocated to the participating plans.

h) Risk and Uncertainties

The Plan utilizes various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the financial statements.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

i) Reclassification

Certain amounts in the 2016 financial statements have been reclassified to conform with the 2017 presentation.

j) Subsequent Events

The Plan has evaluated events through September 28, 2018, the date the financial statements were available to be issued.

(3) Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The accumulated plan benefits for active employees are based on the number of credited service years ending on the date the benefit information is presented (the valuation date).

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Benefits payable under all circumstances (retirement, death, disability and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The significant actuarial assumptions used in determining the present value of accumulated Plan benefits as of December 31, 2016 were as follows:

Discount rate	6.80%
Mortality rate	RP-2014 Mortality Table
Actuarial cost method	Projected Unit Credit Cost Method
Average retirement age	63

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of the accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2017. Had the valuations been performed as of December 31, there would be no material differences.

The actuarial present value of accumulated plan benefits, determined by Willis Towers Watson for 2016, is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, withdrawal, or retirement) between the valuation date and the expected date of payment.

The status of the estimated actuarially determined present value of the accumulated benefits under the Plan as of December 31, 2016 is:

Vested benefits:

Participants / beneficiaries currently receiving payments	\$	6,005
Other participants		<u>2,169</u>
		8,174

Nonvested benefits:

		<u>54</u>
Total actuarial present value of accumulated plan benefits	\$	<u><u>8,228</u></u>

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The changes in the actuarial present value of accumulated plan benefits were:

Actuarial present value of accumulated plan benefits as of January 1, 2016	\$ 8,329
Increase (decrease) attributable to:	
Decrease in the discount period	572
Benefits paid	(781)
Assumption changes and plan amendments	<u>108</u>
Actuarial present value of accumulated plan benefits as of December 31, 2016	<u>\$ 8,228</u>

(4) Federal Income Tax Status

The Internal Revenue Service has determined and informed the Sponsor by letter dated May 10, 2017 that the Plan and the related trust are designed in accordance with applicable sections of the Internal Revenue Code (the Code). The Plan has been amended since receiving the determination letter. The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with applicable requirements of the Code. Accordingly, the Plan's financial statements do not include a provision for income taxes.

(5) Interest in the Master Trust

The Plan has an agreement with the Trustees whereby substantially all the assets of the Plan are held in the Master Trust. The assets are maintained in a commingled account by the Trustee and are not separately identified as to ownership. The value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the Master Trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon average monthly balances invested by each plan. The Plan had a percentage interest in the Master Trust of less than 1% as of December 31, 2017 and 2016.

As of December 31, 2017, the following benefit plans participated in the Master Trust:

- Pension Plan for Hourly Employees of Louisville, Kentucky Facility
- Pension Plan for Hourly Employees of Vidalia, Louisiana Facility
- BASF Corporation Consolidated Bargaining Unit Employees' Pension Plan
- BASF Corporation Salaried Employees' Pension Plan
- Chemetall Corporation Retirement Plan

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(6) Fair Value Measurements

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

- | | |
|---------|--|
| Level 1 | Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs. |
| Level 2 | Observable prices that are based on inputs not quoted on active markets, but corroborated by market data. |
| Level 3 | Unobservable inputs are used when little or no market data is available which are significant to the fair value measurements. The fair value hierarchy gives the lowest priority to Level 3 inputs. |

In determining fair value, the Master Trust utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considers counterparty credit risk in its assessment of fair value. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Corporate Stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Money Market: Valued at amortized cost, which approximates fair value.

U.S. Government Securities: Valued using pricing models maximizing the use of observable inputs for similar securities.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange

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Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Corporate Debt Instruments: Corporate bond securities traded on national securities exchanges are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market and listed securities for which no sales were reported on that date are valued at the last reported bid price.

Common/collective Trusts and 103-12 Investments: The Plan's interest in the common/collective trusts and 103-12 investments are valued at the NAV. The NAV, as provided by the Trustees, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

Real Estate and Partnerships/Joint Ventures: The Plan's interest in real estate and partnerships/joint venture funds are valued at the NAV. The NAV, as provided by the investment advisor, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

Futures Contracts: Valued at the last sale price (or, if there is no sale on the valuation day, bid price) in the market where such contracts are principally traded.

Repurchase Agreements: Short-term agreements to sell and buy back securities in the future which is valued based on the value of the underlying asset.

