

Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500-SF.**

OMB Nos. 1210-0110
1210-0089

2015

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 11/01/2015 and ending 10/31/2016

- A** This return/report is for:
- a single-employer plan a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions)
- a one-participant plan a foreign plan
- B** This return/report is:
- the first return/report the final return/report
- an amended return/report a short plan year return/report (less than 12 months)
- C** Check box if filing under:
- Form 5558 automatic extension DFVC program
- special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>AMERICAN BOARD OF PEDIATRICS, INC. PENSION PLAN</u>		1b Three-digit plan number (PN) ▶ <u>002</u>
		1c Effective date of plan <u>01/01/1977</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>AMERICAN BOARD OF PEDIATRICS, INC.</u> <u>111 SILVER CEDAR COURT</u> <u>CHAPEL HILL, NC 27514-1651</u>		2b Employer Identification Number (EIN) <u>23-1417504</u>
		2c Sponsor's telephone number <u>919-929-0461</u>
		2d Business code (see instructions) <u>813000</u>
3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report.		4b EIN
a Sponsor's name		4c PN
5a Total number of participants at the beginning of the plan year.....		5a <u>110</u>
b Total number of participants at the end of the plan year		5b <u>117</u>
c Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)		5c
d(1) Total number of active participants at the beginning of the plan year		5d(1) <u>99</u>
d(2) Total number of active participants at the end of the plan year.....		5d(2) <u>104</u>
e Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....		5e <u>0</u>

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>05/15/2017</u>	<u>ANN HAZINSKI</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

Preparer's name (including firm name, if applicable) and address (include room or suite number)	Preparer's telephone number

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) Yes No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) Yes No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? Yes No Not determined

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets.....	7a	17785696	20514574
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	17785696	20514574
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	2600000	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	733470	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		3333470
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	584855	
e Certain deemed and/or corrective distributions (see instructions)....	8e		
f Administrative service providers (salaries, fees, commissions).....	8f	19737	
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g).....	8h		604592
i Net income (loss) (subtract line 8h from line 8c)	8i		2728878
j Transfers to (from) the plan (see instructions).....	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A
- B** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:		Yes	No	N/A	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X		
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X		
c Was the plan covered by a fidelity bond?.....	10c	X			500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X		
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.).....	10e		X		
f Has the plan failed to provide any benefit when due under the plan?	10f		X		
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g		X		
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h				
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	10i				
j Did the plan trust incur unrelated business taxable income?	10j				

Part VI Pension Funding Compliance

- 11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)..... Yes No
- 11a** Enter the unpaid minimum required contribution for all years from Schedule SB (Form 5500) line 40..... **11a** 0
- 12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA?... Yes No

(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)

a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month Day Year

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year 12b
c Enter the amount contributed by the employer to the plan for this plan year 12c
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) 12d
e Will the minimum funding amount reported on line 12d be met by the funding deadline? Yes No N/A

Part VII Plan Terminations and Transfers of Assets

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

Part VIII Trust Information

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

Part IX IRS Compliance Questions

15a Is the plan a 401(k) plan? Yes No
15b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)? Design-based safe harbor method ADP/ACP test
15c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))? Yes No
16a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): Ratio percentage test Average benefit test
16b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? Yes No
17a Has the plan been timely amended for all required tax law changes? Yes No N/A
17b Date the last plan amendment/restatement for the required tax law changes was adopted ___/___/____. Enter the applicable code ___ (See instructions for tax law changes and codes).
17c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ___/___/____ and the letter's serial number _____.
17d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ___/___/____.
18 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)? Yes No
19 Were in-service distributions made during the plan year? Yes No
If "Yes," enter amount 19
20 Were required minimum distributions made to 5% owners who have attained age 70 1/2 (regardless of whether or not retired), as required under section 401(a)(9)? Yes No N/A

**SCHEDULE SB
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

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

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

OMB No. 1210-0110

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 11/01/2015 and ending 10/31/2016

