FIRSTENERGY CORP
Form 11-K
June 27, 2018

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT

Pursuant to Section 15(d) of the Securities Exchange Act of 1934

(Mark One)

{X} ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2017

OR

{ } TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________ to __________.

Commission file number 333-21011

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

FIRSTENERGY CORP. SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

FIRSTENERGY CORP.
76 SOUTH MAIN STREET
AKRON, OH 44308

FirstEnergy Corp. Savings Plan
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Other schedules of additional financial information have been omitted as they are not applicable or are not required based on the disclosure requirements of the Employee Retirement Income Security Act of 1974 and applicable regulations issued by the United States Department of Labor.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and Savings Plan Committee of the
FirstEnergy Corp. Savings Plan
Akron, Ohio

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of the FirstEnergy Corp. Savings Plan (the “Plan”) as of December 31, 2017 and 2016, the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on the Plan’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental Information

The supplemental information in the accompanying schedule of assets (held at end of year) as of December 31, 2017 and the schedule of reportable transactions for the year then ended has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental information is the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

We have served as the Plan’s auditor since 2003.

/s/ BOBER, MARKEY, FEDOROVICH & COMPANY
Akron, Ohio

June 27, 2018

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FirstEnergy Corp. Savings Plan

Statements of Net Assets Available for Benefits

	As of December 31,	
	2017	2016
Assets		
Investments:		
Investments, at fair value (see Note 5)	$3,375,225,535	$2,944,601,484
Investments, at contract value (see Note 6)	522,144,768	565,637,389
Total investments	3,897,370,303	3,510,238,873
Receivables:		
Accrued interest and dividends	2,181,468	2,014,476
Employer contributions	1,143,953	1,195,559
Employee contributions	3,487,944	3,549,535
Notes receivable from participants	62,281,227	60,108,033
Due from brokers	7,806,556	2,867,791
Total receivables	76,901,148	69,735,394
Total assets	3,974,271,451	3,579,974,267
Liabilities		
Administrative expenses payable	1,285,311	2,402,346
Due to brokers	30,609,643	24,798,263
Total liabilities	31,894,954	27,200,609
Net assets available for benefits	$3,942,376,497	$3,552,773,658

The accompanying notes are an integral part of these financial statements.

FirstEnergy Corp. Savings Plan

Statement of Changes in Net Assets Available for Benefits

	For the Year Ended December 31, 2017
Additions:	
Contributions:	
Employer	$48,702,781
Participant	151,399,174
Total contributions	200,101,955
Investment Income:	
Interest and dividends	57,523,555
Net appreciation in fair value of investments	411,234,443
Total investment income	468,757,998
Interest income on notes receivable from participants	2,653,202
Deductions:	
Distributions to participants	(276,057,021)
Administrative expenses	(5,853,295)
Total deductions	(281,910,316)
Increase in net assets available for benefits	389,602,839
Net assets available for benefits, beginning of year	3,552,773,658
Net assets available for benefits, end of year	$3,942,376,497

The accompanying notes are an integral part of these financial statements.

FirstEnergy Corp. Savings Plan

Notes to Financial Statements

1. Description of the Plan

The following brief description of the FirstEnergy Corp. Savings Plan (Plan) is provided for general information purposes only. Participants should refer to the Plan documents for more complete information.

General
The Plan is a defined contribution plan and was established to provide a systematic savings program for eligible employees and to supplement such savings with employer contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and the Internal Revenue Code of 1986, as amended (IRC).

Administration
FirstEnergy Corp. (FirstEnergy) is the sponsor of the Plan. The FirstEnergy Savings Plan Committee is the administrator of the Plan and has responsibility for the day-to-day administration of the Plan. Plan assets are held in trust under an arrangement with State Street Bank & Trust Company (State Street). Record keeping with respect to individual participant accounts is maintained by Fidelity Investments (Fidelity).

Participation
Generally, all full-time and part-time employees of FirstEnergy's subsidiaries and participating employers not represented by a collective bargaining union are eligible to participate in the Plan. Full-time and part-time employees represented by a labor union may participate to the extent permitted by their respective collective bargaining agreement.

Except as further noted, new employees who do not make an affirmative election to make (or not make) pre-tax contributions to the Plan are deemed to have made an election to contribute 3% of eligible earnings for each payroll period increasing by 1% each April until the employee contribution rate reaches the maximum amount that will be subject to matching contributions. Effective January 1, 2018, except as further noted, new employees who do not make an affirmative election are deemed to have made an election to contribute 6% of eligible earnings for each payroll period increasing by 1% each April until the employee contribution rate reaches 10%. Certain union participants are automatically enrolled at 2%, Utility Workers Union of America (UWUA) Local 180 is without escalation and International Brotherhood of Electrical Workers (IBEW) Local 777 has an increase of 1% per year up to 4%. A new employee who has not made an affirmative election as to the investment of his or her account shall have his or her account invested in the age appropriate LifePath Portfolio Fund made available to Plan participants. A LifePath Portfolio Fund is an investment alternative that provides a mixture of fixed income and equity investments that are matched to an individual’s age and assumed retirement date. A participant may change any automatic contribution at any time.

Contributions
Subject to IRC limitations, the Plan allows each participant to contribute 1% to 75% (22% for participants represented by UWUA Local 180) of their eligible earnings to the Plan through payroll deductions. Participant contributions may be made as before-tax, after-tax or Roth 401(k) contributions (UWUA Local 180 and IBEW Local 777 are not eligible

to elect Roth 401(k) contributions). During any calendar year in which a participant attains age 50 or older, he or she may elect to make additional pre-tax contributions and/or Roth contributions, called “catch-up” contributions. In order to be eligible to make catch-up contributions, the participant must anticipate that his or her pre-tax contributions and/or Roth contributions to the Plan will reach the applicable annual IRC limit on that type of contribution.

FirstEnergy makes a matching contribution of 50% on the first 6% of eligible compensation contributed by an employee, except for IBEW Local 777 and UWUA Local 180 participants who receive a matching contribution of 80% and 60%, respectively, on the first 4% of eligible contributions. All employer matching contributions are invested in FirstEnergy common stock, except for certain IBEW Local 777 and UWUA Local 180 participants whose matching contributions are invested in cash. Catch-up contributions are not eligible for matching contributions. The number of shares of FirstEnergy common stock contributed to each participant is based on the market price of FirstEnergy common stock as of the end of each pay period. FirstEnergy matching contributions are non-cash contributions made by issuing shares of common stock. Plan participants may diversify matching contributions held in FirstEnergy common stock at any time, subject to certain limitations.

FirstEnergy Corp. Savings Plan

Notes to Financial Statements

Participant Accounts
Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contributions, employer matching contributions and allocated Plan earnings. Participants are vested in the entire value of their account at all times.

Investments
Participants direct the investment of their contributions and account balances into various investment options including ten LifePath Funds that include a diversified mix of asset classes based on expected retirement dates, sixteen Plan investment options with different objectives covering a range of asset classes and risk levels and a self-managed brokerage account that offers participants the ability to invest in any security listed on the New York Stock Exchange (NYSE), the NYSE MKT LLC (formerly known as the American Stock Exchange or NYSE Amex LLC) or the NASDAQ and a wide range of mutual funds.

The Plan's investment options include a fund of shares of FirstEnergy common stock, which together with a small portion of cash maintained for liquidity purposes, are recorded on a unit basis. FirstEnergy's common shares are traded on the NYSE and participation units in the FirstEnergy Common Stock Fund are valued at the NYSE closing price on the last business day of the plan year. The valuation per share of FirstEnergy's common stock was $30.62 and $30.97 at December 31, 2017 and 2016, respectively. The valuation per unit of the FirstEnergy Common Stock Fund was $37.42 and $37.86 at December 31, 2017 and 2016, respectively, due to cash maintained in the fund for liquidity purposes.

Notes Receivable from Participants
Participants may borrow up to 50% of their total account balance, excluding their Roth 401(k) balance, not exceeding $50,000, including loans outstanding and the highest unpaid loan balance over the previous 12 months. The interest rate for new loans is adjusted each quarter to the prime rate plus 1% based on the prime rate on approximately the 15th day of the last month of the preceding quarter. The range of interest rates on outstanding loan balances during the year ended December 31, 2017 was 4.25% to 10%. Participants may have up to two loans outstanding at one time. The minimum loan amount is $1,000 and must be repaid within 6 to 60 months. If the loan is for the purchase of a principal residence, the loan repayment period can be extended up to 30 years. Principal repayments and interest are credited to the participant's account when made, generally through payroll deduction.

Payment of Benefits
Upon termination of service due to disability, retirement or any other reason, a participant may elect to receive the full value or a portion of his or her account, defer payment to a later date (not beyond age 70-1/2) or receive installment payments. In the event of a participant's death, the participant's spouse may elect to withdraw all or a portion of the former participant's account or keep the funds in the Plan in accordance with provisions of the Plan, all other beneficiaries must withdraw or rollover the former participant's account within 180 days.

Subsequent Events
Management evaluates events and transactions occurring subsequent to the date of the financial statements that affect recognition or disclosure to the financial statements.

2. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared on the accrual basis of accounting. Benefits are recorded when paid. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect reported amounts and disclosures. Actual results may differ from these estimates.

The Plan’s investments are stated at fair value. Fair value reflects the price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between willing market participants on the measurement date. See Note 5 for a discussion of fair value measurements. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of the Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

Notes receivable from participants represent participant loans and are measured at their unpaid principal balance plus any accrued interest. Delinquent participant loans are reclassified as distributions based upon the terms of the

FirstEnergy Corp. Savings Plan

Notes to Financial Statements

Plan document. Repayments of principal and interest are recognized in the period in which payroll deductions are processed.

Investment income consists of interest and dividend income. The net appreciation (depreciation) in the fair value of investments consists of realized gains (losses) and unrealized appreciation (depreciation) on those investments. Dividend income is accrued on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported based on historical cost.

Expenses for the administration of the Plan are generally paid by the Plan.

3. Recent Accounting Pronouncements

In February 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2017-06, Employee Benefit Master Trust Reporting. ASU 2017-06 requires an interest in a master trust and any change in the value of that interest to be reported in separate line items in the statement of net assets available for benefits and in the statement of changes in net assets available for benefits, respectively. In addition, disclosure is required for the investments and other assets and liabilities of the master trust, as well as the dollar amount of its interest in these balances. The ASU is effective in 2019 and early adoption is permitted. This ASU does not impact the plan financials.

4. Plan Termination

Although FirstEnergy has not expressed any intent to do so, it reserves the right to discontinue or terminate the Plan at any time. If the Plan were terminated, in whole or in part, participants would be entitled to withdraw the full value of their accounts, to the extent allowed by law.

5. Investments and Fair Value Measurements

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit 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 that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

Authoritative accounting guidance establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements.

The three levels of the fair value hierarchy are as follows:

– Quoted prices for identical instruments in active markets.

Level 1

Level 2 – Quoted prices for similar instruments in active markets;

– Quoted prices for identical or similar instruments in markets that are not active; and
– Model-derived valuations for which all significant inputs are observable market data.

Models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors and current market and contractual prices for the underlying instruments, as well as other relevant economic measures.

Level 3 – Valuation inputs are unobservable and significant to the fair value measurement.

The Plan did not hold any Level 3 investments as of December 31, 2017 or 2016 or during the year ended December 31, 2017.

FirstEnergy Corp. Savings Plan

Notes to Financial Statements

There were no changes in valuation methodologies for assets measured at fair value during 2017.