Swap Agreements: Valued based on the net present value of all estimated future cash flows. Swaps may be valued in terms of bond prices or as a portfolio of forwards contracts.

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The following tables set forth by level, within the fair value hierarchy, the Master Trust's assets at fair value as of December 31, 2017 and 2016:

Assets at Fair Value as of December 31, 2017

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stock	\$ 359,102	\$ -	\$ -	\$ 359,102
Preferred Stock	6,044	9,892	-	15,936
Total Corporate Stock	<u>365,146</u>	<u>9,892</u>	<u>-</u>	<u>375,038</u>
Corporate Debt Instruments	-	1,089,065	65	1,089,130
U.S. Government Securities	-	673,002	-	673,002
Mutual Funds	171,304	-	-	171,304
Money Market	-	2,425	-	2,425
Other	-	198,563	-	198,563
Total assets in the fair value hierarchy	<u>\$ 536,450</u>	<u>\$ 1,972,947</u>	<u>\$ 65</u>	<u>\$ 2,509,462</u>
Investments measured at net asset value (a)				1,053,363
Total investments at fair value				<u>\$ 3,562,825</u>

Assets at Fair Value as of December 31, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stock	\$ 382,973	\$ -	\$ -	\$ 382,973
Preferred Stock	7,331	14,392	-	21,723
Total Corporate Stock	<u>390,304</u>	<u>14,392</u>	<u>-</u>	<u>404,696</u>
Corporate Debt Instruments	-	978,444	-	978,444
U.S. Government Securities	-	554,920	-	554,920
Mutual Funds	200,772	-	-	200,772
Money Market	-	17,876	-	17,876
Other	-	87,726	-	87,726
Total assets in the fair value hierarchy	<u>\$ 591,076</u>	<u>\$ 1,653,358</u>	<u>\$ -</u>	<u>\$ 2,244,434</u>
Investments measured at net asset value (a)				957,142
Total investments at fair value				<u>\$ 3,201,576</u>

(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the net assets of the Master Trust.

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The following tables set forth a summary of changes in the fair value of the Master Trust's Level 3 assets for the years ended December 31, 2017 and 2016:

For the Year Ended December 31, 2017

	Corporate Debt Instruments
Opening Balance	\$ -
Acquisitions	1,295
Dispositions	(4)
Unrealized Loss	(1,226)
Closing Balance	<u>\$ 65</u>

For the Year Ended December 31, 2016

	Corporate Debt Instruments
Opening Balance	\$ 14
Realized Loss	(1,142)
Unrealized Gain	1,128
Closing Balance	<u>\$ -</u>

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The following table represents the Master Trust's investments with reported NAV at December 31, 2017:

	Fair Value	Unfunded Commitment	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
All Weather Portfolio	\$ 111,934	\$ -	Monthly	5 business days
Bridgewater Pure Alpha Fund Ltd	45,398	-	Monthly	5 business days
Oaktree Expanded High Yield Fund	134,005	-	Monthly	10 business days
OCM Opportunities Fund III LP	9	-	N/A	N/A
Total 103-12 Investments	<u>291,346</u>	<u>-</u>		
 A&Q Diversified Neutral Alpha Limited	 17	 -	 End of any calendar quarter	 Last business day of the first month of such quarter
CIF II Opportunistic Emerging Markets Debt Portfolio (Series I)	106,738	-	Daily liquidity	Must be received by 4pm the day prior to the settlement date
JPMorgan Commingled Pension	44,101	-	Daily liquidity	None
NCS Group Trust	55,838	-	Monthly	The next business day following Valuation Date
Pyramis Select International Fund	107,338	-	Daily liquidity	5 business days
Sprucegrove US Intl Pooled Fund	113,754	-	Monthly	10 business days for withdrawals over \$5 million
T. Rowe Price Emerging Market Equity Trust	75,677	-	Monthly	The eighth business day following month-end
Wellington Equity Research Trust	156,002	-	Monthly	Must be received by the 22nd calendar day of the preceding month
 Total Common/Collective Trusts	 <u>659,465</u>	 <u>-</u>		
 Amaranth International Limited	 197	 -	 Liquidating failed hedge fund	 Full redemption requested
Ashmore Global Special Situations	1,693	-	N/A	N/A
Cerberus Institutional Real Estate Partners III, L.P.	24,220	7,307	N/A	N/A
EIG Energy Fund XB, L.P.	17	-	N/A	N/A
EIG Energy Fund XIV-A, L.P.	2,988	690	N/A	N/A
Fortress Credit Opps Fund B LP	11,542	1,815	N/A	N/A
Galen Partners IV LP	1,134	-	N/A	N/A
GSO Capital Solutions Fund II	13,768	15,090	N/A	N/A
H/2 Special Opportunities IV L.P.	2,405	22,271	N/A	N/A
Oaktree Real Estate Opportunities Fund VI, L.P.	21,638	6,900	N/A	N/A
PEG Secondary Fund	6,482	7,100	N/A	N/A
RCG Longview Debt Fund IV LP	84	-	N/A	N/A
Rockwood Capital Real Estate VI	175	-	N/A	N/A
Rockwood Capital Real Estate VII	5,559	-	N/A	N/A
TPG Opportunities Partners II LP	10,650	11,842	N/A	N/A
Total Partnership/Joint Ventures	<u>102,552</u>	<u>73,015</u>		
Totals	<u>\$ 1,053,363</u>	<u>\$ 73,015</u>		

