

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). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2018 This Form is Open to Public Inspection
---	--	---

Part I	Annual Report Identification Information
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
	☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ an amended return/report ☐ the final return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ☐
D	Check box if filing under: ☒ Form 5558 ☐ special extension (enter description) ☐ automatic extension ☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>PENSION PLAN FOR SALARIED AND PRODUCTION EMPLOYEES OF VALLOUREC STAR, LP</u>	1b	Three-digit plan number (PN) ▶ <u>002</u>
		1c	Effective date of plan <u>07/12/2002</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>VALLOUREC STAR, LP</u> <u>2107 CITYWEST BOULEVARD</u> <u>SUITE 1300</u> <u>HOUSTON, TX 77042-2827</u>	2b	Employer Identification Number (EIN) <u>82-0549409</u>
		2c	Plan Sponsor's telephone number <u>713-479-3220</u>
		2d	Business code (see instructions) <u>331200</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.	09/27/2019	JEAN RAUCKMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/27/2019	JEAN RAUCKMAN
	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 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor 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	5 678
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 a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	 6a(1) 286 6a(2) 286 6b 204 6c 157 6d 647 6e 16 6f 663 6g 0 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:

1A 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
--	--

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)** ☒ 1 **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 2018 Form M-1 annual report. If the plan was not required to file the 2018 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 A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance 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. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
---	---	---

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018	
A Name of plan PENSION PLAN FOR SALARIED AND PRODUCTION EMPLOYEES OF VALLOUREC STAR, LP	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 VALLOUREC STAR, LP	D Employer Identification Number (EIN) 82-0549409

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
---------------	---

1 Coverage Information:

(a) Name of insurance carrier PRINCIPAL LIFE INSURANCE COMPANY
--

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	467279	663	08/01/2018	12/31/2018

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid 0	(b) Total amount of fees paid 0
--	---

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	40277919

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier.....	6b	
c Premiums due but unpaid at the end of the year.....	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year.....	7b	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	
(4) Transferred from separate account.....	7c(4)	
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions.....	7c(6)	
d Total of balance and additions (add lines 7b and 7c(6))	7d	
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account.....	7e(3)	
(4) Other (specify below)	7e(4)	
▶		
(5) Total deductions.....	7e(5)	
f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount	10b	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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 2018 This Form is Open to Public Inspection
--	---	--

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

▶ 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 PENSION PLAN FOR SALARIED AND PRODUCTION EMPLOYEES OF VALLOUREC STAR, LP	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF VALLOUREC STAR, LP	D Employer Identification Number (EIN) 82-0549409

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 01 Day 01 Year 2018			
2 Assets:			
a Market value.....	2a	42561467	
b Actuarial value	2b	40535880	
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	201	17011995	17011995
b For terminated vested participants	191	7359390	7359390
c For active participants	297	21034440	22154700
d Total	689	45405825	46526085
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	5.80 %	
6 Target normal cost	6	2026285	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		
Signature of actuary	09/13/2019	Date
MATTHEW C. BURLEY, A.S.A., E.A.	17-05956	Most recent enrollment number
Type or print name of actuary	508-903-6015	Telephone number (including area code)
Firm name		
24 SUPERIOR DRIVE SUITE 400 NATICK, MA 01760-1528		
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>15.27</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)		1141
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>6.00</u> %		68
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		1209
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	87.12%
15 Adjusted funding target attainment percentage	15	87.12%
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	92.53%
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
04/12/2018	616985				
07/12/2018	616985				
09/27/2018	392				
10/12/2018	616985				
01/11/2019	616985				
09/12/2019	780573				
Totals ▶			18(b)	3248905	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	3088927

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: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%	☐ 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)	Prior regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute
	Current regulation:	☐ 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	2026285	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	5990205		1062642
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	3088927	
	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	3088927	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	3088927	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider 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
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan PENSION PLAN FOR SALARIED AND PRODUCTION EMPLOYEES OF VALLOUREC STAR, LP	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 VALLOUREC STAR, LP	D Employer Identification Number (EIN) 82-0549409	

Part I	Service Provider Information (see instructions)
---------------	--

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRINCIPAL LIFE INSURANCE COMPANY
42-0127290

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
TRANSAMERICA RETIREMENT SOLUTIONS
13-3689044

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 50 64	CONTRACT ADMINISTRATOR	84411	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

MBG RETIREMENT INC

76-0392127

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50 99	INVESTMENT ADVISORY	16467	Yes ☒ No ☐	Yes ☐ No ☒	5489	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

PRINCIPAL FINANCIAL ADVISORS

52-1523364

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50	INVESTMENT ADVISORY	763	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MBG RETIREMENT INC	27 50 99	5489
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRINCIPAL LIFE INSURANCE COMPANY 42-0127290	INVESTMENT ADVISORY (PLAN)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	TRANSAMERICA	b EIN:	13-3689044
c Position:	ENROLLED ACTUARY		
d Address:	24 SUPERIOR DRIVE SUITE 400 NATICK, MA 01760	e Telephone:	800-755-5801