The following tables set forth, by level within the fair value hierarchy, the fair value of the Plan’s investments as of December 31, 2017 and 2016:

	December 31, 2017		
	Level 1	Level 2	Total
Cash and Cash Equivalents	$—	$6,332,431	$6,332,431
Common Collective Trusts	—	1,793,543,746	1,793,543,746
FirstEnergy Common Stock Fund			
FirstEnergy Common Stock	322,564,666	—	322,564,666
Cash and Cash Equivalents	—	2,542,282	2,542,282
Total FirstEnergy Common Stock Fund	322,564,666	2,542,282	325,106,948
Registered Investment Companies	832,633,686	281,469,385	1,114,103,071
Self Managed Brokerage Accounts[1]	—	136,139,339	136,139,339
Total Investments at Fair Value[2]	$1,155,198,352	$2,220,027,183	$3,375,225,535

[1] The brokerage account investments are directed by participants.
[2] Values do not include investments at contract value.

	December 31, 2016		
	Level 1	Level 2	Total
Cash and Cash Equivalents	$—	$4,944,296	$4,944,296
Common Collective Trusts	—	1,583,189,917	1,583,189,917
FirstEnergy Common Stock Fund			
FirstEnergy Common Stock	330,093,147	—	330,093,147
Cash and Cash Equivalents	—	1,417,891	1,417,891
Total FirstEnergy Common Stock Fund	330,093,147	1,417,891	331,511,038
Registered Investment Companies	686,285,793	229,962,736	916,248,529

Self Managed Brokerage Accounts[1]	—	108,707,704	108,707,704
Total Investments at fair value [2]	$1,016,378,940	$1,928,222,544	$2,944,601,484

[1] The brokerage account investments are directed by participants.
[2] Values do not include investments at contract value.

FirstEnergy Corp. Savings Plan

Notes to Financial Statements

6. Fully Benefit-Responsive Investment Contracts

The Plan has an interest in synthetic guaranteed investment contracts (GICs) as part of the Capital Preservation Fund, which is managed by PIMCO.

In accordance with authoritative guidance for defined contribution plans, investment contracts are generally measured at contract value rather than fair value to the extent they are fully benefit-responsive. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants transact with their investment in the Capital Preservation Fund at contract value as determined by the insurers and banks. No valuation reserve in relation to the contract value was deemed necessary. The Statement of Changes in Net Assets Available for Benefits and the Statements of Net Assets Available for Benefits present the Synthetic GIC's on a contract value basis.

A synthetic investment contract includes a wrapper contract, which is an agreement for the wrap issuer, such as a bank or insurance company, to make payments to the Plan in certain circumstances. The wrapper contract typically includes certain conditions and limitations on the underlying assets owned by the Plan.

The synthetic investment contracts held by the Plan include wrapper contracts that provide a guarantee that the credit rate will not fall below zero percent. Cash flow volatility (for example, timing of benefit payments) as well as asset underperformance can be passed through to the Plan through adjustments to future contract crediting rates. Formulas are provided in each contract that adjusts renewal crediting rates to recognize the difference between the fair value and the book value of the underlying assets. Crediting rates are reviewed monthly for resetting.

Certain events limit the ability of the Plan to transact with the issuer at contract value. These events include closings (location, subsidiary, division), layoffs, Plan termination, bankruptcy or reorganization, corporate merger, early retirement incentive programs or similar events. The Plan Administrator does not believe any such events, of the magnitude that would limit the Plan’s ability to transact at contract value, are probable. The GICs do not permit the issuers to terminate the contracts at an amount other than contract value.

The following represents the disaggregation of contract value between types of investment contracts held by the Plan at December 31, 2017 and 2016:

	2017	2016
Short-term investment fund	$2,674,077	$23,933,495
Synthetic GIC's	519,470,691	541,703,894
Total Investments at contract value	$522,144,768	$565,637,389

The synthetic GIC's are presented on Schedule H, line 4i - Schedule of Assets (Held at End of Year) at fair value as a requirement of the Form 5500. The fair value of the synthetic GICs represents the total fair value of the underlying assets plus the wrap value, which is calculated by using the discounted cash flows of the difference between the current wrap fee and the market indication wrap fee.

7. Tax Considerations

The Plan is exempt from federal, state and local income taxes. The Plan obtained its latest favorable determination letter on October 27, 2016, in which the Internal Revenue Service (IRS) stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. However, the Plan Administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

The federal, state and local income tax treatments of distributions from the Plan depend upon when they are made and their form. The withdrawal of the principal amount of a participant's after-tax contribution is not, however, subject to tax. For tax years beginning after December 31, 1986, the Tax Reform Act of 1986 requires that an additional tax of 10% be applied to participant withdrawals from the Plan prior to death, disability, attainment of age 59-1/2 or

FirstEnergy Corp. Savings Plan

Notes to Financial Statements

under certain other limited circumstances. In the case of withdrawal by a participant employed by FirstEnergy prior to the attainment of age 59-1/2, the excess of the value of the withdrawal over the total amount of the participant's after-tax contributions, is taxable at ordinary income tax rates. The value of FirstEnergy’s common stock withdrawn is considered to be its fair value on the date it is withdrawn.

In the case of a distribution that qualifies as a lump-sum distribution upon a participant's termination of employment with FirstEnergy or after attaining the age of 59-1/2, only the excess of the value of the lump sum distribution over the amount of the participant's after-tax contributions to the Plan (less withdrawals) is taxable at ordinary income tax rates. In determining the value of the lump-sum distribution, the FirstEnergy common stock distributed in-kind or in cash is measured at fair value on the date it is withdrawn.

The Plan is subject to audits by taxing jurisdictions. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more than likely would not be sustained upon examination by taxing authorities. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2017 and 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

8. Party-In-Interest Transactions

Certain Plan investments are shares of mutual funds managed by State Street Global Advisors. State Street, a related company, is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

PIMCO is the fund manager of the Capital Preservation Fund and invests in certain investments managed by PIMCO and therefore, these transactions qualify as party-in-interest transactions.

Certain Plan investments are shares of FirstEnergy common stock with sales and purchases of the stock commencing on an as-needed basis. The investments and transactions qualify as party-in-interest transactions.

Additionally, the Plan uses the services of other fund managers that are paid directly by the Plan.

All of the above transactions are exempt from the prohibited transaction rules of ERISA.

9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits, investment income and interest income on notes receivable per the financial statements to Form 5500 as of December 31, 2017 and 2016, and for the year ended December 31, 2017:

	2017	2016

Net assets available for benefits per the financial statements	$3,942,376,497	$3,552,773,658
Adjustment from contract value to fair value for fully-benefit responsive investment contracts	(2,363,082)	(2,198,445)
Net assets available for benefits per Form 5500	$3,940,013,415	$3,550,575,213

Total investment income and interest income on notes receivable from participants per the financial statements	$471,411,200
Adjustment from contract value to fair value for fully-benefit responsive investment contracts	(164,637)
Investment income per Form 5500	$471,246,563

FirstEnergy Corp. Savings Plan
Schedule H, line 4i - Schedule of Assets (Held at End of Year)
December 31, 2017
#34-1843785 Plan 002

(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 ($)	(e) Current Value ($)
*	STATE STREET STIF	Money market fund	**	$ 6,332,431
*	FIRSTENERGY COMMON STOCK FUND	FirstEnergy common stock	**	325,106,948
	FIDELITY PURITAN FUND	Balanced fund	**	145,510,107
	ACWI EX US - M	International stocks	**	42,563,055
	DFA US SMALL CAP VALUE PORTFOLIO	Small cap value stocks	**	120,697,980
	PIMCO REAL RETURN FUND INSTITUTIONAL CLASS	Bonds	**	17,886,332
	AMERICAN FUNDS EUROPACIFIC GROWTH FUND	International stocks	**	169,948,952
	BLACKROCK LIFEPATH INDEX RETIREMENT FUND L	Blend of stocks, fixed income	**	89,053,469
	BLACKROCK LIFEPATH INDEX 2020 FUND L	Blend of stocks, fixed income	**	150,495,638
	BLACKROCK LIFEPATH INDEX 2025 FUND L	Blend of stocks, fixed income	**	151,283,090
	BLACKROCK LIFEPATH INDEX 2030 FUND L	Blend of stocks, fixed income	**	99,353,726
	BLACKROCK LIFEPATH INDEX 2035 FUND L	Blend of stocks, fixed income	**	58,276,032
	BLACKROCK LIFEPATH INDEX 2040 FUND L	Blend of stocks, fixed income	**	37,003,629
	BLACKROCK LIFEPATH INDEX 2045 FUND L	Blend of stocks, fixed income	**	37,155,545
	BLACKROCK LIFEPATH INDEX 2050 FUND L	Blend of stocks, fixed income	**	46,361,109
	BLACKROCK LIFEPATH INDEX 2055 FUND L	Blend of stocks, fixed income	**	33,555,820
	BLACKROCK LIFEPATH INDEX 2060 FUND L	Blend of stocks, fixed income	**	4,987,712
	DODGE & COX INTERNATIONAL FUND	International stocks	**	94,478,131
		Equities, fixed income	**	136,139,339

	SELF MANAGED BROKERAGE ACCOUNTS			
	TOTAL BOND MARKET INDEX	Bonds	**	45,344,896
	SMALL CAP GROWTH EQUITY	Small cap growth stocks	**	17,088,256
	MARKET COMPLETION INDEX	Blend of large, mid cap and small cap stocks	**	158,221,029
	MID CAP VALUE - I	Mid cap value stocks	**	101,541,027
	EQUITY INDEX	Large cap stocks	**	868,145,638
*	CAPITAL PRESERVATION FUND			
	STATE STREET STIF	Money market fund	**	2,674,077
	ABBVIE INC SR UNSEC	Corporate Bonds - 2.85%, 2023	**	200,247
	ABU DHABI GOVT	Government, Non US - 2.50%, 2022	**	2,167,098
	AMERICAN EXPRESS CREDIT SR UNSEC	Cash Equivalent - 2.19%, 2020	**	404,277
	AT&T INC SR UNSEC	Corporate Bonds - 3.20%, 2022	**	1,018,039
	AT&T INC SR UNSEC 144A	Corporate Bonds - 4.10%, 2028	**	1,946,188
	BAB UT ST-B	Municipals - 3.54%, 2025	**	2,845,502
	BAIDU INC SR UNSEC	Corporate Bonds - 2.75%, 2019	**	3,008,249
	BANK OF AMERICA CORP SR UNSEC 144A	Corporate Bonds - 3.00%, 2023	**	5,010,958
	BARCLAYS PLC SR UNSEC	Corporate Bonds - 3.20%, 2021	**	709,800
	BAT CAPITAL CORP SR UNSEC 144A	Corporate Bonds - 2.30%, 2022	**	1,115,801

FirstEnergy Corp. Savings Plan
Schedule H, line 4i - Schedule of Assets (Held at End of Year)
December 31, 2017
#34-1843785 Plan 002