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>AMERICAN BOARD OF PEDIATRICS, INC. PENSION PLAN</u>		B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>AMERICAN BOARD OF PEDIATRICS, INC.</u>		D Employer Identification Number (EIN) <u>23-1417504</u>
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input type="checkbox"/> 100 or fewer <input checked="" type="checkbox"/> 101-500 <input type="checkbox"/> More than 500		

Part I Basic Information

1 Enter the valuation date: Month <u>11</u> Day <u>01</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a	<u>17785696</u>	
b Actuarial value	2b	<u>18209280</u>	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	<u>5</u>	<u>1874942</u>	<u>1874942</u>
b For terminated vested participants	<u>6</u>	<u>188615</u>	<u>188615</u>
c For active participants	<u>99</u>	<u>10122374</u>	<u>11245140</u>
d Total	<u>110</u>	<u>12185931</u>	<u>13308697</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	<input type="checkbox"/>		
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	<u>6.47%</u>	
6 Target normal cost	6	<u>1235668</u>	

Statement by Enrolled Actuary

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

SIGN HERE		<u>04/25/2017</u>
	Signature of actuary	Date
<u>FRED PETERSON, FSA</u>	Type or print name of actuary	<u>17-04431</u>
		Most recent enrollment number
<u>AON HEWITT</u>	Firm name	<u>919-786-6261</u>
		Telephone number (including area code)
<u>4130 PARKLAKE AVENUE, SUITE 110 RALEIGH, NC 27612</u>	Address of the firm	

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

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	1532530	4533648
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8)	1532530	4533648
10	Interest on line 9 using prior year's actual return of <u>1.45%</u>	22222	65738
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		1138760
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>6.66%</u>		75841
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance		1214601
d	Portion of (c) to be added to prefunding balance		1214601
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)	1554752	5813987

Part III Funding Percentages			
14	Funding target attainment percentage	14	81.45 %
15	Adjusted funding target attainment percentage	15	136.82 %
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	96.75 %
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
02/26/2016	200000	0	08/29/2016	300000	0
03/28/2016	300000	0	09/30/2016	300000	0
04/28/2016	300000	0	10/19/2016	300000	0
05/27/2016	300000	0			
06/23/2016	300000	0			
07/28/2016	300000	0			
			Totals ▶	18(b)	18(c)
				2600000	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 2494159
20	Quarterly contributions and liquidity shortfalls:	
a	Did the plan have a "funding shortfall" for the prior year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b	If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
c	If line 20a is "Yes," see instructions and complete the following table as applicable:	

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

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

21 Discount rate:

a Segment rates:

1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%	<input type="checkbox"/> N/A, full yield curve used
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b Applicable month (enter code)..... **21b** 0

22 Weighted average retirement age **22** 64

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment..... **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... **29** 0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6) **31a** 1235668

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

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)..... **34** 1235668

	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** 1235668

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 2494159

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

a Total (excess, if any, of line 37 over line 36) **38a** 1258491

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

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

40 Unpaid minimum required contributions for all years..... **40** 0

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

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

a Schedule elected 2 plus 7 years 15 years

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

42 Amount of acceleration adjustment **42**

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

Schedule SB Attachment (Form 5500)—2015 Plan Year
 American Board of Pediatrics, Inc. Pension Plan
 EIN: 23-1417504 PN: 002

Schedule SB, line 26—Schedule of Active Participant Data as of November 1, 2015

Attained Age	Number of Participants									
	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29		3								
30-34		3	3							
35-39	1	3	9	2	1					
40-44	2	4	7	2	1					
45-49		3	5	1	1	3	3			
50-54		1	2	2	1	3	2			
55-59	1	3	5	1	1	5	1	1		
60-64		3	3			1		1		
65-69		1		2			1			
70+			1							

N-99

Schedule SB Attachment (Form 5500)—2015 Plan Year
 American Board of Pediatrics, Inc. Pension Plan
 EIN: 23-1417504 PN: 002