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The following table represents the Master Trust's investments with reported NAV at December 31, 2016:

	<u>Fair Value</u>	<u>Unfunded Commitment</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
All Weather Portfolio	\$ 99,928	\$ -	Monthly	5 business days
Bridgewater Pure Alpha Fund Ltd	44,834	-	Monthly	5 business days
Oaktree Expanded High Yield Fund	149,302	-	Monthly	10 business days
OCM Opportunities Fund III LP	369	-	N/A	N/A
Total 103-12 Investments	<u>294,433</u>	<u>-</u>		
 A&Q Diversified Neutral Alpha Limited	 17	 -	 End of any calendar quarter	 Last business day of the first month of such quarter
CIF II Opportunistic Emerging Markets Debt Portfolio (Series 1)	141,102	-	Daily liquidity	Must be received by 4pm the day prior to the settlement date
Collective US Government STIF	80,282	-	Daily liquidity	N/A
JPMorgan Commingled Pension	41,955	-	Daily liquidity	None
Pyramis Select International Fund	86,722	-	Daily liquidity	5 business days
Sprucegrove US Intl Pooled Fund	89,249	-	Monthly	10 business days for withdrawals over \$5 million
Wellington Equity Research Trust	96,302	-	Monthly	Must be received by the 22nd calendar day of the preceding month
 Total Common/Collective Trusts	 <u>535,629</u>	 <u>-</u>		
 AEW Value Investors II, LP	 1,424	 -	 N/A	 N/A
AEW Value Investors LP	74	-	N/A	N/A
Amaranth International Limited	204	-	Liquidating failed hedge fund	Full redemption requested
Ashmore Global Special Situations	1,592	-	N/A	N/A
Cerberus Institutional Real Estate Partners III, L.P.	29,370	7,307	N/A	N/A
EIG Energy Fund XB, L.P.	131	-	N/A	N/A
EIG Energy Fund XIV-A, L.P.	2,673	690	N/A	N/A
Fortress Credit Opps Fund B LP	14,053	2,029	N/A	N/A
Galen Partners IV LP	1,051	-	N/A	N/A
GSO Capital Solutions Fund II	13,534	17,431	N/A	N/A
Oaktree Real Estate Opportunities Fund VI, L.P.	27,544	6,900	N/A	N/A
PEG Secondary Fund	8,973	7,100	N/A	N/A
RCG Longview Debt Fund IV LP	1,396	5,006	N/A	N/A
Rockwood Capital Real Estate V	392	-	N/A	N/A
Rockwood Capital Real Estate VI	1,440	-	N/A	N/A
Rockwood Capital Real Estate VII	8,257	-	N/A	N/A
TPG Opportunities Partners II LP	14,966	11,842	N/A	N/A
Total Partnership/Joint Ventures	<u>127,074</u>	<u>58,305</u>		
 Rockwood Capital Real Estate IV	 6	 -	 N/A	 N/A
Total Real Estate	<u>6</u>	<u>-</u>		
Totals	\$ <u>957,142</u>	\$ <u>58,305</u>		

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A&Q Diversified Neutral Alpha Limited - This is the remaining portion not yet returned from a fully redeemed hedge fund. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

AEW Value Investors LP - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. This fund is completely wrapped up.

AEW Value Investors II, LP - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. This fund has been wrapped up.

Amaranth International Limited - A failed hedge fund. Highly levered investments in energy brought the fund down in 2006. BASF requested full redemption of the remaining investment in 2006. Less than \$1 million remains to be paid to the BASF Pension Trust.