Explanation: COST REDUCTION AND BETTER COMPREHENSIVE SERVICES FOR PARTICIPANTS

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	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 2018 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>PENSION PLAN FOR SALARIED AND PRODUCTION EMPLOYEES OF VALLOUREC STAR, LP</u>	B Three-digit plan number (PN) ► <u>002</u>	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>VALLOUREC STAR, LP</u>	D Employer Identification Number (EIN) <u>82-0549409</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)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP VALUE III SA-Z</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-022</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>622088</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL EMERG MARKETS SA-Z</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-013</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>769835</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL SMALLCAP SEP ACCT-Z</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-014</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>983447</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRINCIPAL U.S. PROPERTY SA-Z</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-027</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>2701609</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN CORE PLUS BOND SEP ACCT-Z</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-005</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>9354133</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN DIVERSIFIED INTL SA-Z</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-015</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5180698</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LGCP S&P 500 INDEX SA-Z</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-016</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1930190</u>		

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH III SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-026	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 624532
--------------------------------	------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP GROWTH I SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-070	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 314414
--------------------------------	------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGE CAP GROWTH I SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-066	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4573065
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP VALUE II SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-096	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 321202
--------------------------------	------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN HIGH YIELD I SEP ACCT-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-101	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1695747
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN EQUITY INCOME SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-120	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4655898
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN BOND MARKET INDEX SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-122	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3163532
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL DIV REAL ASSET SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-123	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 814404
--------------------------------	------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN GLOBAL MULTI-STR SA-Z

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-132	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2573126
--------------------------------	------------------------	---

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
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
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
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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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 2018 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>		
A Name of plan <u>PENSION PLAN FOR SALARIED AND PRODUCTION EMPLOYEES OF VALLOUREC STAR, LP</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VALLOUREC STAR, LP</u>	D Employer Identification Number (EIN) <u>82-0549409</u>	

Part I Asset and Liability Statement			
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) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	996538	1397558
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	0	0
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)	0	40277919
(11) Value of interest in master trust investment accounts	1c(11)		
(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)	41584543	
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(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	42581081	41675477

Liabilities

g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	0	
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	42581081	41675477
---	-----------	----------	----------

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.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	3248905	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		3248905
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	407873	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		407873
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(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)	0	
(B) Other	2b(5)(B)	0	
(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)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-3267702
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		1001866
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		1390942

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1539564	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1539564
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	493858	
(2) Contract administrator fees.....	2i(2)	230049	
(3) Investment advisory and management fees.....	2i(3)	33075	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		756982
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2296546

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-905604
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		

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: MELTON & MELTON, LLP

(2) EIN: 74-1550819

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	0
4b		X	0

		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.)	4c		X	0
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.)	4d		X	0
e Was this plan covered by a fidelity bond?	4e	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g		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?	4h		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.)	4i	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.)	4j	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?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
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.	4n			

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)

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 4177266. (See instructions.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information 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). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan PENSION PLAN FOR SALARIED AND PRODUCTION EMPLOYEES OF VALLOUREC STAR, LP		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 VALLOUREC STAR, LP		D Employer Identification Number (EIN) 82-0549409
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): 42-0127290 13-3689044		
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) 2018 v. 171027		

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

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****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

b The corresponding number for the second preceding plan year

15a**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

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

16a**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 SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AS OF
DECEMBER 31, 2018 AND 2017
AND
INDEPENDENT AUDITOR'S REPORT



MELTON & MELTON, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report.....	1 - 2
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits.....	4
Statements of Accumulated Plan Benefits	5
Statement of Changes in Accumulated Plan Benefits.....	6
Notes to Financial Statements.....	7 - 12
Schedule H, line 4i - Schedule of Assets (Held at End of Year)	13
Schedule H, line 4j - Schedule of Reportable Transactions.....	14 - 16

All other schedules required by the Employee Retirement Income Security Act of 1974 are not applicable and have been omitted.



MELTON & MELTON, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Fiduciary Committee of
**Pension Plan for Salaried and Production
Employees of Vallourec Star, LP**

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Pension Plan for Salaried and Production Employees of Vallourec Star, LP (the "Plan"), which comprise the statements of net assets available for benefits and accumulated plan benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits and changes in accumulated plan benefits for the year ended December 31, 2018, 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 (DOL) 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 4, which was certified by State Street Bank and Trust Company and Delaware Charter Guarantee & Trust Company, dba Principal Trust Company (Principal Trust Company), 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 Principal Trust Company held the Plan's investment assets and executed investment transactions from September 1, 2018 to December 31, 2018, and that State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2017, and for the period January 1, 2018 to October 25, 2018. The plan administrator has obtained certifications from the trustees as of December 31, 2018 and 2017, and for the year ended December 31, 2018, 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.

Other Matter

The supplemental schedule H, line 4i - schedule of assets (held at end of year) and schedule H, line 4j - schedule of reportable transactions as of or for the year ended December 31, 2018 are required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

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

The form and content of the information included in the financial statements and supplemental schedules, 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 DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Melton + Melton, LLP

Houston, Texas
September 23, 2019

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Investments , at fair value:		
Pooled separate accounts	\$ 40,277,919	\$ -
Mutual funds	-	41,584,543
 Employer contributions receivable	 <u>1,397,558</u>	 <u>996,538</u>
 Net assets available for benefits	 <u>\$ 41,675,477</u>	 <u>\$ 42,581,081</u>

(See accompanying notes to financial statements)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Year Ended December 31, 2018

Additions to Net Assets Attributable to:

Net depreciation in fair value of investments	\$ (2,265,836)
Dividends	407,873
Employer contributions	<u>3,248,905</u>
	<u>1,390,942</u>

Deductions from Net Assets Attributable to:

Benefit payments	1,539,564
Administrative expenses	<u>756,982</u>
	<u>2,296,546</u>

Change in net assets available for benefits	(905,604)
---	-----------

Net Assets Available for Benefits at:

Beginning of year	<u>42,581,081</u>
End of year	<u>\$ 41,675,477</u>

(See accompanying notes to financial statements)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
STATEMENTS OF ACCUMULATED PLAN BENEFITS
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Active participants	\$ 23,753,392	\$ 18,506,193
Deferred vested participants	6,886,692	6,476,542
Participants currently receiving payments	<u>18,522,483</u>	<u>15,367,504</u>
	49,162,567	40,350,239
Nonvested benefits	<u>866,916</u>	<u>1,021,883</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 50,029,483</u>	<u>\$ 41,372,122</u>

(See accompanying notes to financial statements)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS
For the Year Ended December 31, 2018

Increase (decrease) during the year attributable to:

Benefits paid	\$ (1,582,814)
Interest	2,741,507
Change in actuarial assumptions	5,832,099
Benefits accumulated	<u>1,666,569</u>
	8,657,361

Actuarial present value of accumulated plan benefits at:

Beginning of year	<u>41,372,122</u>
End of year	<u>\$ 50,029,483</u>

(See accompanying notes to financial statements)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Pension Plan for Salaried and Production Employees of Vallourec Star, LP (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General

The Plan is a noncontributory defined benefit pension Plan established on July 1, 2002 as a result of the acquisition of certain net assets of Cargill, Inc. by Vallourec Star, LP (the “Company”), and covers certain types of non-union employees of the Company. These employees were included in the Plan after they completed one year of service and reached age 21. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective January 1, 2007, the Plan was amended to limit participation to those employees whose employment began prior to January 1, 2007. In conjunction with the Plan’s application for determination with the Internal Revenue Service (IRS) during 2011, the Plan was amended effective January 1, 2009 to allow employees hired in 2007 and 2008 to become participants in the Plan. Employees hired on or after January 1, 2009 may not participate in the Plan.

In August 2018, the Plan terminated its relationship with Transamerica Retirement Solutions, the Plan’s third party administrator and actuary, and State Street Bank and Trust Company, the Plan’s trustee. As a result, the trustee changed to Delaware Charter Guarantee & Trust Company, dba Principal Trust Company (Principal), and the third party administrator and actuary changed to Principal Life Insurance Company (PLIC). The net assets of the Plan were transferred to Principal on September 17, 2018 and October 25, 2018.

Pension Benefits

Employees are eligible for normal retirement benefits after five years of vesting service, which requires 1,000 hours each year, and upon reaching age 65. The Plan also allows for early retirement and death benefits. The amount of individual pension benefits is calculated based upon years of service (both with the Company and Cargill, Inc.), and compensation (salaried) or monthly rate (production), as defined in the Plan. Individual benefits are offset by any vested benefit under the Cargill, Inc. Plan. The Plan also provides for the payment of benefits to a qualified participant who has become permanently disabled. Benefits are payable in the form of a joint and survivor annuity or a single life annuity paid in monthly installments or other optional forms.

Effective January 1, 2012, the Plan was amended to freeze benefit accruals for participants hired after December 31, 2006. Affected participants will accrue no further benefits under the Plan after December 31, 2011, and no credited service for any period after December 31, 2011 will be taken into account for purposes of calculating benefits.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

Funding Policy

The Company's funding policy is to make contributions to the Plan that are actuarially determined, such that all employees' benefits will be fully provided for by the time they retire. The Plan has met ERISA minimum funding requirements.

Termination

Although it has not expressed the intent to do so, the Company may terminate the Plan subject to the provisions set forth in ERISA. In such event, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under the Plan provisions in effect at any time during the five years preceding the Plan termination.
- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed below).
- c. All other vested benefits (that is, vested benefits not insured by the PBGC).
- d. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal retirement age 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 the individual's monthly benefit.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan have been prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition

Investments are reported at fair value, which 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. The Fiduciary Committee determines the Plan's valuation policies utilizing information provided by the trustee and investment advisors. See Note 3 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net depreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable to the service employees have rendered under the Plan's provisions. 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 employees are based on their compensation, age, and years of service. 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 actuarial present value of accumulated plan benefits is determined by an independent actuary from Principal Life Insurance Company, and is the 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 death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Actuarial determinations are based on the Traditional Unit Credit Actuarial Cost Method.

The significant actuarial assumptions used in the valuations as of December 31, 2018 and 2017 were (a) life expectancy of participants (the RP-2014 Employee and Healthy Annuitant tables adjusted back to 2006 and then projected forward with Scale MP-2018 for 2018, and Scale MP-2017 for 2017), (b) retirement age assumptions (the assumed weighted average retirement age was 63 in 2018 and 2017) and (c) investment return (5.75% and 6.75% for 2018 and 2017, respectively). The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2019 and 2018. Had the valuations been performed as of December 31, there would be no differences.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Benefit Payments

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

The Plan's expenses are paid either by the Plan or the Company, as provided in the Plan document. Expenses that are paid directly by the Company are excluded from these financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. In addition, certain investment-related expenses are included in net depreciation in fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Accordingly, actual results could differ from those estimates.