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

Interest Rates for Minimum Funding Purposes	Based on segment rates with no lookback (as of November 2015), each adjusted as needed to fall within the 25-year average interest rate corridor under HATFA
1st Segment Rate	4.72%
2nd Segment Rate	6.11%
3rd Segment Rate	6.81%
Interest Rates for Maximum Tax Purposes	Based on segment rates with no lookback (as of November 2014), without regard to interest rate stabilization
1st Segment Rate	1.36%
2nd Segment Rate	3.99%
3rd Segment Rate	5.02%
Salary Increases	
Minimum Funding Target Normal Cost	4.00%
Maximum Tax Expected Benefit Increase	4.00%
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	Age 65
Mortality Rates	
Healthy and Disabled	2015 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e)
Withdrawal Rates	See Table 2
Disability Rates	None
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are three years older than their spouses.
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$210,000 and the IRC section 401(a)(17) compensation limit of \$265,000.

Schedule SB Attachment (Form 5500)—2015 Plan Year
American Board of Pediatrics, Inc. Pension Plan
EIN: 23-1417504 PN: 002

Valuation of Plan Assets

Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.

A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).

Expected Return on Assets

2013 Plan Year

6.50%, limited to 7.52%

2014 Plan Year

6.50%, limited to 6.32%

Trust Expenses Included in Target Normal Cost

\$17,998

Actuarial Method

Standard unit credit cost method

Valuation Date

November 1, 2015

Schedule SB Attachment (Form 5500)—2015 Plan Year
American Board of Pediatrics, Inc. Pension Plan
EIN: 23-1417504 PN: 002

Table 1

Retirement Rates

Age	Rate
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	5.00%
60	5.00%
61	5.00%
62	10.00%
63	10.00%
64	10.00%
65	25.00%
66	25.00%
67	25.00%
68	25.00%
69	25.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2015 Plan Year
 American Board of Pediatrics, Inc. Pension Plan
 EIN: 23-1417504 PN: 002

Table 2

Withdrawal Rates

Age	Rate	Age	Rate
18	10.00%	48	3.25%
19	10.00%	49	3.25%
20	10.00%	50	3.25%
21	10.00%	51	3.25%
22	10.00%	52	3.25%
23	10.00%	53	3.25%
24	10.00%	54	3.25%
25	10.00%	55	3.25%
26	10.00%	56	10.00%
27	10.00%	57	10.00%
28	10.00%	58	10.00%
29	10.00%	59	10.00%
30	10.00%	60	10.00%
31	10.00%	61	10.00%
32	10.00%	62	10.00%
33	10.00%	63	10.00%
34	10.00%	64	10.00%
35	10.00%	65+	0.00%
36	6.00%		
37	6.00%		
38	6.00%		
39	6.00%		
40	6.00%		
41	6.00%		
42	3.25%		
43	3.25%		
44	3.25%		
45	3.25%		
46	3.25%		
47	3.25%		

**SCHEDULE SB
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

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OMB No. 1210-0110

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A Name of plan AMERICAN BOARD OF PEDIATRICS, INC. PENSION PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF AMERICAN BOARD OF PEDIATRICS, INC.	D Employer Identification Number (EIN) 23-1417504	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input checked="" type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>11</u> Day <u>01</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a		17,785,696
b Actuarial value	2b		18,209,280
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	5	1,874,942	1,874,942
b For terminated vested participants	6	188,615	188,615
c For active participants	99	10,122,374	11,245,140
d Total	110	12,185,931	13,308,697
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5		6.47%
6 Target normal cost	6		1,235,668

Statement by Enrolled Actuary

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

SIGN HERE	<u>FRED PETERSON FP</u>	<u>4-25-2017</u>
	Signature of actuary	Date
<u>FRED PETERSON, FSA</u>		1704431
	Type or print name of actuary	Most recent enrollment number
<u>AON HEWITT</u>		919-786-6261
	Firm name	Telephone number (including area code)
<u>4130 PARKLAKE AVENUE, SUITE 110</u>		
<u>RALEIGH NC 27612</u>		
	Address of the firm	