Ashmore Global Special Situations - The fund invests in emerging market private equity. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

Cerberus Institutional Real Estate Partners III, L.P. - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 6 years.

EIG Energy Fund XB, L.P. - A fund that provides debt financing to oil, gas and other energy producers with proven reserves. Return on investment is interest on debt as well as royalties, if investments perform well. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying

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assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

EIG Energy Fund XIV-A, L.P. - A fund that provides debt financing to oil, gas and other energy producers with proven reserves. Return on investment is interest on debt as well as royalties, if investments perform well. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 2 years.

Fortress Credit Opps Fund B LP - The fund invests in distressed debt - residential and commercial mortgages, commercial debt, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

Galen Partners IV LP - A fund which invests in mid-stage medical equipment private equity. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

GSO Capital Solutions Fund II - This is a limited partnership that will provide debt to small, below investment grade companies. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 6 years.

H/2 Special Opportunities IV – This is a limited partnership that provides commercial real estate loans. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

Oaktree Real Estate Opportunities Fund VI, LP - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 6 years.

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PEG Secondary Fund - A fund which buys limited partnership interests from distressed sellers such as endowment funds, which have over invested in illiquid investments. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 4 years.

RCG Longview Debt Fund IV LP - This fund provides subordinate financing (mezzanine debt) to commercial real estate investors, mainly in the New York metro area. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

Rockwood Capital Real Estate V - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. This fund has been fully wound down.

Rockwood Capital Real Estate VI - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

Rockwood Capital Real Estate VII - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

Rockwood Capital Real Estate IV - A fully liquidated real estate limited partnership that invested in commercial real estate.

TPG Opportunities Partners II LP - The fund invests in distressed debt - residential and commercial mortgages, commercial debt, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the

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liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 4 years.

(7) Certification by the Plan Trustee (Unaudited)

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulation for Reporting and Disclosure under ERISA. Investments at December 31, 2017 and 2016, and investment income for the years then ended, that are disclosed in the accompanying financial statements, were obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by the Trustee of the Plan.

Information regarding the commingled assets of the Master Trust as of December 31, 2017 and 2016, certified by the Trustee and BNY Mellon, N.A., respectively, is summarized as follows:

	Unaudited	
	December 31, 2017	December 31, 2016
Investments:		
Interest Bearing Cash	\$ 2,425	\$ 17,876
U.S. Government Securities	673,002	554,920
Corporate Debt Instruments	1,089,130	978,444
Corporate Stocks		
Preferred	15,936	21,723
Common	359,102	382,973
Partnership/Joint Venture Interests	102,552	127,074
Real Estate	—	6
Common/Collective Trusts	659,465	535,629
103-12 Investment Entities	291,346	294,433
Mutual Funds	171,304	200,772
Other	198,563	87,726
Total Investments	<u>3,562,825</u>	<u>3,201,576</u>
Receivables:		
Other	162,056	84,930
Liabilities:		
Other	(515,820)	(327,705)
Total Net Assets of Master Trust	<u>\$ 3,209,061</u>	<u>\$ 2,958,801</u>
Plan's Investment in the Master Trust	\$ 9,083	\$ 8,311
Plan's Investment in the Master Trust as a percentage of total	0.28%	0.28%

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The Master Trust assets include limited investments in derivative financial instruments. These investments are in accordance with guidelines established by the Sponsor. Such contracts are entered into to manage market risks associated with the Master Trust's investment portfolio, to lower transaction costs or to enhance returns on investments in the Master Trust. The Master Trust does not enter into any leverage or complex derivative instruments.

Changes in net assets for the Master Trust are as follows:

	Unaudited	
	2017	2016
Net appreciation	\$ 311,720	\$ 126,702
Interest income	53,587	53,707
Dividend income	26,787	27,231
Total investment income	392,094	207,640
Net transfers	(122,657)	(187,836)
Administrative expenses	(19,177)	(18,574)
Increase in net assets	250,260	1,230
Net assets:		
Beginning of year	2,958,801	2,957,571
End of year	\$ 3,209,061	\$ 2,958,801

(8) Party-in-Interest Transactions

Certain Plan investments are shares or units of funds managed by JPM Chase Bank, N.A., the Plan's Trustee, as of December 31, 2017. Transactions in these funds qualify as permitted party-in-interest transactions. Certain Plan investments were shares or units of funds managed by BNY Mellon, N.A. as of December 31, 2016, therefore, these transactions qualified as permitted party-in-interest transactions.