(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
	BK TOKYO-MITSUBISHI UFJ UNSEC 144A	Corporate Bonds - 2.35%, 2019	**	2,511,735
	BNP PARIBAS GLBL SR UNSEC BKNT	Corporate Bonds - 5.00%, 2021	**	3,811,284
	BP CAPITAL MARKETS PLC CO GTD	Corporate Bonds - 4.74%, 2021	**	2,159,717
	CALIFORNIA ST-B-TXBL	Municipals - 2.19%, 2020	**	2,711,255
	CASH COLLATERAL CME FOB USD	Cash Equivalent - 1.23%, 2060	**	127,071
	CASH COLLATERAL FUT FOB USD	Cash Equivalent - 1.23%, 2060	**	48,786
	CCCIT 2013-A7 A7	Cash Equivalent - 1.86%, 2020	**	1,755,617
	CGCMT 2013-GC11 AAB	Mortgage - 2.69%, 2046	**	804,029
	CGCMT 2015-GC29 AAB WM24 WC4.173211878	Mortgage - 2.98%, 2048	**	1,518,991
	CHAIT 2015-A5 A	Cash Equivalent - 1.36%, 2020	**	1,299,098
	CHEVRON CORP UNSEC FRN	Cash Equivalent - 1.83%, 2019	**	1,866,026
	CITIGROUP INC SR UNSEC	Corporate Bonds - 2.45%, 2020	**	907,011
	COMM 2013-CR11 ASB WM23 WC5.205219817	Mortgage - 3.66%, 2050	**	1,449,789
	COMM 2014-CR19 ASB WM14	Mortgage - 3.50%, 2047	**	1,859,847
	COMM 2014-UBS6 ASB WM14	Mortgage - 3.39%, 2047	**	1,854,863
	COMM 2015-CR23 A3 WM15	Mortgage - 3.23%, 2048	**	1,758,959
	COMM 2015-CR23 ASB WM15	Mortgage - 3.26%, 2048	**	1,231,630
	COMM 2015-DC1 ASB WM15	Mortgage - 3.14%, 2048	**	1,681,349
	COMM 2015-LC19 ASB	Mortgage - 3.04%, 2048	**	1,319,485
	COMM 2015-LC21 ASB	Mortgage - 3.42%, 2048	**	2,272,284
	COMPASS BANK SR UNSEC	Corporate Bonds - 2.75%, 2019	**	1,913,892
	CRED SUIS GP FUN LTD SR UNSEC	Corporate Bonds - 3.80%, 2023	**	361,852
	CREDIT SUISSE NEW YORK SR UNSEC	Corporate Bonds - 3.00%, 2021	**	2,027,701
	CSAIL 2015-C1 ASB WM15	Mortgage - 3.35%, 2050	**	1,082,416
	CSAIL 2015-C4 ASB WM25 WC4.608	Mortgage - 3.62%, 2048	**	2,391,212
	CSAIL 2017-CX9 ASB	Mortgage - 3.26%, 2050	**	1,023,043
	DAIMLER FINANCE NA LLC SR UNSEC 144A	Corporate Bonds - 2.20%, 2020	**	1,594,683

DBS GROUP HOLDINGS LTD SR UNSEC 144A	Cash Equivalent - 1.86%, 2019	**	1,003,810
DEUTSCHE BANK AG SR UNSEC	Corporate Bonds - 4.25%, 2021	**	1,883,934
DEVELOPMENT BK OF JAPAN SR UNSEC REGS	Cash Equivalent - 1.00%, 2018	**	501,071
DEXIA CREDIT LOCAL	Corporate Bonds - 2.25%, 2020	**	2,808,158
DISCOVER FINANCIAL SVS SR UNSEC	Corporate Bonds - 3.20%, 2021	**	3,068,151
EL PASO PIPELINE PART OP SR UNSEC	Corporate Bonds - 4.30%, 2024	**	1,570,157
ENBRIDGE INC SR UNSEC	Corporate Bonds - 1.75%, 2020	**	803,242
ENBRIDGE INC SR UNSEC	Corporate Bonds - 2.29%, 2020	**	2,121,519
EUROPEAN INVESTMENT BANK SR UNSEC	Corporate Bonds - 2.00%, 2021	**	2,742,561
FED HOME LN MTGE GLBL NT (2.5MMM)	Corporate Bonds - 1.63%, 2020	**	2,974,259
FHA 221D4 P4/02 GREY 54 NCP	Mortgage - 7.43%, 2023	**	199
FHLMC GOLD 30YR #Q3-1614	Mortgage - 3.00%, 2045	**	2,550,896

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	FHLMC GOLD 30YR #Q3-3509	Mortgage - 3.00%, 2045	**	695,723
	FHLMC GOLD 30YR GNT #G0-8687	Mortgage - 3.50%, 2046	**	7,243,985
	FHLMC GOLD 30YR GNT #G0-8693	Mortgage - 3.50%, 2046	**	186,089
	FHLMC TBA GOLD 3.5% FEB 30YR	Mortgage - 3.50%, 2048	**	(4,944)
	FHLMC TBA GOLD 3.5% JAN 30YR	Mortgage - 3.50%, 2048	**	7,329
	FHLMC TBA GOLD 4.0% FEB 30YR	Mortgage - 4.00%, 2048	**	16,500
	FHLMC TBA GOLD 4.0% JAN 30YR	Mortgage - 4.00%, 2048	**	(16,750)
	FHMS K065 A1 WM27 WC4.3550	Mortgage - 2.86%, 2026	**	1,407,504
	FHMS K070 A1	Mortgage - 3.03%, 2027	**	4,085,931
	FHMS KJ11 A1	Mortgage - 2.05%, 2022	**	1,278,869
	FHMS KP03 A2 WM16WC.000	Mortgage - 1.78%, 2019	**	423,419
	FHR 2666 OD PAC WM23 WC5.84	Mortgage - 5.50%, 2023	**	543,907
	FHR 2739 PG PAC WM33 WC5.552	Mortgage - 5.00%, 2034	**	811,167
	FHR 2764 UE WM32 WC5.4879	Cash Equivalent - 5.00%, 2032	**	94,156
	FHR 2950 FN 1MLIB+45	Cash Equivalent - 1.93%, 2035	**	219,545
	FHR 3185 GT SEQ WM26 WC6.43	Mortgage - 6.00%, 2026	**	193,100
	FHR 3225 HF 1MLIB+51BP	Cash Equivalent - 1.99%, 2036	**	267,027
	FHR 3311 FN 1MLIB+30BP	Cash Equivalent - 1.78%, 2037	**	87,450
	FHR 3318 FL 1MLIB+40	Cash Equivalent - 1.88%, 2037	**	254,727
	FHR 3339 FL 1MLIB+58	Cash Equivalent - 2.06%, 2037	**	166,490
	FHR 3355 BF 1MLIB+70	Cash Equivalent - 2.18%, 2037	**	297,102
	FHR 3368 AF 1MLIB+72	Cash Equivalent - 2.20%, 2037	**	39,265
	FHR 3666 FC 1MLIB+73	Cash Equivalent - 2.21%, 2040	**	138,123

FHR 3699 FD VA 1MLIB+60	Cash Equivalent - 2.08%, 2040	**	380,961
FHR 3740 DF 1MLIB+48	Cash Equivalent - 1.96%, 2040	**	669,208
FHR 3743 FA 1MLIB+60	Cash Equivalent - 2.08%, 2040	**	1,113,646
FHR 3747 WF VA 1MLIB+48	Cash Equivalent - 1.96%, 2040	**	964,100
FHR 3751 FG 1MLIB+50	Cash Equivalent - 1.98%, 2050	**	95,458
FHR 3843 FE 1MLIB+55BP	Cash Equivalent - 2.03%, 2041	**	1,356,041
FHR 3843 FG 1MLIB+55BP	Cash Equivalent - 2.03%, 2041	**	1,355,207
FHR 3977 FB 1MLIB+52BP	Cash Equivalent - 2.00%, 2041	**	1,585,913
FHR 3984 DF 1M LIBOR +55BP	Cash Equivalent - 2.03%, 2042	**	2,008,271
FHR 4400 FA 1MLIB + 40 BP	Cash Equivalent - 1.88%, 2041	**	976,163
FIN FUT EURO$ CME (WHT) 03/19/18	Future - 0.00%, 2018	**	2,700
FIN FUT EURO$ CME (WHT) 06/18/18	Future - 0.00%, 2018	**	4,350
FIN FUT US 2YR CBT 03/29/18	Future - 6.00%, 2018	**	()625
FIN FUT US ULTRA 30YR CBT 03/20/18	Future - 6.00%, 2018	**	()10,500
FL ST BRD OF ADMIN	Municipals - 2.64%, 2021	**	1,110,411
FN ARM AL7090 H15T1Y+222.1 9.447	Cash Equivalent - 3.32%, 2037	**	958,820

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(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
	FNA 2017-M8 A1 WM27 WC4.598	Mortgage - 2.65%, 2027	**	2,269,641
	FNMA NT (3MMM)	Corporate Bonds - 1.50%, 2020	**	8,936,619
	FNMA PASS THRU 20YR #254916	Cash Equivalent - 5.50%, 2023	**	179,424
	FNMA PASS THRU 20YR #255075	Cash Equivalent - 5.50%, 2024	**	206,070
	FNMA PASS THRU 20YR #AL6722	Cash Equivalent - 5.00%, 2030	**	2,684,476
	FNMA PASS THRU 30YR #848210	Cash Equivalent - 5.50%, 2035	**	245,719
	FNMA PASS THRU 30YR #884863	Cash Equivalent - 5.50%, 2036	**	202,515
	FNMA PASS THRU 30YR #890365	Cash Equivalent - 5.50%, 2041	**	251,718
	FNMA PASS THRU 30YR #938504	Cash Equivalent - 5.50%, 2037	**	135,872
	FNMA TBA 3.0% FEB 30YR	Mortgage - 3.00%, 2047	**	97,231
	FNMA TBA 3.0% JAN 15YR	Mortgage - 3.00%, 2033	**	()2,922
	FNMA TBA 3.0% JAN 30YR	Mortgage - 3.00%, 2048	**	()78,217
	FNMA TBA 3.5% FEB 30YR	Mortgage - 3.50%, 2048	**	55,778
	FNMA TBA 3.5% JAN 30YR	Mortgage - 3.50%, 2048	**	()42,305
	FNMA TBA 3.5% MAR 30YR	Mortgage - 3.50%, 2048	**	7,617
	FNMA TBA 4.0% FEB 30YR	Mortgage - 4.00%, 2048	**	()2,796
	FNMA TBA 4.0% JAN 30YR	Mortgage - 4.00%, 2048	**	()45,877
	FNMA TBA 4.0% MAR 30YR	Mortgage - 4.00%, 2048	**	23,795
	FNMA TBA 5.0% FEB 30YR	Mortgage - 5.00%, 2048	**	7,129
	FNMA TBA 5.0% JAN 30YR	Mortgage - 5.00%, 2048	**	()41,016
	FNR 2005-109 PV WM32 WC6.509500	Cash Equivalent - 6.00%, 2032	**	953
	FNR 2005-13 FA 1MLIB+45	Cash Equivalent - 2.00%, 2035	**	618,149
	FNR 2005-29 JB WM33 WC7.0709	Mortgage - 4.50%, 2035	**	1,278

FNR 2005-68 PC WM34 WC6.55	Mortgage - 5.50%, 2035	**	3,312
FNR 2006-129 FM 1MLIB+25	Cash Equivalent - 1.80%, 2037	**	89,614
FNR 2007-109 GF 1MLIB+68	Cash Equivalent - 2.23%, 2037	**	690,611
FNR 2007-25 FB 1MLIB+33BP	Cash Equivalent - 1.88%, 2037	**	48,542
FNR 2007-27 FA 1MLIB+31BP	Cash Equivalent - 1.86%, 2037	**	23,649
FNR 2007-38 FC 1MLIB+42	Cash Equivalent - 1.97%, 2037	**	156,522
FNR 2007-70 FA 1MLIB+35BP	Cash Equivalent - 1.90%, 2037	**	129,220
FNR 2008-12 FA 1MLIB+67BP FRN	Cash Equivalent - 2.22%, 2038	**	1,003,235
FNR 2010-111 FC 1MLIB+52	Cash Equivalent - 2.07%, 2040	**	146,329
FNR 2010-115 FM 1MLIB+50	Cash Equivalent - 2.05%, 2040	**	1,107,001
FNR 2010-117 FE 1MLIB+40BP	Cash Equivalent - 1.95%, 2040	**	99,301
FNR 2010-129 FM 1MLIB+50	Cash Equivalent - 2.05%, 2040	**	269,387
FNR 2010-135 LF 1MLIB+45	Cash Equivalent - 2.00%, 2040	**	483,018
FNR 2010-141 FB 1MLIB+47	Cash Equivalent - 2.02%, 2040	**	142,329
FNR 2010-2 GF 1MLIB+55BP	Cash Equivalent - 2.10%, 2049	**	323,074
FNR 2010-46 WF 1MLIB+75BP	Cash Equivalent - 2.30%, 2040	**	1,313,376