NOTE 3 - FAIR VALUE MEASUREMENTS

Various inputs are used in determining the fair value of the Plan's investments. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy, including the types of Plan investments that fall under each category and the valuation methodologies used to measure fair value, are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Mutual Funds: Valued at net asset value (NAV) of shares held by the Plan at year-end. NAV is based on the value of the underlying assets owned by the funds, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets; quoted prices that are in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 - Inputs to the valuation methodology are unobservable inputs (i.e., projections, estimates, interpretations, etc.) that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

At December 31, 2018, the Plan's investments in pooled separate accounts are measured using the NAV as a practical expedient to estimate fair value as reported by Principal Life Insurance Company. The NAV is based on the value of the underlying investments, which primarily consist of mutual funds, domestic stocks, international stocks, bonds, fixed income securities, fixed securities, and commercial real estate. Unfunded commitments do not apply to pooled separate accounts. There are no redemption restrictions except that one transfer is allowed during a 30-day period. The Plan has no contractual obligations to further invest in these accounts.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The inputs and methodologies used for valuing securities are not an indication of the risk associated with investing in those securities. There have been no changes in the methodologies used at December 31, 2018 or 2017.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2017:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	<u>\$41,584,543</u>			<u>\$41,584,543</u>

NOTE 4 - INFORMATION CERTIFIED BY THE TRUSTEES

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Delaware Charter Guarantee & Trust Company, dba Principal Trust Company, the trustee from September 1, 2018 to December 31, 2018, and State Street Bank and Trust Company, the trustee from December 31, 2017 to August 31, 2018, have certified to the completeness and accuracy of all investments reflected in the accompanying statements of net assets available for benefits as of December 31, 2018 and 2017, and the schedule H, line 4i - schedule of assets (held at end of year) as of December 31, 2018, as well as the related investment activity reflected in the statement of changes in net assets available for benefits and the schedule H, line 4j - schedule of reportable transactions for the year ended December 31, 2018.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
NOTES TO FINANCIAL STATEMENTS
December 31, 2018 and 2017

NOTE 5 - PARTY-IN-INTEREST TRANSACTIONS

The Plan paid certain expenses related to Plan operations and actuarial services to PLIC and Transamerica Retirement Solutions. The Plan also invests in pooled separate accounts managed by PLIC. These transactions qualify as party-in-interest transactions and are covered by an exemption from the prohibited transaction provisions.

NOTE 6 - TAX STATUS

The IRS has determined and informed the Company by a letter dated March 1, 2016, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan to determine if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018 and 2017, there are no uncertain positions taken or expected to be taken. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan provides for various investments. In general, such investments are exposed to various risks, such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

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 estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

NOTE 8 - SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through September 23, 2019, the date the financial statements were available to be issued.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
EIN: 82-0549409 PLAN #002
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2018

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
Pooled Separate Accounts:				
*	Principal Life Insurance Company	Bond Market Index	\$ 3,108,703	\$ 3,163,532
*	Principal Life Insurance Company	Core Plus Bond	9,324,945	9,354,133
*	Principal Life Insurance Company	Diversified International	6,044,071	5,180,698
*	Principal Life Insurance Company	Equity Income	5,244,121	4,655,898
*	Principal Life Insurance Company	Global Multi-Strategy	2,666,502	2,573,126
*	Principal Life Insurance Company	High Yield I	1,777,668	1,695,747
*	Principal Life Insurance Company	International Emerging Markets	844,392	769,835
*	Principal Life Insurance Company	International Small Cap	1,199,926	983,447
*	Principal Life Insurance Company	Large Cap Growth I	5,244,121	4,573,065
*	Principal Life Insurance Company	Large Cap S&P 500 Index	2,222,085	1,930,190
*	Principal Life Insurance Company	Mid Cap Growth III	755,509	624,532
*	Principal Life Insurance Company	Mid Cap Value III	755,509	622,088
*	Principal Life Insurance Company	Small Cap Growth I	399,975	314,414
*	Principal Life Insurance Company	Small Cap Value II	399,975	321,202
*	Principal Life Insurance Company	Diversified Real Asset	888,834	814,404
*	Principal Life Insurance Company	U.S. Property	2,666,501	2,701,608
			<u>\$ 43,542,837</u>	<u>\$ 40,277,919</u>

* A party in interest as defined by ERISA.

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
EIN: 82-0549409 PLAN #002
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
For the Year Ended December 31, 2018

(a) Identity of Party Involved	(b) Description of Asset (including interest rate and maturity in case of loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Single Transactions:						
PIMCO	Total Return Fund		\$ 7,811,120	\$ 8,098,859	\$ 7,811,120	\$ (287,739)
Dodge & Cox	Income Fund		6,758,910	6,856,615	6,758,910	(97,705)
T. Rowe Price	Equity Income Fund		5,947,607	5,782,983	5,947,607	164,624
Cohen & Steers	Realty Shares Fund		3,543,997	3,465,765	3,543,997	78,232
T. Rowe Price	Blue Chip Growth Fund		5,974,595	5,168,207	5,974,595	806,388
American Funds	EuroPacific Growth Fund		4,690,995	5,047,902	4,690,995	(356,907)
Columbia	High Yield Bond Fund		2,247,428	2,296,141	2,247,428	(48,713)
Principal Life Insurance Company	Bond Market Index	\$ 3,286,854		3,286,854	3,286,854	
Principal Life Insurance Company	Core Plus Bond	9,860,561		9,860,561	9,860,561	
Principal Life Insurance Company	U.S. Property	2,629,482		2,629,482	2,629,482	
Principal Life Insurance Company	Equity Income	5,171,316		5,171,316	5,171,316	
Principal Life Insurance Company	Large Cap S&P 500 Index	2,191,236		2,191,236	2,191,236	
Principal Life Insurance Company	Large Cap Growth I	5,171,316		5,171,316	5,171,316	
Principal Life Insurance Company	Diversified International	5,960,161		5,960,161	5,960,161	
Principal Life Insurance Company	Global Multi-Strategy	2,629,483		2,629,483	2,629,483	
Series of Transactions:						
PIMCO	Total Return Fund	798,017		798,017	798,017	
			7,812,566	8,099,998	7,812,566	(287,432)
Dodge & Cox	Income Fund	2,556,631		2,556,631	2,556,631	
			8,173,160	8,291,250	8,173,160	(118,090)