(9) Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder and the Plan document.

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December 31, 2017 and 2016
(In thousands)

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal-age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all.

(10) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the statement of net assets available for benefits per the financial statements as of December 31, 2017 to Form 5500:

	<u>Per Financial Statements</u>	<u>Adjustments</u>	<u>Per Form 5500</u>
Investment in the BASF Corporation Master Trust, at fair value	\$ 9,083	\$ (9,083)	—
Due to BASF Corporation Consolidated Bargaining Unit Employees' Pension Plan	(9,083)	9,083	—

The transfer of the investment in the BASF Corporation Master Trust to the BASF Corporation Consolidated Bargaining Unit Employees' Pension Plan is shown on the Form 5500 as if the physical transfer of the assets occurred on December 31, 2017.

**PENSION PLAN FOR HOURLY EMPLOYEES
OF LOUISVILLE, KENTUCKY FACILITY**

Notes to Financial Statements
December 31, 2017 and 2016
(In thousands)

The following is a reconciliation of certain line items on the statement of changes in net assets available for benefits per the financial statements for the year ended December 31, 2017 to Form 5500:

	<u>Per Financial Statements</u>	<u>Reclass for Form 5500 Purposes</u>	<u>Per Form 5500</u>
Net investment gain from BASF Corporation Master Trust	\$ 1,029	\$ (116)	\$ 913
Administrative fees	116	(116)	—

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2017

Analysis of Active Participant Data by Age and Service - BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility

Attained Age		COMPLETED YEARS OF SERVICE									
		Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & up
Under 25	Count	0	0	0	0	0	0	0	0	0	0
25-29	Count	0	0	0	0	0	0	0	0	0	0
30-34	Count	0	0	0	0	0	0	0	0	0	0
35-39	Count	0	3	0	0	0	0	0	0	0	0
40-44	Count	0	0	1	0	0	0	0	0	0	0
45-49	Count	0	0	2	0	1	0	0	0	0	0
50-54	Count	0	2	4	0	6	1	0	0	0	0
55-59	Count	0	2	2	0	2	10	0	0	0	0
60-64	Count	0	0	1	0	2	1	0	0	1	0
65-69	Count	0	0	0	0	1	0	0	0	0	0
70 & up	Count	0	0	0	0	0	0	0	0	0	0
		AVERAGE AGE = 53.8					AVERAGE SERVICE = 14.4				

* Does not include 2 active employees who have transferred within BASF and are no longer accruing benefits under this plan.

Plan Name: BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
 EIN / PN: 16-1090809/028
 Plan Sponsor: BASF Corporation
 Valuation Date: January 1, 2017

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Actuarial Assumptions and Methods - Louisville

Economic Assumptions

Interest rate basis:

- Applicable month September 2016
- Yield curve basis Segment rates

Interest rates:

Reflecting Corridors

Not Reflecting Corridors

- | | | |
|---------------------------|-------|-------|
| ■ First segment rate | 4.16% | 1.52% |
| ■ Second segment rate | 5.72% | 3.80% |
| ■ Third segment rate | 6.48% | 4.79% |
| ■ Effective interest rate | 5.83% | 4.01% |

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

New or rehired employees

It was assumed there will be no new or rehired employees.

Mortality

■ Healthy

Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, with generational projection) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, with generational projection)

■ Disabled

Alternative disabled life mortality tables as defined under Revenue Ruling 96-7

Termination

Rates varying by age and service:

<i>Age</i>	<i>Rate</i>
25	10.0%
30	10.0%
35	7.0%
40	7.0%
45	5.0%
50	5.0%
55	5.0%

Disability

SOA 1980 rates of disability.

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
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Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Retirement

Rates varying by age and service:

Age	Rate
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	5.00%
60	5.00%
61	5.00%
62	20.00%
63	20.00%
64	20.00%
65	40.00%
66	40.00%
67	40.00%
68	40.00%
69	40.00%
70	100.00%

Benefit commencement age for deferred vested participants Age 61 or immediate if older than age 61 at actuarial valuation date

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Form of payment:

For single employees, a single life annuity

For married employees, 40% are assumed to take a life annuity and 60% take a 50% contingent annuity.

The table below shows full detail on the percentage of participants assumed to elect each of the available optional forms of benefit payment under the plan.