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(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
	FNR 2010-59 FA 1MLIB+73BP	Cash Equivalent - 2.28%, 2040	**	1,954,774
	FNR 2011-3 FA 1MLIB+68	Cash Equivalent - 2.23%, 2041	**	2,526,576
	FNR 2011-86 KF 1MLIB+55	Cash Equivalent - 2.10%, 2041	**	369,391
	FNR 2011-86 NF 1MLIB+55	Cash Equivalent - 2.10%, 2041	**	803,125
	FNR 2011-87 FJ 1MLIB+55BP	Cash Equivalent - 2.10%, 2041	**	1,273,826
	FNR 2012-141 FA 1MLIB+30BP	Cash Equivalent - 1.85%, 2042	**	1,028,525
	FNR 2013-39 FA 1MLIB+35BP	Cash Equivalent - 1.90%, 2043	**	1,090,246
	FNR 2015-79 FE 1MLIB+25BP	Cash Equivalent - 1.80%, 2045	**	2,278,721
	FNR 2015-87 BF 1MLIB+30BP	Cash Equivalent - 1.85%, 2045	**	1,424,929
	FNR 2016-11 CF 1MLIB+35BP	Cash Equivalent - 1.90%, 2046	**	2,624,181
	FNR 2016-40 AF 1MLIB+45BP	Cash Equivalent - 1.81%, 2046	**	2,983,623
	FNR 2016-64 KF WM38 WC3.3381	Cash Equivalent - 1.83%, 2046	**	3,390,695
	FNR 2016-82 FM 1MLIB+40BP	Cash Equivalent - 1.76%, 2046	**	4,209,748
	FNR 2016-87 AF 1MLIB+40BP	Cash Equivalent - 1.76%, 2046	**	4,606,748
	FORD MOTOR CREDIT CO LLC SR UNSEC	Corporate Bonds - 5.00%, 2018	**	4,563,167
	GE CAPITAL INTL FUNDING SR UNSEC	Corporate Bonds - 2.34%, 2020	**	3,932,400
	GENERAL ELECTRIC CO GLBL NT	Corporate Bonds - 4.63%, 2021	**	769,322
	GENERAL ELECTRIC CO SR UNSEC	Corporate Bonds - 2.70%, 2022	**	752,070
	GENERAL MOTORS FINL CO SR UNSEC	Corporate Bonds - 2.35%, 2019	**	500,416
	GNMA I TBA 4.0% FEB 30YR	Mortgage - 4.00%, 2048	**	7,775
	GNMA I TBA 4.0% JAN 30YR	Mortgage - 4.00%, 2048	**	()26,641
	GNMA II MULTPL SGL 30YR #MA3105M	Mortgage - 3.50%, 2045	**	6,483,294
	GNMA II TBA 4.0% FEB 30YR JMBO	Mortgage - 4.00%, 2048	**	()10,718
	GNMA II TBA 4.0% JAN 30YR JMBO	Mortgage - 4.00%, 2048	**	()38,797
	GNR 2012-149 GF 1MLIB+30BP	Cash Equivalent - 1.80%, 2042	**	2,698,683
	GNR 2016-154 WF 1MLIB+40BP	Cash Equivalent - 1.76%, 2045	**	1,006,684
	GNR 2017-57 WF 1MLIB+40BP	Cash Equivalent - 1.76%, 2045	**	1,969,866

GOLDCORP INC GLBL SR UNSEC	Corporate Bonds - 3.63%, 2021	**	716,842
GOLDMAN SACHS GROUP INC GLBL SR UNSEC	Corporate Bonds - 5.25%, 2021	**	2,743,897
GOLDMAN SACHS GROUP INC SR NT	Corporate Bonds - 5.38%, 2020	**	1,685,235
GOLDMAN SACHS GROUP INC SR UNSEC	Corporate Bonds - 4.00%, 2024	**	2,538,539
HSBC HOLDINGS PLC SR UNSEC	Corporate Bonds - 3.60%, 2023	**	1,341,254
HSBC HOLDINGS PLC SR UNSEC	Corporate Bonds - 3.76%, 2021	**	2,110,527
HYUNDAI CAPITAL AMERICA	Corporate Bonds - 1.75%, 2019	**	492,073
HYUNDAI CAPITAL AMERICA SR UNSEC 144A	Corporate Bonds - 2.55%, 2019	**	1,105,019
IND & COMM BK CHINA/NY SR UNSEC	Cash Equivalent - 2.15%, 2020	**	1,703,291
INTESA SANPAOLO SPA UNSEC	Corporate Bonds - 3.88%, 2018	**	1,516,719
IRS USD 1.25000 12/21/16-3Y CME	Interest Rate Swap - 1.25%, 2019	**	(250,512)
IRS USD 1.50000 06/21/17-10Y CME	Interest Rate Swap - 1.50%, 2027	**	379,069

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	IRS USD 1.75000 12/21/16-10Y CME	Interest Rate Swap - 1.75%, 2026	**	383,890
	IRS USD 2.00000 07/12/17-6Y CME	Interest Rate Swap - 2.00%, 2023	**	170,864
	ITAU CORPBANCA 144A SR UNSEC	Corporate Bonds - 3.88%, 2019	**	1,540,740
	JACKSON NATL LIFE GLOBAL SEC 144A	Cash Equivalent - 1.88%, 2018	**	1,702,459
	JACKSON NATL LIFE GLOBAL SEC 144A	Corporate Bonds - 2.50%, 2022	**	1,979,325
	JAPAN FIN ORG MUNICIPAL REGS	Cash Equivalent - 1.38%, 2018	**	501,382
	JPMBB 2013-C17 ASB WM23 WC4.9082	Mortgage - 3.71%, 2047	**	1,454,871
	JPMBB 2014-C22 ASB WM24 WC4.580566404	Mortgage - 3.50%, 2047	**	1,809,287
	JPMBB 2015-C27 ASB	Mortgage - 3.02%, 2048	**	1,623,270
	JPMORGAN CHASE & CO SR UNSEC	Corporate Bonds - 2.78%, 2023	**	1,506,863
	JPMORGAN CHASE & CO SR UNSEC	Corporate Bonds - 4.25%, 2020	**	3,231,187
	JPMORGAN CHASE & CO UNSEC	Corporate Bonds - 3.90%, 2025	**	2,649,848
	JPN BANK FOR INT'L COOP	Corporate Bonds - 2.13%, 2020	**	3,094,715
	KFW SR UNSEC	Corporate Bonds - 1.50%, 2019	**	1,798,556
	KINDER MORGAN ENER PART	Corporate Bonds - 3.95%, 2022	**	2,159,713
	KINDER MORGAN INC SNR S* ICE	Credit Default Swap - 1.00%, 2021	**	8,230
	KRAFT FOODS GROUP INC WI SR UNSEC	Corporate Bonds - 5.38%, 2020	**	107,243
	KRAFT HEINZ FOODS CO SR UNSEC	Corporate Bonds - 1.82%, 2019	**	1,807,524
	KRAFT HEINZ FOODS CO SR UNSEC	Corporate Bonds - 1.98%, 2021	**	100,465
	LLOYDS BANKING GROUP PLC SR UNSEC	Corporate Bonds - 2.91%, 2023	**	1,890,714
	LOS ANGELES CO REDEV	Municipals - 2.00%, 2023	**	1,835,019
	MEXICO LA SP GST	Credit Default Swap - 1.00%, 2019	**	28,106

MIZUHO FINANCIAL GROUP SR UNSEC	Corporate Bonds - 2.70%, 2021	**	3,154,702
MOODY'S CORPORATION SR UNSEC	Corporate Bonds - 4.88%, 2024	**	3,332,050
MORGAN STANLEY	Corporate Bonds - 5.50%, 2020	**	2,173,921
MORGAN STANLEY NT	Corporate Bonds - 5.50%, 2020	**	4,404,157
MSBAM 2013-C13 ASB WM23 WC4.922172434	Mortgage - 3.56%, 2046	**	1,137,186
MSBAM 2014-C16 A4 WM23 C4.78111	Mortgage - 3.60%, 2047	**	2,130,141
MSBAM 2014-C18 A2 WM14	Mortgage - 3.19%, 2047	**	2,183,130
MSBAM 2015-C20 ASB WM24 WC4.486757058	Mortgage - 3.07%, 2048	**	1,219,633
NA DEVELOPMENT BANK GLBL SR UNSECURED	Corporate Bonds - 4.38%, 2020	**	5,051,117
NATIONAL AUSTRALIA BK/NY SR UNSEC	Corporate Bonds - 2.25%, 2020	**	2,111,755
NAVSL 2015-1 A1 1MLIB+30BP	Cash Equivalent - 1.85%, 2022	**	180,072
NISSAN MOTOR ACCEPTANCE SR UNSEC 144A	Corporate Bonds - 2.25%, 2020	**	2,009,371
NISSAN MOTOR ACCEPTANCE SR UNSEC 144A	Corporate Bonds - 2.15%, 2020	**	398,160
PENSKE TRUCK LEASING/PTL SR UNSEC 144A	Corporate Bonds - 3.05%, 2020	**	1,633,689
PRIVATE EXPORT FUNDING SR UNSEC 144A	Corporate Bonds - 2.10%, 2019	**	1,598,982

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	PROTECTIVE LIFE GLOBAL SEC 144A	Corporate Bonds - 2.16%, 2020	**	1,687,947
	PRUDENTIAL FINANCIAL INC SNR S* ICE	Credit Default Swap - 1.00%, 2021	**	37,366
	QUALCOMM INC SR UNSEC	Corporate Bonds - 2.10%, 2020	**	1,197,058
	RABOBANK NEDERLAND UTREC	Corporate Bonds - 3.88%, 2022	**	3,710,190
	SANTANDER HOLDINGS USA SR UNSEC	Corporate Bonds - 4.50%, 2025	**	1,162,434
	SANTANDER UK GROUP HLDGS SR UNSEC	Corporate Bonds - 2.88%, 2021	**	1,508,433
	SAUDI INTERNATIONAL BOND	Government, Non US - 2.88%, 2023	**	2,965,830
	SBA TOWER TRUST NT SEC 144A 1A C	Corporate Bonds - 2.90%, 2044	**	2,207,908
	SINOPEC GRP OVERSEA 2014	Corporate Bonds - 2.75%, 2019	**	3,018,454
	SLCLT 2005-1 A3 3MLIB+10BP	Cash Equivalent - 1.52%, 2025	**	1,177,331
	SLCLT 2005-2 A3 3MLIB+11BP	Cash Equivalent - 1.70%, 2027	**	1,242,596
	SLCLT 2006-1 A5 3MLIB+11BP	Cash Equivalent - 1.70%, 2027	**	1,051,495
	SLCLT 2006-2 A5 3MLIB+10BP	Cash Equivalent - 1.69%, 2026	**	1,135,597
	SLMA 2004-1 A3	Cash Equivalent - 1.58%, 2023	**	322,442