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
EIN: 82-0549409 PLAN #002
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
For the Year Ended December 31, 2018

(a) Identity of Party Involved	(b) Description of Asset (including interest rate and maturity in case of loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Series of Transactions (continued):						
T. Rowe Price	Equity Income Fund	351,374		351,374	351,374	
			6,241,817	6,083,031	6,241,817	158,786
Cohen & Steers	Realty Shares Fund	375,153		375,153	375,153	
			3,544,674	3,466,454	3,544,674	78,220
T. Rowe Price	Blue Chip Growth Fund	298,539		298,539	298,539	
			6,712,534	5,842,628	6,712,534	869,906
American Funds	EuroPacific Growth Fund	366,391		366,391	366,391	
			5,095,752	5,447,243	5,095,752	(351,491)
Vanguard	Mid Cap Growth Fund	89,900		89,900	89,900	
			2,149,363	1,863,558	2,149,363	285,805
Vanguard	Strategic Small Cap Equity Fund	89,900		89,900	89,900	
			2,051,888	1,828,774	2,051,888	223,114
Columbia	High Yield Bond Fund	248,786		248,786	248,786	
			2,248,015	2,296,739	2,248,015	(48,724)
Principal Life Insurance Company	Bond Market Index	3,333,128		3,333,128	3,333,128	
			224,020	224,424	224,020	(404)
Principal Life Insurance Company	Core Plus Bond	9,999,383		9,999,383	9,999,383	
			672,060	674,438	672,060	(2,378)
Principal Life Insurance Company	U.S. Property	2,666,502		2,666,502	2,666,502	
Principal Life Insurance Company	Equity Income	5,244,121		5,244,121	5,244,121	
Principal Life Insurance Company	Large Cap S&P 500 Index	2,222,085		2,222,085	2,222,085	

PENSION PLAN FOR SALARIED AND PRODUCTION
EMPLOYEES OF VALLOUREC STAR, LP
EIN: 82-0549409 PLAN #002
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
For the Year Ended December 31, 2018

(a) Identity of Party <u>Involved</u>	(b) Description of Asset (including interest rate and maturity <u>in case of loan</u>)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Series of Transactions (continued):						
Principal Life Insurance Company	Large Cap Growth I	5,244,121		5,244,121	5,244,121	
Principal Life Insurance Company	Diversified International	6,044,071		6,044,071	6,044,071	
Principal Life Insurance Company	Global Multi-Strategy	2,666,502		2,666,502	2,666,502	

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

P P S P E

LP

EIN 82 0549409

PLAN NUMBER 002

PLAN YEAR 01/01/2018 TO 12/31/2018

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN BOND MARKET INDEX SA-Z	\$ 3,108,703.23	\$ 3,163,532.16
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN CORE PLUS BOND SEP ACCT-Z	\$ 9,324,944.61	\$ 9,354,133.47
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN DIVERSIFIED INTL SA-Z	\$ 6,044,071.29	\$ 5,180,697.62
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN EQUITY INCOME SA-Z	\$ 5,244,120.68	\$ 4,655,897.77
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN GLOBAL MULTI-STR SA-Z	\$ 2,666,502.04	\$ 2,573,125.76
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN HIGH YIELD I SEP ACCT-Z	\$ 1,777,668.02	\$ 1,695,746.92
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN INTL EMERG MARKETS SA-Z	\$ 844,392.30	\$ 769,834.61
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN INTL SMALLCAP SEP ACCT-Z	\$ 1,199,925.91	\$ 983,447.14
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LARGECAP GROWTH I SA-Z	\$ 5,244,120.68	\$ 4,573,064.56
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LGCP S&P 500 INDEX SA-Z	\$ 2,222,085.03	\$ 1,930,189.80
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN MIDCAP GROWTH III SA-Z	\$ 755,508.90	\$ 624,532.44
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN MIDCAP VALUE III SA-Z	\$ 755,508.90	\$ 622,088.22
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN SMCAP GROWTH I SEP ACCT-Z	\$ 399,975.30	\$ 314,413.75
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN SMCAP VALUE II SEP ACCT-Z	\$ 399,975.30	\$ 321,201.86
*	Principal Life Insurance Company	Pooled Separate Accounts PRINCIPAL DIV REAL ASSET SA-Z	\$ 888,834.01	\$ 814,403.72

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

P P S P E
LP
EIN 82 0549409
PLAN NUMBER 002
PLAN YEAR 01/01/2018 TO 12/31/2018

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Life Insurance Company	Pooled Separate Accounts PRINCIPAL U.S. PROPERTY SA-Z	\$ 2,666,502.04	\$ 2,701,608.98