Form of Payment	Single	Married
Single Life Annuity	100%	40%
50% Contingent Annuity (QJSA)	0%	60%
75% Contingent Annuity	0%	0%
100% Contingent Annuity	0%	0%
66 2/3% Contingent Annuity	0%	0%
50% Pop-up Annuity	0%	0%
10 year Certain and Life Annuity	0%	0%
Level Income Annuity	0%	0%
Deminimis lump sum	0%	0%

Since all annuity forms are actuarially equivalent, no explicit assumption is made for annuity forms other than the Single Life Annuity and 50% Contingent Annuity Option (QJSA).

Percent married 85% of males; 55% of females

Spouse age Wives 2 years younger than husbands

Administrative expenses Noninvestment expenses paid from the Trust are assumed to be 0.65% of the Fair Value of Assets

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430.
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.
Actuarial value of assets	Actuarial value of assets is equal to the market value of assets on the valuation date (including any receivables).
Benefits Not Valued	All benefits described in the summary of plan provisions were valued.

Sources of Data and Other Information

BASF and its third party administrator furnished participant data and claims data as of 1/1/2018. Information on assets, contributions and plan provisions was supplied by the BASF. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. In consultation with BASF, assumptions were made for missing or apparently inconsistent data elements as described in the Data Action Plan provided on August 2, 2017.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Economic Assumptions for Contributions

Discount rate	The basis chosen was selected by BASF from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Rates of increase in:	
■ Compensation	Not applicable.
■ National average wages (NAW) (e.g., Social Security wage bases)	Consistent with a modest premium for assumed real wage growth in excess of long term price inflation assumption.
■ Increases in statutory limits (CPI)	The assumed CPI is based on a combination of current conditions and future forecasts by economists.
Administrative “and investment” expenses	Administrative expenses are estimated by determining the expected actual expenses for the coming year, reflecting items like expected PBGC premiums.

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are selected by the plan sponsor from among the options prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are selected by the plan sponsor from among the options prescribed by IRC §430(h).
Termination	Assumption represents an estimate of future experience reflecting considerations including an experience study conducted in 2014.
Disability	The assumption chosen is a table in prevalent use and does not reflect any plan specific experience given the population size and rates of disability are not expected to generate credible experience.
Retirement	Assumptions represent an estimate of future experience reflecting considerations including an experience study conducted in 2014, early retirement subsidies and other plan provisions, and the expected impact of recent benefit accrual freezes.
Benefit commencement date for deferred benefits:	
■ Deferred vested benefit	Deferred vested participants' assumed commencement age is a single age intended to capture the average age at commencement. Assumptions represent an estimate of future experience reflecting considerations including an experience study conducted by Willis Towers Watson for all other plans in 2014.
Form of payment	Assumptions represent an estimate of future experience reflecting considerations including an experience study conducted by Willis Towers Watson for all other plans in 2014.
Percent married	Assumptions, validated by an experience study conducted by Willis Towers Watson in 2014, represent an estimate of future experience.
Spouse age	Assumptions, validated by an experience study conducted by Willis Towers Watson in 2014, represent an estimate of future experience.

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Source of Prescribed Methods

Funding methods The methods used for funding purposes as described herein, including the method of determining plan assets, are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by BASF from a range of methods permitted by IRC §430.

Changes in Assumptions, Methods and Estimation Techniques

Change in assumptions since prior valuation - contributions The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC §430.
The administrative expense load increased from 0.55% of the Fair Value of Assets in 2016 to 0.65% of the Fair Value of Assets in 2017 to account for higher expected expenses to be paid from the trust.

Change in methods since prior valuation None.

Plan Name: BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN: 16-1090809/028
Plan Sponsor: BASF Corporation
Valuation Date: January 1, 2017

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment 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

2017**This Form is Open to Public
Inspection**For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017▶ **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 BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility		B Three-digit plan number (PN) ▶ <u>028</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF BASF CORPORATION		D Employer Identification Number (EIN) 16-1090809
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2017</u>			
2 Assets:			
a Market value.....		2a	8,528,563
b Actuarial value		2b	8,528,563
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	106	6,249,790	6,249,790
b For terminated vested participants	25	345,498	345,498
c For active participants	44	2,043,116	2,100,263
d Total	175	8,638,404	8,695,551
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	5.83%
6 Target normal cost		6	54,159