SLMA 2004-3 A5 3MLIB+17	Cash Equivalent - 1.54%, 2023	**	622,341
SLMA 2005-3 A5	Cash Equivalent - 1.46%, 2024	**	715,955
SLMA 2005-4 A3	Cash Equivalent - 1.49%, 2027	**	1,250,516
SLMA 2005-6 A5A 3MLIB+11BP	Cash Equivalent - 1.48%, 2026	**	209,157
SLMA 2005-7 A4 3MLIB+15BP	Cash Equivalent - 1.52%, 2029	**	1,065,466
SLMA 2005-8 A4 3MLIB **PUT REDEMPTION**	Cash Equivalent - 1.92%, 2028	**	160,042
SLMA 2006-6 A3 3MLIB+11BP	Cash Equivalent - 1.48%, 2025	**	596,577
SLMA 2007-1 A5 3MLIB+9	Cash Equivalent - 1.46%, 2026	**	906,719
SOLVAY FINANCE (AMERICA) SR UNSEC 144A	Corporate Bonds - 3.40%, 2020	**	1,739,700
SOUTHERN CO SR UNSEC 144A	Corporate Bonds - 2.39%, 2020	**	1,614,732
STATE STREET STIF	Cash Equivalent - 1.27%, 2030	**	579,303
SUMITOMO MITSUI BANKING SR UNSEC FRN	Cash Equivalent - 1.94%, 2018	**	2,406,070
SUMITOMO MITSUI FINL GRP SR UNSEC	Corporate Bonds - 2.44%, 2021	**	2,978,637
TECH DATA CORP SR UNSEC	Corporate Bonds - 3.70%, 2022	**	708,591
TELEFONICA EMISIONES SAU	Corporate Bonds - 5.46%, 2021	**	547,282
TELEFONICA EMISIONES SAU GLBL CO GTD	Corporate Bonds - 5.13%, 2020	**	2,022,684
TIAA ASSET MGMT FIN LLC SR UNSEC 144A	Corporate Bonds - 2.95%, 2019	**	1,519,359
U S AGENCY MTGE REPO	Cash Equivalent - 1.81%, 2018	12.6	

					12.6			
Fixed income funds	24.4			24.4	39.5			39.5
Multi-asset mutual fund	32.4			32.4	25.2			25.2
Floating rate income fund	32.0			32.0	21.9			21.9
Fund of hedge funds							1.3	1.3
Total plan assets	$ 264.4	$ 71.2	$	$ 335.6	$ 277.3	$ 76.0	$ 1.3	$ 354.6

Large cap equity funds invest in primarily U.S. publicly-traded equity securities of companies with a market capitalization typically in excess of $10 billion with a focus on growth or value. Mid cap equity funds invest in primarily U.S. publicly-traded equity securities of companies with a market capitalization typically greater than $2 billion but less than $10 billion with a focus on growth or value. Small cap equity funds invest in primarily U.S. publicly-traded equity securities of companies with a market capitalization typically less than $2 billion with a focus on growth or value. Global equity funds invest in publicly-traded equity securities of companies domiciled in the United States, developed international countries, and emerging markets typically with a market capitalization greater than $2 billion with a focus on growth or value. Non-U.S. Equity funds invest in publicly-traded equity securities domiciled outside the United States. The funds take a core approach (including both growth and value companies), are invested across the capitalization spectrum (including large caps and small caps), and specialize in either the developed markets or the emerging markets. Fixed income funds invest primarily in investment grade fixed income securities. The multi-asset mutual fund strategy is based on a diverse range of investments including, but not limited to, investment grade and high yield bonds, international and emerging market bonds, inflation-indexed bonds, equities and commodities. The floating rate income fund strategy is to invest primarily in a diversified portfolio of first and second lien high-yield senior floating rate loans and other floating rate debt securities.

Included in our Level 3 assets for 2010 is a hold back from the 2009 redemption of our investment in funds of hedge funds. We received the cash during 2011.

The following table is a reconciliation of our beginning and ending balances of our Level 3 assets for 2011 and 2010:

(In millions)	**2011**	**2010**
Level 3 plan assets beginning of year	$ 1.3	$ 15.2
Return on plan assets still held at year end		
Return on plan assets sold during the year		0.1
Purchases, sales and settlements, net	(1.3)	(14.0)
Level 3 plan assets end of year	$	$ 1.3

The estimated future benefit payments for our pension and health care plans are as follows:

	Pension	**Health Care**	**Medicare Part D**
(In millions)	**Benefits**	**Benefits**	**Subsidy**
2012	$ 38.1	$ 2.8	$ 0.1
2013	37.8	2.1	0.1
2014	37.8	2.0	0.1
2015	39.0	2.0	0.1
2016	38.4	1.9	0.1
2017 through 2021	193.4	7.9	0.5

We currently estimate that 2012 employer contributions will be $24.2 million to all qualified and nonqualified pension plans and $2.8 million to all health care benefit plans.

We sponsor a voluntary retirement savings plan (RSP). Under the provisions of this plan, eligible employees receive defined Company contributions of 2% of their eligible earnings plus they are eligible for Company matching contributions based on the first 6% of their eligible earnings contributed to the plan. In addition, we may make discretionary contributions to this plan for eligible employees based on a specific percentage of each employee s compensation.

Following are our contributions to the RSP:

(In millions)	**2011**	**2010**	**2009**
Retirement savings match	$ 7.1	$ 6.2	$ 5.8
Retirement benefit contribution	3.9	3.6	3.7
Total contributions	$ 11.0	$ 9.8	$ 9.5

Note 12 COMMITMENTS AND CONTINGENCIES

Environmental We have been notified by U.S. federal and state environmental agencies and by private parties that we may be a potentially responsible party (PRP) in connection with the investigation and remediation of a number of environmental waste disposal sites. While government agencies frequently assert that PRPs are jointly and severally liable at these sites, in our experience, interim and final allocations of liability costs are generally made based on the relative contribution of waste. We believe that our potential continuing liability with respect to these sites will not have a material adverse effect on our consolidated financial position, results of operations or cash flows. In addition, we initiate corrective and preventive environmental projects of our own to ensure safe and lawful activities at our operations. We believe that compliance with current governmental regulations at all levels will not have a material adverse effect on our financial condition.

In September 2007, we were informed of rulings by the United States District Court for the Western District of Kentucky on several pending motions in the case of Westlake Vinyls, Inc. v. Goodrich Corporation, et al., which had been pending since 2003. The Court held that PolyOne must pay the remediation costs at the former Goodrich Corporation (now Westlake Vinyls, Inc.) Calvert City facility, together with certain defense costs of Goodrich Corporation. The rulings also provided that PolyOne can seek indemnification for contamination attributable to Westlake Vinyls.

The environmental obligation at the site arose as a result of an agreement by our predecessor, The Geon Company, at the time of its spin-off from Goodrich Corporation in 1993, to indemnify Goodrich Corporation for environmental costs at the site. Neither PolyOne nor The Geon Company ever owned or operated the facility. Following the Court rulings, the parties to the litigation entered into settlement negotiations and agreed to settle all claims regarding past environmental costs incurred at the site. These same Court rulings and the settlement agreement provide a mechanism to allocate future remediation costs at the Calvert City facility to Westlake Vinyls, Inc. We will adjust our environmental reserve in the future, consistent with any such future allocation of costs.

Based on estimates prepared by our environmental engineers and consultants, we had accruals totaling $76.2 million and $87.4 million as of December 31, 2011 and 2010, respectively, for probable future environmental expenditures relating to previously contaminated sites. These accruals are included in *Accrued expenses* and *Other non-current liabilities* on the accompanying consolidated balance sheets. The accruals represent our best estimate of the remaining probable remediation costs, based upon information and technology that is currently available and our view of the most likely remedy. Depending upon the results of future testing, the ultimate remediation alternatives undertaken, changes in regulations, new information, newly discovered conditions and other factors, it is reasonably possible that we could incur additional costs in excess of the amount accrued at December 31, 2011. However, such additional costs, if any, cannot be currently estimated. Our estimate of this liability may be revised as new regulations or technologies are developed or additional information is obtained. These remediation costs are expected to be paid over the next 30 years.

The following table details the changes in the environmental accrued liabilities:

	XXXX	XXXX	XXXX	XXXX
(In millions)	**2011**	**2010**	**2009**	
Balance at beginning of the year	$ 87.4	$ 81.7	$ 85.6	
Environmental remediation expenses	9.7	20.5	11.7	
Cash payments	(20.8)	(15.1)	(16.3)	
Translation and other adjustments	(0.1)	0.3	0.7	
Balance at end of year	$ 76.2	$ 87.4	$ 81.7	

Included in *Cost of sales* in the accompanying consolidated statements of operations are reimbursements of previously incurred environmental costs of $3.3 million, $16.7 million, and $23.9 million in 2011, 2010 and 2009, respectively.

Guarantees On February 28, 2011, we sold our 50% equity interest in SunBelt to Olin for $132.3 million in cash and the assumption by Olin of the obligations under our guarantee of senior secured notes issued by SunBelt of $42.7 million at the time of sale, $36.6 million as of December 31, 2011. Until the guarantee is formally assigned to Olin, we remain obligated under the guarantee, although Olin has agreed to indemnify us for amounts that we may be obligated to pay under the guarantee.

Note 13 OTHER INCOME (EXPENSE), NET

Other expense, net for the years ended December 31, 2011, 2010 and 2009 consist of the following:

	XXXX	XXXX	XXXX	XXXX
(In millions)	**2011**	**2010**	**2009**	
Currency exchange gain (loss)	$ 0.9	$ (5.6)	$ (0.1)	
Foreign exchange contracts (loss) gain	(1.8)	3.8	(7.9)	
Fees and discount on sale of trade receivables	(0.9)	(1.1)	(1.3)	
Other income (expense), net	2.1	0.6	(0.3)	
Other income (expense), net	$ 0.3	$ (2.3)	$ (9.6)	

Note 14 INCOME TAXES

Income from continuing operations before income taxes is summarized below based on the geographic location of the operation to which such earnings are attributable. Certain foreign operations are branches of PolyOne and are, therefore, subject to United States as well as foreign income tax regulations. As a result, pre-tax income by location and the components of income tax expense by taxing jurisdiction are not directly related.