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

P P S P E
V S, LP
EIN 82 0549409
PLAN NUMBER 002
PLAN YEAR 01/01/2018 TO 12/31/2018

DESCRIPTION OF ASSET	(A) Total Number of Purchases	(B) Total Number of Sales	(C) Total Value of Purchases	(D) Total Value of Sales	(E) Net Gain/(Loss)
Pooled Separate Accounts PRINCIPAL BOND MARKET INDEX SE	2		\$ 3,333,127.54		\$ 0.00
Pooled Separate Accounts PRINCIPAL BOND MARKET INDEX SE		12		\$ 224,019.92	\$ 404.39-
Pooled Separate Accounts PRINCIPAL CORE PLUS BOND SEPAR	2		\$ 9,999,382.74		\$ 0.00
Pooled Separate Accounts PRINCIPAL CORE PLUS BOND SEPAR		12		\$ 672,059.78	\$ 2,378.35-
Pooled Separate Accounts PRINCIPAL U.S. PROPERTY SEPARA	2		\$ 2,666,502.04		\$ 0.00
Pooled Separate Accounts PRINCIPAL EQUITY INCOME SEPARA	2		\$ 5,244,120.68		\$ 0.00
Pooled Separate Accounts PRINCIPAL LARGE CAP S&P 500 IND	2		\$ 2,222,085.03		\$ 0.00
Pooled Separate Accounts PRINCIPAL LARGE CAP GROWTH I SE	2		\$ 5,244,120.68		\$ 0.00
Pooled Separate Accounts PRINCIPAL DIVERSIFIED INTERNAT	2		\$ 6,044,071.29		\$ 0.00
Pooled Separate Accounts PRINCIPAL GLOBAL MULTI-STRATEG	2		\$ 2,666,502.04		\$ 0.00

* Schedule is prepared using the alternative way of reporting (iii) series transactions under DOL Regulation 2520.103-6(d)(2).

**Attachment to 2018 Form 5500 Schedule SB,
Line 26 – Schedule of Active Participant Data**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

..... Completed Years of Credited Service

<u>Age</u>	<u>0</u> to <u>1</u>	<u>1</u> to <u>4</u>	<u>5</u> to <u>9</u>	<u>10</u> to <u>14</u>	<u>15</u> to <u>19</u>	<u>20</u> to <u>24</u>	<u>25</u> to <u>29</u>	<u>30</u> to <u>34</u>	<u>35</u> to <u>39</u>	<u>40</u> <u>+</u>	<u>Total</u>
0 – 24	0	0	0	0	0	0	0	0	0	0	0
25 – 29	0	0	4	0	0	0	0	0	0	0	4
30 – 34	0	0	1	9	0	0	0	0	0	0	10
35 – 39	0	0	4	10	4	0	0	0	0	0	18
40 – 44	0	0	1	14	10	4	0	0	0	0	29
45 – 49	0	0	4	9	9	5	8	3	0	0	38
50 – 54	0	0	3	11	12	11	15	11	0	0	63
55 – 59	0	0	0	7	6	11	34	19	0	0	77
60 – 64	0	0	2	1	2	3	15	27	1	0	51
65 – 69	0	0	0	0	0	0	1	5	0	0	6
70 & Up	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Totals	0	0	19	61	43	34	74	65	1	0	297

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

A ACTUARIAL COST METHOD

The actuarial cost method used to determine the target normal cost, target liability and required contribution amounts for the plan is the Traditional Unit Credit Actuarial Cost Method. Under this method, both the target normal cost and target liability are based on the annual accrual of benefits as accruals occur each year.

The target liability for each active plan participant is equal to the actuarial present value of the participant's accrued benefit as of the valuation date. The total target liability of the plan is equal to the sum of such liabilities as determined for each active participant plus the actuarial present value of benefits being paid, or due to be paid, to retirees, beneficiaries and former participants with deferred vested benefits.

The target normal cost for each active participant is equal to the actuarial present value of the benefit expected to be earned during the year starting on the valuation date. The total target normal cost of the plan is the sum of the target normal costs for each active plan participant.

All employees who are plan participants on a valuation date are included in the actuarial valuation.

B ASSET VALUATION METHOD

The actuarial value of assets is equal to the market value of assets on the valuation date reduced by the sum of:

1. 66.67% of gains and losses of the prior year;
2. 33.33% of gains and losses of the second prior year.

Investment gains and losses are determined by the excess or deficiency of the expected return over the actual return on the market value (including employer contributions receivable for any given year. However, the expected return on assets may be limited by certain statutory interest rates.

The actuarial valuation of assets is further constrained to be not less than 90% or more than 110% of market value (including employer contributions receivable).

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

C INTEREST RATE METHODS

Target Liability Interest Rates

Segment rates for September prior to the valuation date as adjusted in accordance with Code Section 430(h)(2)(C)(iv).

PBGC Interest Rates

Based on the alternative premium funding target and the Target Liability Interest Rates unadjusted by Code Section 430(h)(2)(C)(iv).

Expected Investment Return/
ASC 960-20 Interest Rate

6.75% (unchanged).

D ACTUARIAL ASSUMPTIONS

Pre- and Post-Retirement Mortality

Funding: Static mortality table in accordance with IRS Regulation 1.430(h)(3)-1 for the valuation year.

Accounting (ASC 960-20): RP-2014 Employee and Healthy Annuitant Tables adjusted back to 2006 and then projected forward with Scale MP-2017 for all years (previously, Scale MP-2016 was used).

Salary Increases

3.00%

Social Security Taxable Wage Base

3.00% (unchanged).