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

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

21 Discount rate:

a Segment rates:

1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%	<input type="checkbox"/> N/A, full yield curve used
-----------------------	-----------------------	-----------------------	---

b Applicable month (enter code) **21b** 0

22 Weighted average retirement age **22** 64

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) **29** 0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6) **31a** 1,235,668

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

	Outstanding Balance	Installment
32 Amortization installments:		
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ... **34** 1,235,668

	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** 1,235,668

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 2,494,159

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

a Total (excess, if any, of line 37 over line 36) **38a** 1,258,491

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

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

40 Unpaid minimum required contributions for all years..... **40** 0

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

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

a Schedule elected 2 plus 7 years 15 years

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

42 Amount of acceleration adjustment **42**

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

Schedule SB Attachment (Form 5500)—2015 Plan Year
 American Board of Pediatrics, Inc. Pension Plan
 EIN: 23-1417504 PN: 002

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2015

Date	Amount	Days to Discount to 11/1/2015 at 6.47%	Interest Adjusted Contribution
February 26, 2016	\$ 200,000	117	\$ 196,032
March 28, 2016	300,000	148	292,490
April 28, 2016	300,000	179	290,941
May 27, 2016	300,000	208	289,500
June 23, 2016	300,000	235	288,164
July 28, 2016	300,000	270	286,441
August 29, 2016	300,000	302	284,875
September 30, 2016	300,000	334	283,318
October 19, 2016	300,000	353	282,398
Total Contribution	\$ 2,600,000		\$ 2,494,159

Schedule SB Attachment (Form 5500)—2015 Plan Year
 American Board of Pediatrics, Inc. Pension Plan
 EIN: 23-1417504 PN: 002

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

The weighted average retirement age is 64.

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55	5.00%	1.0000	2.75
56	5.00%	0.9500	2.66
57	5.00%	0.9025	2.57
58	5.00%	0.8574	2.49
59	5.00%	0.8145	2.40
60	5.00%	0.7738	2.32
61	5.00%	0.7351	2.24
62	10.00%	0.6983	4.33
63	10.00%	0.6285	3.96
64	10.00%	0.5657	3.62
65	25.00%	0.5091	8.27
66	25.00%	0.3818	6.30
67	25.00%	0.2864	4.80
68	25.00%	0.2148	3.65
69	25.00%	0.1611	2.78
70	100.00%	0.1208	8.46
Weighted Average			63.60

Schedule SB Attachment (Form 5500)—2015 Plan Year
 American Board of Pediatrics, Inc. Pension Plan
 EIN: 23-1417504 PN: 002

Schedule SB, line 26—Schedule of Active Participant Data as of November 1, 2015

Attained Age	Number of Participants									
	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29		3								
30-34		3	3							
35-39	1	3	9	2	1					
40-44	2	4	7	2	1					
45-49		3	5	1	1	3	3			
50-54		1	2	2	1	3	2			
55-59	1	3	5	1	1	5	1	1		
60-64		3	3			1		1		
65-69		1		2			1			
70+			1							

N-99

Schedule SB Attachment (Form 5500)—2015 Plan Year
American Board of Pediatrics, Inc. Pension Plan
EIN: 23-1417504 PN: 002

Schedule SB, Part V—Summary of Plan Provisions

The following summary describes principal plan provisions assumed in calculating the cost of your pension plan.

- | | |
|----------------------------|--|
| Eligibility | - All employees are eligible to participate upon November 1 next following 6 months of service and age 20 1/2. |
| Years of Service | - Plan Years with at least 1,000 Hours of Service. For purposes of crediting service, plan years are May 1 through April 30 prior to May 1, 1990 and November 1 through October 31 after October 31, 1989. |
| Normal Retirement Date | - 1st of month following 65th birthday. |
| Benefit Formula | - 60% of Final Average Compensation (best 5 consecutive out of last 10 Calendar Years) reduced prorata for years of service less than 25 years. |
| Employee Contributions | - None required. |
| Delayed Retirement Benefit | - Benefit as determined at Delayed Retirement Date reflecting compensation and service through retirement date or actuarial equivalent of Normal Retirement Benefit, whichever is greater. |
| Early Retirement Benefit | - A participant who has attained age 55 and who has completed 10 years of Vesting Service is eligible for early retirement. He may elect to defer his accrued benefit to Normal Retirement Date, or he may elect to receive such accrued benefit immediately, in which case it will be reduced by 1/15th for each of the first five years and 1/30th for each of the next five years by which Early Retirement Date precedes Normal Retirement Date. |