Income before income taxes for the periods ended December 31, 2011, 2010 and 2009 consists of the following:

	XXXX	XXXX	XXXX	XXXX
(In millions)	**2011**	**2010**	**2009**	

Domestic	$ 148.2	$ 60.1	$ 91.3
Foreign	50.5	51.2	1.9
Income before income taxes	$ 198.7	$ 111.3	$ 93.2

A summary of income tax (expense) benefit for the periods ended December 31, 2011, 2010 and 2009 is as follows:

	XXX	XXX	XXX	XXX
(In millions)	**2011**	**2010**	**2009**	
Current:				
Federal	$ (6.4)	$ (4.8)	$ 4.0	
State	(1.5)	(0.9)	4.3	
Foreign	(14.6)	(12.0)	10.9	
Total current	$ (22.5)	$ (17.7)	$ 19.2	
Deferred:				
Federal	$ (18.8)	$ 71.1	$ (1.7)	
State	13.6	4.5		
Foreign	1.6	(6.6)	(4.0)	
Total deferred	$ (3.6)	$ 69.0	$ (5.7)	
Total tax benefit (expense)	$ (26.1)	$ 51.3	$ 13.5	

The principal items accounting for the difference in income taxes computed at the U.S. statutory rate for the periods ended December 31, 2011, 2010 and 2009 are as follows:

	XXX	XXX	XXX	XXX
(In millions)	**2011**	**2010**	**2009**	
Computed tax expense at 35% of income before income taxes	$ (69.5)	$ (39.0)	$ (32.6)	
State tax, net of federal benefit	(2.7)	(3.5)	1.5	
Differences in rates of foreign operations	4.0	1.4	4.6	
Changes in valuation allowances	13.0	106.4	38.2	
Impact of foreign dividends		(11.5)		
Tax benefits associated with O Sullivan Engineered Films	29.5			
Recognition of uncertain tax positions	(4.5)	(2.0)	1.2	
Other, net	4.1	(0.5)	0.6	
Income tax (expense) benefit	$ (26.1)	$ 51.3	$ 13.5	

In 2011, we recorded tax benefits associated with our divested investment in O Sullivan Engineered Films, Inc. of $29.5 million. We also decreased our existing deferred tax asset valuation allowances related to various state and foreign deferred tax assets by $13.0 million, primarily associated with our determination that it is more likely than not that the deferred tax assets will be realized. We review all valuation allowances related to deferred tax assets and adjust these reserves as necessary.

In 2010, we recorded an income tax benefit of $51.3 million primarily related to a tax valuation allowance reversal totaling $107.1 million for the full year. In 2009, we recorded tax benefits of $13.5 million related primarily to tax refunds in both U.S. and foreign jurisdictions.

As of December 31, 2011, we have federal net operating loss carryforwards of $28.1 million that expire at various dates from 2026 through 2031 and combined state net operating loss carryforwards of $244.3 million that expire at various dates from 2012 through 2029. Various foreign subsidiaries have net operating loss carryforwards totaling $59.2 million that expire at various dates from 2012 through 2021. We have provided valuation allowances of $13.0 million against certain foreign and state loss carryforwards.

Components of our deferred tax liabilities and assets as of December 31, 2011 and 2010 were as follows:

(In millions)	2011	2010
Deferred tax liabilities:		
Tax over book depreciation	$ 39.3	$ 30.5
Intangibles	104.7	5.0
Equity investments		9.6
Other, net	10.2	17.9
Total deferred tax liabilities	$ 154.2	$ 63.0
Deferred tax assets:		
Equity investments	$ 0.5	$
Post-retirement benefits other than pensions	7.3	8.1
Employment cost and pension	72.8	62.5
Environmental	25.9	30.0
Net operating loss carryforwards	25.2	17.4
State taxes	20.5	18.4
Alternative minimum tax credit carryforward		13.8
Other, net	16.9	14.9
Total deferred tax assets	$ 169.1	$ 165.1
Tax valuation allowance	(14.5)	(18.1)
Net deferred tax assets	$ 0.4	$ 84.0

No provision has been made for income taxes on undistributed earnings of consolidated non-U.S. subsidiaries of $205 million at December 31, 2011 since it is our intention to indefinitely reinvest undistributed earnings of our foreign subsidiaries. It is not practicable to estimate the additional income taxes and applicable foreign withholding taxes that would be payable on the remittance of such undistributed earnings.

We made worldwide income tax payments of $32.6 million and received refunds of $1.0 million in 2011. We made worldwide income tax payments of $9.5 million and $15.3 million in 2010 and 2009, respectively, and received refunds of $7.7 million and $15.5 million in 2010 and 2009, respectively.

As of December 31, 2011, we have a $14.2 million liability for uncertain tax positions all of which, if recognized, would impact the effective tax rate. We recognize interest and penalties related to uncertain tax positions in the provision for income taxes. As of December 31, 2011, 2010 and 2009 we had accrued $1.5 million, $0.9 million, and $0.6 million of interest and penalties, respectively.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	Unrecognized Tax Benefits		
(In millions)	2011	2010	2009
Balance as of January 1	$ 9.9	$ 8.1	$ 6.3
Additions based on tax positions related to the current year	3.6	1.6	1.0
Additions for tax positions of prior years	1.3	1.0	7.0
Reductions for tax positions of prior years	(0.6)		(6.0)
Settlements and other		(0.8)	(0.2)
Balance as of December 31	$ 14.2	$ 9.9	$ 8.1

We are no longer subject to U.S. income tax examinations for periods preceding 2007 and, with limited exceptions, for periods preceding 2004 for both foreign and state and local tax examinations.

Note 15 SHARE-BASED COMPENSATION

Share-based compensation cost is based on the value of the portion of share-based payment awards that are ultimately expected to vest during the period. Share-based compensation cost recognized in the accompanying consolidated statements of operations for the years ended December 31, 2011, 2010 and 2009 includes compensation cost for share-based payment awards based on the grant date fair value estimated in accordance with the provision of FASB ASC Topic 718, *Compensation Stock Compensation*. Because share-based compensation expense recognized in the accompanying consolidated statements of operations for the years ended December 31, 2011, 2010 and 2009 is based on awards ultimately expected to vest, it has been reduced for estimated forfeitures. We estimate forfeitures at the time of grant and revise that estimate, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Equity and Performance Incentive Plans

In May 2010, our shareholders approved the PolyOne Corporation 2010 Equity and Performance Incentive Plan (2010 EPIP). This plan replaced the 2008 Equity and Performance Incentive Plan (2008 EPIP). The 2008 EPIP was frozen upon the approval of the 2010 EPIP. The 2010 EPIP provides for the award of a variety of share-based compensation alternatives, including non-qualified stock options, incentive stock options, restricted stock, restricted stock units (RSUs), performance shares, performance units and stock appreciation rights (SARs). A total of 3.0 million common shares were reserved for grants and awards under the 2010 EPIP. It is anticipated that all share-based grants and awards that are earned and exercised will be issued from shares of PolyOne common shares that are held in treasury.

Share-based compensation is included in *Selling and administrative* in the accompanying consolidated statements of operations. A summary of compensation expense by type of award follows:

(In millions)	**2011**	**2010**	**2009**
Stock appreciation rights	$ 2.3	$ 1.9	$ 1.2
Restricted stock units	3.1	2.5	1.3
Restricted stock awards			0.1
Total share-based compensation	$ 5.4	$ 4.4	$ 2.6

Stock Appreciation Rights

During the years ended December 31, 2011, 2010 and 2009, the total number of SARs granted were 539,300, 793,200 and 1,411,400, respectively. Awards granted in 2011 and 2010 vest in one-third increments annually over a three-year service period. Awards granted in 2009 vest in one-third increments annually over a three-year service period and upon the achievement of certain stock price targets. SARs have contractual terms ranging from seven to ten years from the date of the grant.

The SARs granted during 2011 and 2010 were valued using the Black- Scholes method as the awards only have time-based vesting requirements. The expected term of SARs granted was determined based on the simplified method described in Staff Accounting Bulletin (SAB) Topic 14.D.2, which is permitted if historical exercise experience is not sufficient. The expected volatility was determined based on the average weekly volatility for our common shares for the expected term of the awards. Expected dividend is determined based upon the declared dividend yield at the time the SAR is granted. The risk-free rate of return was based on available yields on U.S. Treasury bills of the same duration as the expected option term. Forfeitures were estimated at 3% per year based on our historical experience.

The SARs granted during 2009 were valued using a Monte Carlo simulation method as the vesting is dependent on the achievement of certain stock price targets. The expected term of options granted was set equal to the midpoint between the vesting and expiration dates for each grant. The expected volatility was determined based on the average weekly volatility for our common shares for the contractual life of the awards. Dividends were not included in this calculation because we did not pay dividends at the time of grant. The risk-free rate of return was based on available yields on U.S. Treasury bills of the same duration as the contractual life of the awards. Forfeitures were estimated at 3% per year based on our historical experience.

The following is a summary of the assumptions related to the grants issued during 2011, 2010 and 2009:

	2011	**2010**	**2009**
Expected volatility (weighted-average)	56%	58%	49.7%
Expected dividends	0.0% 1.17%		
Expected term (in years)	6.0	4.5	4.5 5.6
Risk-free rate	2.70% 2.86%	2.26%	3.25%
Value of SARs granted	$6.72 $8.12	$3.90	$0.61 $0.68

A summary of SAR activity for 2011 is presented below:

(Shares in thousands, dollars in millions, except per share data) Stock Appreciation Rights	Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding as of January 1, 2011	4,193	$ 5.84	4.23 years	$ 28.3
Granted	539	$ 14.81		
Exercised	(958)	$ 5.62		
Forfeited or expired	(40)	$ 9.34		
Outstanding as of December 31, 2011	3,734	$ 7.15	4.24 years	$ 18.1
Vested and exercisable as of December 31, 2011	2,258	$ 6.30	2.91 years	$ 11.9

The weighted-average grant date fair value of SARs granted during 2011, 2010 and 2009 was $8.12, $3.90, and $0.65, respectively. The total intrinsic value of SARs exercised during 2011 was $8.0 million. The total intrinsic value of SARs exercised during 2010 was $8.9 million and during 2009 was less than $0.1 million. As of December 31, 2011, there was $4.0 million of total unrecognized compensation cost related to SARs, which is expected to be recognized over the weighted average remaining vesting period of 15 months.

Restricted Stock Units

Restricted Stock Units (RSUs) represent contingent rights to receive one common share at a future date provided certain vesting criteria are met.

During the years ended December 31, 2011 and 2010, the total number of RSUs granted were 336,300 and 510,700, respectively. These RSUs, which vest over a three-year service period, were granted to executives and other key employees. Compensation expense is measured on the grant date using the quoted market price of our common shares and is recognized on a straight-line basis over the requisite service period.

During 2009, 810,100 RSUs, which vest over a three-year service period and the achievement of certain stock price targets, were granted to executives and other key employees. These RSUs were valued using a Monte Carlo simulation method as the award is dependent on the achievement of certain stock price targets. The expected term of the awards granted was set at three years, consistent with the performance period of the awards. The expected volatility was determined to be 53.3% based on the three-year historical average weekly volatility for our common shares. Dividends were not included in this calculation because we did not pay dividends at the time of grant. The risk-free rate of return was estimated as 1.5% based on available yields on U.S. Treasury bills for three-years as of the grant date of the awards. Forfeitures were estimated at 3% per year based on our historical experience.

As of December 31, 2011, 1.6 million RSUs remain unvested with a weighted-average grant date fair value of $6.07. Unrecognized compensation cost for RSUs at December 31, 2011 was $4.6 million, which is expected to be recognized over the weighted average remaining vesting period of 11 months.

Stock Options

Our incentive stock plans previously provided for the award or grant of options to purchase our common shares. Options were granted in 2004 and prior years. Options granted generally became exercisable at the rate of 35% after one year, 70% after two years and 100% after three years. The term of each option does not extend beyond 10 years from the date of grant. All options were granted at 100% or greater of market value (as defined) on the date of the grant.

A summary of option activity in 2011 follows:

(Shares in thousands, dollars in millions, except per share data)	Shares	Weighted-Average	Weighted-Average	Aggregate
Options			Remaining	Intrinsic

		Exercise Price Per Share	Contractual Term	Value
Outstanding as of January 1, 2011	530	$ 9.59	1.38 years	$ 1.6
Exercised	(190)	$ 8.70		
Forfeited or expired	(2)	$ 12.22		
Outstanding, vested and exercisable as of December 31, 2011	338	$ 10.84	0.81 years	$ 0.7

The total intrinsic value of stock options that were exercised during 2011 and 2010 was $1.1 million and $1.8 million, respectively. Cash received during 2011 and 2010 for the exercise of stock options was $1.7 million and $7.4 million, respectively. No stock options were exercised during 2009.