Withdrawal Rates

Sample rates are as follows:

<u>Age</u>	<u>Rate</u>
25	9.67%
30	9.30%
35	8.71%
40	7.75%
45	6.35%
50	4.22%
55	1.55%

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Statement of Actuarial Assumptions/Methods**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

D ACTUARIAL ASSUMPTIONS (cont'd)

Retirement Rates

Rates for active participants are as follows:

<u>Age</u>	<u>Rate</u>
55	1.0%
56	1.0%
57	1.0%
58	1.0%
59	1.0%
60	10.0%
61	10.0%
62	40.0%
63	15.0%
64	15.0%
65	100.00%

Terminated vested participants are assumed to retire at age 65.

**IRC Maximum Benefit and
Compensation Limitations**

Benefit Limit: \$220,000 for 2018 (previously, \$215,000).

Compensation Limit: \$275,000 for 2018 (previously, \$270,000).

Form of Payment

Life Annuity

Preretirement Death Benefit

It is assumed that 80% of participants are married, and wives are three years younger than husbands.

Expenses

\$545,000 (previously, \$575,000).

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002

Effective Date

Original Plan: July 1, 2002. Most recently amended effective January 1, 2013.

Eligibility

Employees who participated in the Prior Plan. All other employees are eligible on the first day of the month coincident with or next following attainment of age 21 and 1,000 hours of service. Employees hired after December 31, 2006 are not eligible to participate in the Plan with the exception of employees hired in 2007 and 2008, who are included under an IRS closing agreement.

Credited Service

Under the Production Benefit Formula:

- (1) Sum of Participant's "Years of Credited Service" determined in accordance with the provisions of the Prior Plan prior to the Effective Date, plus
- (2) A full year of Credited Service for each Plan Year during which the Participant is credited with at least 1,500 hours of service after the Effective Date. A partial year of Credited Service is credited based on the following schedule:

<u>Completed Hours</u>	<u>Fractional Year</u>
350 - 749	¼
750 - 1124	½
1125 - 1499	¾
1500 or more	1

Under the Salaried Benefit Formula:

- (1) The sum of the Participant's "Years of Credited Service" determined in accordance with the provisions of the Prior Plan immediately prior to the Effective Date, plus
- (2) A full year of Credited Service for each Plan Year during which the Participant is credited with at least 1,000 Hours of Service after the Effective Date. For a Plan Year in which an Eligible Employee is credited with less than 1,000 hours of Service, a partial year of Credited Service is credited in number of months with at least one hour of service divided by 12.

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

Vesting Service

The sum of (1) the Employee's "Years of Continuous Service" determined in accordance with the provisions of the Prior Plan immediately prior to the Effective Date and (2) a full year of Vesting Service for each Plan Year during which he is credited with at least 1,000 Hours of Service after the Effective Date.

Compensation

Includes regular base pay and deferrals, overtime pay, commissions and "salesmen's bonuses"; excludes bonuses, reimbursements, other expenses, allowances and Company contributions to any Company profit-sharing plan.

Final Average Monthly Pay

Highest average monthly pay during the period of 5 consecutive years within the 10-year period immediately preceding decrement.

Normal Retirement

First of the month coincident with or next following attainment of age 65.

Early Retirement

(a) Production Employees - Age 55 and 10 years of Vesting Service.

(b) Salaried Employees – Age 55 and 15 years of Vesting Service.

Normal Retirement

(a) Under the Production Benefit Formula:

A monthly amount equal to the difference between (1) and (2).

(1) The benefit rate times the Participant's Credit Service, where the benefit is:

<u>Location</u>	<u>Benefit Rate</u>
Houston, Texas	\$28.00
Youngstown, Ohio	\$44.00

Note: different benefit rates applied prior to 12/1/08.

(2) The Participant's "accrued benefit" as of the Effective Date under the provisions of the Prior Plan as in effect immediately prior to the Effective Date.

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

Normal Retirement *(cont'd)*

(b) Under the Salaried Benefit Formula:

A monthly amount equal to the difference between the sum of the amounts determined under (1) and (2) below reduced by (3) below.

(1) For Credited Service on or Before December 31, 1991:

Benefit earned under Prior Plan as of December 31, 1991 indexed for increases in Final Average Monthly Pay.

(1) For Credited Service on or After January 1, 1992:

The sum of (i) the product of the Participant's years of Credited Service (not in excess of the difference between 40 and the number of years of Credited Service taken into account under (1) above) multiplied by 0.8% of his Final Average Monthly Pay plus (ii) the product of the Participant's years of Credited Service (not in excess of the difference between 35 and the number of years of Credited Service taken into account under (1) above) multiplied by 0.35% of his Final Average Monthly Pay in excess of Covered Compensation.

(3) Offset Attributable to Prior Plan Benefit

The monthly amount of the Participant's "accrued benefit" as of the Effective Date under the provisions of the Prior Plan as in effect immediately prior to the Effective Date.

For Participants hired after December 31, 2006, benefits were frozen as of December 31, 2011.

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

Early Retirement Benefit

Accrued Benefit payable at Normal Retirement reduced as follows:

(a) Under the Production Benefit Formula:

Reduced by 6% per year by which the Early Retirement Date precedes attainment of age 60.

(b) Under the Salaried Benefit Formula:

Reduced in accordance with the following table per year by which the Early Retirement Date precedes the attainment of age 60.

<u>Years of Vesting Service at Annuity Starting Date</u>	<u>Annual Reduction Factor</u>
35 or more	3%
At least 30 but less than 35	4%
At least 25 but less than 30	5%
At least 20 but less than 25	6%
At least 15 but less than 20	7%

Supplemental Benefit

For participants to whom the Salaried Benefit Formula applies a supplemental benefit equal to the product of the Participant's years of Credited Service times \$15 payable from Early Retirement to age 62.