Schedule SB Attachment (Form 5500)—2015 Plan Year
American Board of Pediatrics, Inc. Pension Plan
EIN: 23-1417504 PN: 002

- Death Benefit - Actuarial present value of accrued benefit.
- Termination of Service, Vesting - A participant will be vested in accordance with the following schedule:

Years of Vesting Service	Percent Vested
Less than 2	0%
2	25%
3 or more	100%

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

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

Schedule SB Attachment (Form 5500)—2015 Plan Year
 American Board of Pediatrics, Inc. Pension Plan
 EIN: 23-1417504 PN: 002

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

Interest Rates for Minimum Funding Purposes	Based on segment rates with no lookback (as of November 2015), each adjusted as needed to fall within the 25-year average interest rate corridor under HATFA
1st Segment Rate	4.72%
2nd Segment Rate	6.11%
3rd Segment Rate	6.81%
Interest Rates for Maximum Tax Purposes	Based on segment rates with no lookback (as of November 2014), without regard to interest rate stabilization
1st Segment Rate	1.36%
2nd Segment Rate	3.99%
3rd Segment Rate	5.02%
Salary Increases	
Minimum Funding Target Normal Cost	4.00%
Maximum Tax Expected Benefit Increase	4.00%
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	Age 65
Mortality Rates	
Healthy and Disabled	2015 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e)
Withdrawal Rates	See Table 2
Disability Rates	None
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are three years older than their spouses.
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$210,000 and the IRC section 401(a)(17) compensation limit of \$265,000.

Schedule SB Attachment (Form 5500)—2015 Plan Year
American Board of Pediatrics, Inc. Pension Plan
EIN: 23-1417504 PN: 002

Valuation of Plan Assets

Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.

A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).

Expected Return on Assets

2013 Plan Year

6.50%, limited to 7.52%

2014 Plan Year

6.50%, limited to 6.32%

Trust Expenses Included in Target Normal Cost

\$17,998

Actuarial Method

Standard unit credit cost method

Valuation Date

November 1, 2015

Schedule SB Attachment (Form 5500)—2015 Plan Year
American Board of Pediatrics, Inc. Pension Plan
EIN: 23-1417504 PN: 002

Table 1

Retirement Rates

Age	Rate
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	5.00%
60	5.00%
61	5.00%
62	10.00%
63	10.00%
64	10.00%
65	25.00%
66	25.00%
67	25.00%
68	25.00%
69	25.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2015 Plan Year
 American Board of Pediatrics, Inc. Pension Plan
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Table 2

Withdrawal Rates

Age	Rate	Age	Rate
18	10.00%	48	3.25%
19	10.00%	49	3.25%
20	10.00%	50	3.25%
21	10.00%	51	3.25%
22	10.00%	52	3.25%
23	10.00%	53	3.25%
24	10.00%	54	3.25%
25	10.00%	55	3.25%
26	10.00%	56	10.00%
27	10.00%	57	10.00%
28	10.00%	58	10.00%
29	10.00%	59	10.00%
30	10.00%	60	10.00%
31	10.00%	61	10.00%
32	10.00%	62	10.00%
33	10.00%	63	10.00%
34	10.00%	64	10.00%
35	10.00%	65+	0.00%
36	6.00%		
37	6.00%		
38	6.00%		
39	6.00%		
40	6.00%		
41	6.00%		
42	3.25%		
43	3.25%		
44	3.25%		
45	3.25%		
46	3.25%		
47	3.25%		

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