Note 16 SEGMENT INFORMATION

A segment is a component of an enterprise whose operating results are regularly reviewed by the enterprise s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Operating income is the primary measure that is reported to the chief operating decision maker for purposes of allocating resources to the segments and assessing their performance. Operating income at the segment level does not include: corporate general and administrative costs that are not allocated to segments; intersegment sales and profit eliminations; charges related to specific strategic initiatives such as the consolidation of operations; restructuring activities, including employee separation costs resulting from personnel reduction programs, plant closure and phase-out costs; executive separation agreements; share-based compensation costs; asset impairments; environmental remediation costs and other liabilities for facilities no longer owned or closed in prior years; gains and losses on the divestiture of joint ventures and equity investments; and certain other items that are not included in the measure of segment profit or loss that is reported to and reviewed by the chief operating decision maker. These costs are included in *Corporate and eliminations*.

Effective January 1, 2011, we changed our method of recognizing actuarial gains and losses for pension and other postretirement benefits for all of our defined benefit plans to immediately recognize actuarial gains and losses, after consideration of inventory capitalization, in our operating results in the year in which the gains or losses. These gains and losses are generally only measured annually as of December 31 and accordingly, will be recorded during the fourth quarter of each year. The majority of PolyOne s net periodic benefit cost is reported within Corporate and eliminations in its operating segments results. The impact associated with the accounting change is reflected entirely within Corporate and eliminations and the annual recognition of ongoing actuarial gains and losses will be reflected within Corporate and eliminations.

Segment assets are primarily customer receivables, inventories, net property, plant and equipment, and goodwill. Intersegment sales are generally accounted for at prices that approximate those for similar transactions with unaffiliated customers. *Corporate and eliminations* includes cash, sales of accounts receivable, retained assets and liabilities of discontinued operations, and other unallocated corporate assets and liabilities. The accounting policies of each segment are consistent with those described in Note 1, *Summary of Significant Accounting Policies*. The following is a description of each of our four reportable segments and SunBelt, a previous reportable segment that was sold during 2011.

Global Specialty Engineered Materials

Global Specialty Engineered Materials is a leading provider of custom plastic formulations, compounding services and solutions for processors of thermoplastic materials across a wide variety of markets and end-use applications. Our product portfolio, which we believe to be one of the most diverse in our industry, includes standard and custom formulated high-performance polymer compounds that are manufactured using thermoplastic compounds and elastomers, which are then combined with advanced polymer additive, reinforcement, filler, colorant and/or biomaterial technologies. Our compounding expertise enables us to expand the performance range and structural properties of traditional engineering-grade thermoplastic resins. Global Specialty Engineered Materials has plants, sales and service facilities located throughout North America, Europe and Asia, and with the acquisition of Uniplen Indústria de Polímeros Ltda. (Uniplen) on January 3, 2011, we further extended our global capabilities to South America. Our product development and application reach is further enhanced by the capabilities of our Engineered Materials Solutions Centers in the United States, Germany, and China, which produce and evaluate prototype and sample parts to help assess end-use performance and guide product development. Our manufacturing capabilities are targeted at meeting our customers demand for speed, flexibility and critical quality.

Global Color, Additives and Inks

Global Color, Additives and Inks is a leading provider of specialized color and additive concentrates as well as inks and latexes. Color and additive products include an innovative array of colors, special effects and performance-enhancing and eco-friendly solutions. When combined with non pre-colored base resins, our colorants help customers achieve a wide array of specialized colors and effects that are targeted at the demands of today s highly design-oriented consumer and industrial end markets. Our additive masterbatches encompass a wide variety of performance enhancing characteristics and are commonly categorized by the function that they perform, such as UV stabilization, anti-static, chemical blowing, antioxidant and lubricant, and processing enhancement. Our colorant and additives masterbatches are used in a broad range of plastics, including those used in food and medical packaging, transportation, building products, pipe and wire and cable markets. We also provide custom-formulated liquid systems that meet a variety of customer needs and chemistries, including vinyl, natural rubber and latex, polyurethane and silicone. Products include proprietary inks and latexes for diversified markets including recreational and athletic apparel, construction and filtration, outdoor furniture and healthcare. Global Color, Additives and Inks has plants, sales and service facilities located throughout North America, Europe, Asia and South America.

On December 21, 2011, the Company completed the acquisition of all of the outstanding equity interests of ColorMatrix for $486.1 million, net of cash acquired, on a debt-free basis. ColorMatrix is highly specialized developer and manufacturer of performance enhancing additives, liquid colorants, and fluoropolymer and silicone colorants. On October 1, 2010, we acquired Polimaster, further extending our global capabilities to South America. Finally, prior to the disposition on November 30, 2010, we had a 50% interest in BayOne, a joint venture between PolyOne and Bayer Corporation, which sells liquid polyurethane systems into many of the same markets. The equity earnings from BayOne are included in Global Color, Additives and Inks results.

<u>Performance Products and Solutions</u>

Performance Products and Solutions is an industry leader offering an array of products and services for vinyl coating, molding and extrusion processors principally in North America. Our product offerings include: vinyl compounds, vinyl resins, and specialty coating materials based largely on vinyl. We believe that Geon Performance Materials is the leading North American vinyl compounder, and the Geon name carries strong brand recognition. These products are sold to manufacturers of plastic parts and consumer-oriented products. We also offer a wide range of services including materials testing and component analysis, custom compound development, colorant and additive services, design assistance, structural analyses, process simulations and extruder screw design. Vinyl is utilized across a broad range of applications in building and construction, wire and cable, consumer and recreation markets, transportation, packaging and healthcare. This segment also includes Producer Services, which offers contract manufacturing services to resin producers and polymer marketers. As a strategic and integrated supply chain partner, Producer Services offers resin producers a way to develop custom products for niche markets by using our process technology expertise and multiple manufacturing platforms.

<u>PolyOne Distribution</u>

Our PolyOne Distribution business distributes more than 3,500 grades of engineering and commodity grade resins, including PolyOne-produced compounds, to the North American and Asia markets. These products are sold to over 5,700 custom injection molders and extruders who, in turn, convert them into plastic parts that are sold to end-users in a wide range of industries. Representing over 20 major suppliers, we offer our customers a broad product portfolio, just-in-time delivery from multiple stocking locations and local technical support.

<u>SunBelt Joint Venture</u>

Our SunBelt Joint Venture consisted entirely of our 50% equity interest in SunBelt, which was sold to Olin Corporation on February 28, 2011. SunBelt, a producer of chlorine and caustic soda, was a partnership with Olin Corporation. Most of the chlorine manufactured by SunBelt is used to produce PVC resin. Caustic soda is sold on the merchant market to customers in the pulp and paper, chemical, building and construction and consumer products industries.

Financial information by reportable segment is as follows:

Year Ended December 31, 2011	**Sales to External**			**Operating**		**Capital**	**Total**
		Intersegment	**Total**		**Depreciation and**		
(In millions)	**Customers**	**Sales**	**Sales**	**Income (Loss)**	**Amortization**	**Expenditures**	**Assets**
Global Specialty Engineered Materials	$ 540.2	$ 34.9	$ 575.1	$ 45.9	$ 14.8	$ 9.2	$ 349.7
Global Color, Additives and Inks	542.2	2.4	544.6	43.4	18.9	14.7	913.3
Performance Products and Solutions	789.0	76.4	865.4	62.4	20.0	16.6	287.0
PolyOne Distribution	992.1	4.4	996.5	56.0	0.7	0.2	183.5
SunBelt Joint Venture				5.0			
Corporate and eliminations		(118.1)	(118.1)	20.3	3.1	13.4	347.0
Total	$ 2,863.5	$	$ 2,863.5	$ 233.0	$ 57.5	$ 54.1	$ 2,080.5

Year Ended December 31, 2010	**Sales to External**			**Operating**		**Capital**	**Total**
		Intersegment	**Total**		**Depreciation and**		
(In millions)	**Customers**	**Sales**	**Sales**	**Income (Loss)**	**Amortization**	**Expenditures**	**Assets**
Global Specialty Engineered Materials	$ 485.2	$ 32.2	$ 517.4	$ 49.7	$ 13.6	$ 7.4	$ 346.3
Global Color, Additives and Inks	524.7	2.7	527.4	37.7	15.8	16.7	338.1
Performance Products and Solutions	703.5	72.8	776.3	54.0	19.8	9.2	287.5
PolyOne Distribution	908.5	3.4	911.9	42.0	1.2	0.3	159.8
SunBelt Joint Venture				18.9	0.2		3.2
Corporate and eliminations		(111.1)	(111.1)	(27.7)	4.6	5.9	537.0
Total	$ 2,621.9	$	$ 2,621.9	$ 174.6	$ 55.2	$ 39.5	$ 1,671.9

Year Ended December 31, 2009	**Sales to External**			**Operating**		**Capital**	**Total**
		Intersegment	**Total**		**Depreciation and**		
(In millions)	**Customers**	**Sales**	**Sales**	**Income (Loss)**	**Amortization**	**Expenditures**	**Assets**
Global Specialty Engineered Materials	$ 379.1	$ 23.8	$ 402.9	$ 20.6	$ 13.2	$ 5.3	$ 324.1
Global Color, Additives and Inks	458.0	1.8	459.8	25.2	15.8	11.9	344.7
Performance Products and Solutions	600.5	67.2	667.7	33.1	22.3	11.5	282.6
PolyOne Distribution	623.1	2.0	625.1	24.8	1.3	0.3	152.9
SunBelt Joint Venture				25.5	0.3		2.0
Corporate and eliminations		(94.8)	(94.8)	7.9	11.9	2.7	309.7
Total	$ 2,060.7	$	$ 2,060.7	$ 137.1	$ 64.8	$ 31.7	$ 1,416.0

Earnings of equity affiliates are included in the related segment s operating income and the investment in equity affiliates is included in the related segment s assets. Gains and losses related to divestiture of equity investments are reflected in *Corporate and eliminations.* Amounts related to equity affiliates are as follows:

(In millions)	**2011**	**2010**	**2009**
Earnings of equity affiliates:			
Global Color, Additives and Inks	$	$ 2.6	$ 2.2
Performance Products and Solutions			0.5
SunBelt Joint Venture	5.7	23.1	29.7
Subtotal	5.7	25.7	32.4
Corporate and eliminations	146.3	16.3	2.8
Total	$ 152.0	$ 42.0	$ 35.2

Our sales are primarily to customers in the United States, Europe, Canada, South America and Asia, and the majority of our assets are located in these same geographic areas. Following is a summary of sales and long-lived assets based on the geographic areas where the sales originated and where the assets are located:

(In millions)	**2011**	**2010**	**2009**
Net sales:			
United States	$ 1,847.7	$ 1,727.2	$ 1,308.3
Europe	506.0	464.7	393.7
Canada	259.9	222.9	192.1
Asia	196.3	193.5	160.7
South America	42.2	1.6	
Other	11.4	12.0	5.9
Long-lived assets:			
United States	$ 235.9	$ 237.8	$ 252.8
Europe	94.8	88.3	97.4
Canada	5.9	5.5	5.0
Asia	42.0	38.5	34.8
South America	12.3	1.6	
Other	2.7	2.7	2.4

Note 17 WEIGHTED-AVERAGE SHARES USED IN COMPUTING EARNINGS PER SHARE

	00	00	00	00
(In millions)	**2011**	**2010**	**2009**	
Weighted-average shares basic:	92.2	93.1	92.4	
Plus dilutive impact of stock options and stock awards	2.1	2.9	1.0	
Weighted-average shares diluted:	94.3	96.0	93.4	

Basic earnings per common share is computed as net income available to common shareholders divided by the weighted average basic shares outstanding. Diluted earnings per common share is computed as net income available to common shareholders divided by the weighted average diluted shares outstanding.