Pre-Retirement Death Benefit

If a vested employee dies, the employee's spouse will receive a benefit commencing no earlier than the earliest date the employee would have been eligible to retire and payable for life. The amount of the benefit will be equal to the benefit the spouse would have received if the employee had retired just before he or she died (or on the earliest date the employee would have been eligible to retire, if later) and had elected a 50% joint and survivor benefit.

Termination Benefit

Upon the termination of employment after 5 or more Years of Service (or attainment of age 60 for a participant earning benefits under the Salaried Benefit Formula or to Hourly participants effective January 1, 2013) a participant shall have a 100% vested interest in his Accrued Benefit which will be payable at Normal Retirement Date.

**Attachment to 2018 Form 5500 Schedule SB,
Part V – Summary of Plan Provisions**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

Termination Benefit *(cont'd)*

If a participant has met the service (but not the age) requirements for early retirement at the time of termination, the participant may elect to commence his benefit at any time after age 55. However, the benefit will be reduced by 7% for each of the first 5 years and 4% for each of the next 5 years that benefits commence prior to age 65.

Normal Form of Payment

Life Annuity. Other optional forms of payment are available on an actuarial equivalent basis.

Other optional forms of payment: (a) joint and survivor options with 50%, 75% or 100% continuing to beneficiary; (b) life annuity with 10 year guaranteed; joint and 50% survivor reduced upon the first death (whether the participant or the beneficiary). (Previously, options noted in (b) above were only available to salaried participants.)

Actuarial equivalence is based on the applicable mortality table and interest rates in accordance with 417(e).

Summary of Plan Changes

None.

Summary of Significant Events

None.

**Attachment to 2018 Form 5500 Schedule SB,
Line 32 – Schedule of Amortization Bases**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

Amortization Schedule				
(a) <u>Year</u>	(b) <u>Type</u>	(c) <u>Present Value</u>	(d) <u>Years Left</u>	(e) <u>Payment</u>
2012	Shortfall	\$ 0	1	\$ 0
2013	Shortfall	0	2	0
2014	Shortfall	0	3	0
2015	Shortfall	0	4	0
2016	Shortfall	880,537	5	189,904
2017	Shortfall	1,762,252	6	326,273
2018	Shortfall	<u>3,347,416</u>	7	<u>546,465</u>
Total		\$ 5,990,205		\$ 1,062,642

**Attachment to 2018 Form 5500 Schedule SB,
Line 24 – Change in Actuarial Assumptions**

Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002

For 2018, plan expenses were equal to \$545,000 (previously, \$575,000).

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 2018 This Form is Open to Public Inspection
---	--	--

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

▶ 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 PENSION PLAN FOR SALARIED AND PRODUCTION EMPLOYEES OF VALLOUREC STAR, LP	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF VALLOUREC STAR, LP	D Employer Identification Number (EIN) 82-0549409	
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>2018</u>			
2 Assets:			
a Market value	2a	42561467	
b Actuarial value	2b	40535880	
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	201	17011995	17011995
b For terminated vested participants	191	7359390	7359390
c For active participants	297	21034440	22154700
d Total	689	45405825	46526085
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	5.80 %	
6 Target normal cost	6	2026285	

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		09/13/2019
	Signature of actuary Matthew C. Burley, A.S.A., E.A.	Date 17-05956
	Type or print name of actuary Transamerica	Most recent enrollment number (508) 903-6015
	Firm name 24 Superior Drive Suite 400 Natick, MA 01760-1528 Address of the firm	Telephone number (including area code)

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

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>15.27</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)		1141
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>6.00</u> %		68
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		1209
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	87.12 %
15 Adjusted funding target attainment percentage	15	87.12 %
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	92.53 %
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
04-12-2018	616985				
07-12-2018	616985				
09-27-2018	392				
10-12-2018	616985				
01-11-2019	616985				
09-12-2019	780573				
Totals ▶			18(b)	3248905	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	3088927
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: 3.92 %	2nd segment: 5.52 %	3rd segment: 6.29 %
			☐ 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) Prior regulation: ☐ Prescribed - combined ☐ Prescribed - separate ☐ Substitute			
Current regulation: ☐ 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	2026285
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	5990205		1062642
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	3088927
	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	3088927
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	3088927
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

**Attachment to 2018 Form 5500 Schedule SB,
Line 22 – Description of Weighted Average Retirement Age**

**Plan Name: Pension Plan for Salaried and Production Employees of Vallourec Star, LP
EIN/PN: 82-0549409/002**

The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

x	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.01	1,000,000	1	0.01	0.55
56	0.01	990,000	0.99	0.0099	0.5544
57	0.01	980,100	0.9801	0.009801	0.558657
58	0.01	970,299	0.970299	0.009703	0.56277342
59	0.01	960,596	0.960596	0.009606	0.566751646
60	0.1	950,990	0.95099	0.095099	5.705940299
61	0.1	855,891	0.855891	0.0855891	5.220935374
62	0.4	770,302	0.7703019	0.3081208	19.10348812
63	0.15	462,181	0.4621812	0.0693272	4.367612002
64	0.15	392,854	0.392854	0.0589281	3.7713983
65	1	333,926	0.3339259	0.3339259	21.70518293

Average age at retirement

62.67

Rounded Weighted Average for Schedule SB item 22

63