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	Mark Shive		9/26/2018
Signature of actuary		Date	
Mark Shive, F.S.A., E.A.		1708352	
Type or print name of actuary		Most recent enrollment number	
Willis Towers Watson		973-290-2797	
Firm name		Telephone number (including area code)	
3 Campus Drive			
Parsippany NJ 07054-4409			
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) 2017**

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

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 5.72 %	3rd segment: 6.48 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	54,159	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	166,988	231,019	
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	285,178	
	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	285,178	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	290,577	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	5,399	
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	117,866	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	BASF Corporation
EIN/PN	16-1090809/028
Plan Name	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
Valuation Date	January 1, 2017
Enrolled Actuary	Mark Shive, F.S.A., E.A.
Enrollment Number	17-08352

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2017

(1) Ages	(2) Rate of Retirement	(3) Remaining Active (3) at AGE-1 x (1-(2))	(4) Number Retiring (3) at AGE-1 minus (3) at AGE	(5) Ages * Number Retiring: (1) x (4)
		1.0000		
50	0.000	1.0000	0.0000	0.00
51	0.000	1.0000	0.0000	0.00
52	0.000	1.0000	0.0000	0.00
53	0.000	1.0000	0.0000	0.00
54	0.000	1.0000	0.0000	0.00
55	0.050	0.9500	0.0500	2.75
56	0.050	0.9025	0.0475	2.66
57	0.050	0.8574	0.0451	2.57
58	0.050	0.8145	0.0429	2.49
59	0.050	0.7738	0.0407	2.40
60	0.050	0.7351	0.0387	2.32
61	0.050	0.6983	0.0368	2.24
62	0.200	0.5586	0.1397	8.66
63	0.200	0.4469	0.1117	7.04
64	0.200	0.3575	0.0894	5.72
65	0.400	0.2145	0.1430	9.30
66	0.400	0.1287	0.0858	5.66
67	0.400	0.0772	0.0515	3.45
68	0.400	0.0463	0.0309	2.10
69	0.400	0.0278	0.0185	1.28
70	1.000	0.0000	0.0278	1.95

Average Retirement Age:

62.59

The determination of the average retirement age assumes employees continue in employment until reaching the first age of retirement eligibility with the required number of years of service. After this point, only the retirement decrement is recognized.

Plan Name: BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky
Facility
EIN / PN: 16-1090809/028
Plan Sponsor: BASF Corporation
Valuation Date: January 1, 2017

Independent Auditor's Report

BASF Corporation as Plan Sponsor and Plan Administrator
and Participants in the
Pension Plan for Hourly Employees of Louisville, Kentucky Facility

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Pension Plan for Hourly Employees of Louisville, Kentucky Facility (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by JPM Chase Bank, N.A. and BNY Mellon, N.A., the Trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that JPM Chase Bank, N.A. held the Plan's investment assets and executed investment transactions for the period from August 31, 2017 to December 31, 2017, and that BNY Mellon, N.A. held the Plan's investment assets and executed investment transactions as of December 31, 2016 and for the period from January 1, 2016 to August 31, 2017. The Plan

Administrator has obtained certifications from the Trustees as of and for the years ended December 31, 2017 and 2016, that the information provided to the Plan Administrator by the Trustees is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

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

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

CohnReznick LLP

Roseland, New Jersey
September 28, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions - Louisville

Effective Date	October 1, 1969 (last amended July 1, 2010)
Covered Employees	Hourly Employees of the Louisville, KY facility represented by Local 663 of the International Chemical Workers Union hired prior to July 1, 2010.
Participation Date	The later of the effective date or employment date

Definitions

Vesting Service	A plan year in which a participant completed at least 1,000 hours of service.
Benefit Service	A calendar year in which a participant completed at least 1,800 hours of service. A participant with less than 1,800 hours will be credited with 1/10 of one year of service for each 180 hours worked.
Normal Retirement Date (NRD)	Age 65
Monthly Pension Benefit	A monthly pension equal to the dollar amount as set forth in the summary of pension benefit levels, multiplied by the number of years of Benefit Service. No additional monthly benefits are accrued for periods after June 2010.
Monthly Preretirement Spouse Benefit	50% of the Monthly Pension Benefit as of the date of death reduced for the 50% joint and survivor option and reduced for early payment assuming payment on the earliest date the participant would have been eligible to commence his benefits had he terminated on the date of death. (i.e. as early as age 55 except for disabled participants, for whom this benefit would be payable immediately). The minimum monthly benefit is \$40 prorated for less than 10 years of Benefit Service.

Eligibility for Benefits

Normal retirement	Retire at NRD
Early retirement	Retire before NRD and on or after both attaining age 55 and completing 10 years of Vesting Service
Postponed retirement	Retire after NRD
Deferred vested	Terminate for reasons other than death or retirement after completing five years of Vesting Service
Preretirement spouse benefit	Spouse of active participants who die after having completed five years of Vesting Service
Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Disability benefit Totally and permanently disabled and after completing 10 years of Benefit Service.

Benefits Paid Upon the Following Events

Normal retirement	Monthly Pension Benefit determined as of NRD
Early retirement	Normal pension accrued to early retirement date commencing at age 65, or reduced for earlier commencement. If participant has less than 25 years of Benefit Service: Accrued Benefit reduced 3.6% per year prior to age 65. If the participant has 25 or more years of Benefit Service, there is no reduction on or after age 62, and the accrued benefit is reduced 3.6% per year prior to age 62.
Postponed retirement	Monthly Pension Benefit determined as of actual retirement date
Deferred vested termination	Monthly Pension Benefit determined as of termination date but reduced for early retirement benefits if payments begin prior to age 65
Death with preretirement spouse benefits	Monthly Preretirement Spouse Benefit
Disability	Benefit Service to date of disability times the pension multiplier in effect as of the disability date. This benefit ceases at age 65 (or after five years if the disability occurs after age 60), at which time the participant receives the normal retirement pension based on Benefit Service at date of disability.
Forms of payment	Normal forms: Life annuity for single participants; actuarially reduced 50% J&S for married participants Optional forms are also available. Refer to the Assumptions and Methods section for a list of all available forms. See Appendix I for actuarial equivalence basis used to adjust benefit amount for optional forms of payment.

Future Plan Changes

No future plan changes were recognized in determining pension cost or funding requirements.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Summary of Pension Benefit Levels

Monthly Pension Benefit	Date of Retirement
\$23.00	02/01/1991 – 01/31/1992
\$24.00	02/01/1992 – 01/31/1993
\$25.00	02/01/1993 – 12/31/1993
\$27.00	01/01/1994 – 12/31/1995
\$29.00	01/01/1996 – 01/31/1999
\$30.00	02/01/1999 – 01/31/2000
\$30.50	02/01/2000 – 01/31/2001
\$31.00	02/01/2001 – 01/31/2002
\$35.00	02/01/2002 – 01/31/2006
\$37.50	02/01/2006 – 01/31/2009
\$39.00	02/01/2009 and After

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Appendix I - Pension Plan for Hourly Employees of Louisville, Kentucky Facility

Annuity Conversion Basis:

For any annuity form of payment:

(A) Mortality – The 1971 Group Annuity Mortality Table weighted 90% male and 10% female

(B) Interest – 8.0% per annum.

Lump Sum Conversion Basis:

For any lump sum option, the conversion factor is calculated using the applicable mortality table established by the Internal Revenue Service under Code Section 417(e)(3) and the segment interest rates established by the IRS under 417(e).

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN:	16-1090809/028
Plan Sponsor:	BASF Corporation
Valuation Date	January 1, 2017

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32 Schedule of Amortization Bases as of January 1, 2017

Amortization Record for the Plan Year

Plan Year period: 1/1/2017 through 12/31/2017
Tax Year period: 1/1/2017 through 12/31/2017

1. Net Shortfall Amortization

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1 Shortfall	01/01/2017	14,313	7.00	14,313	2,350
2 Shortfall	01/01/2016	168,698	6.00	149,774	27,873
3 Shortfall	01/01/2015	(11,036)	5.00	(8,471)	(1,835)
4 Shortfall	01/01/2014	(500,847)	4.00	(315,728)	(83,821)
5 Shortfall	01/01/2011	1,741,034	1.25	327,100	286,452
Total				166,988	231,019

2. Waiver Amortization

Total Amortization Credits 0 0

Amortization charge shown above includes a "cash flow rule" acceleration of \$117,866 for 2011 triggered by compensation paid to employees in the controlled group in excess of \$1 million as indexed each year.

Plan Name: BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
EIN / PN: 16-1090809/028
Plan Sponsor: BASF Corporation
Valuation Date: January 1, 2017

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions

The administrative expense load increased from 0.55% of the Fair Value of Assets in 2016 to 0.65% of the Fair Value of Assets in 2017 to account for higher expected expenses to be paid from the trust.

Plan Name:	BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility
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