Outstanding stock awards and options with exercise prices greater than the average price of the common shares are anti-dilutive and are not included in the computation of diluted earnings per share. The number of anti-dilutive options and awards was 0.5 million, 1.0 million, and 5.3 million at December 31, 2011, 2010 and 2009, respectively.

Note 18 FINANCIAL INSTRUMENTS

The estimated fair values of financial instruments were principally based on market prices where such prices were available and, where unavailable, fair values were estimated based on market prices of similar instruments. The fair value of short-term foreign exchange contracts is based on exchange rates at December 31, 2011 and classified as a Level 2 fair value measurement within the fair value hierarchy.

The following table summarizes the contractual amounts of our foreign exchange contracts as of December 31, 2011 and 2010. Foreign currency amounts are translated at exchange rates as of December 31, 2011 and 2010, respectively. The Buy amounts represent the U.S. dollar equivalent of commitments to purchase currencies, and the Sell amounts represent the U.S. dollar equivalent of commitments to sell currencies.

	December 31, 2011		**December 31, 2010**	
Currency (In millions)	**Buy**	**Sell**	**Buy**	**Sell**
U.S. dollar	$ 18.1	$	$ 56.9	$
Euro		18.1		52.7
British pound				4.2

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The carrying amounts and fair values of our financial instruments as of December 31, 2011 and 2010 are as follows:

	2011		2010	
	Carrying	Fair	Carrying	Fair
(In millions)	Amount	Value	Amount	Value
Cash and cash equivalents	$ 191.9	$ 191.9	$ 378.1	$ 378.1
Long-term debt				
Medium-term notes			20.0	20.1
8.875% senior notes			22.9	24.2
7.500% debentures	50.0	52.3	50.0	52.8
7.375% senior notes	360.0	374.4	360.0	374.4
Senior secured term	297.0	297.0		
Foreign exchange contracts	0.1	0.1	(0.4)	(0.4)

Note 19 FAIR VALUE

The fair value of financial assets and liabilities are measured on a recurring or non-recurring basis. Financial assets and liabilities measured on a recurring basis are those that are adjusted to fair value each time a financial statement is prepared. Financial assets and liabilities measured on a non-recurring basis are those that are adjusted to fair value when a significant event occurs. In determining fair value of financial assets and liabilities, we use various valuation techniques. The availability of inputs observable in the market varies from instrument to instrument and depends on a variety of factors including the type of instrument, whether the instrument is actively traded, and other characteristics particular to the transaction. For many financial instruments, pricing inputs are readily observable in the market, the valuation methodology used is widely accepted by market participants, and the valuation does not require significant management discretion. For other financial instruments, pricing inputs are less observable in the market and may require management judgment.

We assess the inputs used to measure fair value using a three-tier hierarchy. The hierarchy indicates the extent to which inputs used in measuring fair value are observable in the market. Level 1 inputs include quoted prices for identical instruments in active markets and are the most observable. Level 2 inputs include quoted prices for similar assets and observable inputs such as interest rates, foreign currency exchange rates, commodity rates and yield curves. Level 3 inputs are not observable in the market and include management s own judgments about the assumptions market participants would use in pricing the asset or liability.

In accordance with the provisions of FASB ASC Topic 350, *Intangibles Goodwill and Other*, we assess the fair value of goodwill on an annual basis. The implied fair value of goodwill is determined based on significant unobservable inputs, as summarized below, accordingly, these inputs fall within Level 3 of the fair value hierarchy. No impairment charges were included in 2011 or 2010. In the first quarter of 2009, a $5.0 million impairment was recorded as we finalized our impairment analysis from 2008.

We use an income approach, to estimate the fair value of our reporting units. The income approach uses a reporting unit s projection of estimated operating results and cash flows that is discounted using a weighted-average cost of capital that is determined based on current market conditions. The projection uses management s best estimates of economic and market conditions over the projected period including growth rates in sales, costs and number of units, estimates of future expected changes in operating margins and cash expenditures. Other significant estimates and assumptions include terminal value growth rates, terminal value margin rates, future capital expenditures and changes in future working capital requirements. We validate our estimates of fair value under the income approach by comparing the values to fair value estimates using a market approach. The market approach is used to estimate fair value by applying sales and earnings multiples (derived from comparable publicly-traded companies with similar investment characteristics of the reporting unit) to the reporting unit s operating performance. Finally, we consider the implied control premium and conclude whether the implied control premium is reasonable based on other recent market transactions.

Indefinite-lived intangible assets consist of a trade name acquired as part of the January 2008 acquisition of GLS, trade names acquired as part of the December 2011 acquisition of ColorMatrix, and in-process research and development acquired as part of the ColorMatrix acquisition. Indefinite-lived intangible assets are tested for impairment annually at the same time we test goodwill for impairment. Due to the timing of the acquisition, ColorMatrix intangible assets were not tested for impairment during 2011. The fair value of the GLS trade name is calculated using a relief from royalty payments methodology. This approach involves two steps (1) estimating reasonable royalty rates for the tradename and (2) applying this royalty rate to a net sales stream and discounting the resulting cash flows to determine fair value. This fair value is then compared with the carrying value of the tradename. Other finite-lived intangible assets, which consist primarily of customer relationships, sales contracts, patents and technology are amortized over their estimated useful lives. The remaining useful lives range up to 25 years.

Note 20 FINANCIAL INFORMATION OF EQUITY AFFILIATES

The results of operations of SunBelt, a manufacturer and marketer of chlorine and caustic soda, were included in the SunBelt Joint Venture operating segment through the date of disposition of our equity interest in SunBelt. On February 28, 2011, we sold our 50% equity interest in SunBelt to Olin for $132.3 million in cash, the assumption by Olin of the obligations under our guarantee of senior secured notes issued by SunBelt of $42.7 million at the time of sale, $36.6 million as of December 31, 2011, and potential annual earn-out payments for the three fiscal years ending December 31, 2011, 2012 and 2013, if SunBelt meets certain performance targets. We remain obligated under the guarantee, until the guarantee is formally assigned to Olin, although Olin has agreed to indemnify us for amounts that we may be obligated to pay under the guarantee.

We recorded a pre-tax gain of $128.2 million, net of associated transaction costs, within *Income related to equity affiliates* for the sale of our equity interest in SunBelt for the year ended December 31, 2011. Additionally, we recorded a $18.1 million pre-tax gain associated with the estimated first year earn-out of SunBelt for the year-ended December 31, 2011. This gain was based upon SunBelt s 2011 operating results and payment is expected during the first quarter of 2012.

Summarized financial information for SunBelt follows:

(In millions)	Two Months Ended February 28, 2011	2010	2009
SunBelt:			
Net sales	$ 30.5	$ 157.3	$ 167.4
Operating income	$ 12.7	$ 53.9	$ 67.6
Partnership income as reported by SunBelt	$ 11.5	$ 46.2	$ 59.4
PolyOne s ownership of SunBelt	50%	50%	50%
Earnings of equity affiliate recorded by PolyOne	$ 5.7	$ 23.1	$ 29.7

Summarized balance sheet as of December 31:	2010
Current assets	$ 21.2
Non-current assets	78.7
Total assets	99.9
Current liabilities	21.3
Non-current liabilities	73.1
Total liabilities	94.4
Partnership interest	$ 5.5

On November 30, 2010, we sold our interest in BayOne for cash proceeds of $19.3 million and recorded a pre-tax gain of $16.3 million in the fourth quarter 2010 results of operations. Through its disposition on November 30, 2010, we owned 50% of BayOne Urethane Systems, L.L.C. (BayOne), which was included in Global Color, Additives and Inks. On October 13, 2009, we sold our interest in Geon Polimeros Andinos (GPA) for cash proceeds of $13.5 million and recorded a pre-tax gain of $2.8 million in the fourth quarter 2009 results of operations. Through its disposition on October 13, 2009, the former GPA equity affiliate was included in Performance Products and Solutions.

Note 21 SHAREHOLDERS EQUITY

In August 2008, our Board of Directors approved a stock repurchase program authorizing us, to repurchase up to 10.0 million of our common shares, in the open market or in privately negotiated transactions. On October 11, 2011, PolyOne s Board of Directors increased the common share repurchase authorization amount by 5.25 million. We purchased 6.0 million shares at an aggregate price of $73.6 million under these authorizations in 2011. 8.0 million shares remain available for repurchase as of December 31, 2011.

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Note 22 SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

	2011 Quarters				Adjusted 2010 Quarters			
(In millions, except per share data)	**Fourth (7)**	**Third**	**Second**	**First (6)**	**Fourth(5)**	**Third(4)**	**Second(3)**	**First(2)**
Sales	$ 640.4	$ 735.8	$ 768.8	$ 718.5	$ 617.8	$ 680.8	$ 692.9	$ 630.4
Gross Margin	96.8	114.0	129.2	122.7	87.0	111.3	126.8	103.7
Operating (loss) income	(39.8)	42.5	50.5	179.8	29.8	47.2	63.9	33.7
Net income	12.3	21.6	28.5	110.2	89.9	3.6	48.1	21.0
Earnings per common share:								
Basic earnings (1)	$ 0.14	$ 0.24	$ 0.31	$ 1.17	$ 0.96	$ 0.04	$ 0.52	$ 0.23
Diluted earnings (1)	$ 0.13	$ 0.23	$ 0.30	$ 1.14	$ 0.92	$ 0.04	$ 0.50	$ 0.22

(1) Per share amounts for the quarter and the full year have been computed separately. The sum of the quarterly amounts may not equal the annual amounts presented because of differences in the average shares outstanding during each period.

(2) Included for the first quarter 2010 are gains of $3.2 million from legal settlements.

(3) Included for the second quarter 2010 are gains of $18.4 million from insurance and legal settlements.

(4) Included the third quarter 2010 are debt extinguishment costs of $29.4 million.

(5) Included the fourth quarter 2010 are: 1) gains of $2.3 million from insurance settlements, 2) a gain of $16.3 million related to the sale of our 50% interest in BayOne, 3) a mark-to-market pension loss adjustment of $9.6 million, and 4) a tax benefit of $90.3 million, comprised of $15.3 million fourth quarter utilization of net operating loss carryforwards and a $75 million reversal of our valuation allowance.

(6) Included for the first quarter 2011 are gains of $128.2 million from the sale of our equity interest in SunBelt.

(7) Included for the fourth quarter 2011 are: 1) gains for the SunBelt earn-out of $18.1 million, 2) mark-to-market pension and other post-retirement benefit losses of $83.8 million, 3) a $8.9 million tax benefit primarily associated with the reversal of valuation allowances, and 4) a tax benefit of $29.5 related to our investment in O Sullivan Engineered Films.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure controls and procedures

PolyOne s management, with the participation of the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the design and operation of PolyOne s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of December 31, 2011. We acquired a controlling interest in ColorMatrix on December 21, 2011. As of December 31, 2011, ColorMatrix constituted 23% of our total assets for the year then ended. As the ColorMatrix acquisition occurred during the last 12 months, the scope of our assessment of the effectiveness of PolyOne s disclosure controls and procedures does not include ColorMatrix. This exclusion is in accordance with the SEC s general guidance that an assessment of a recently acquired business may be omitted from our scope in the year of acquisition. Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that our disclosure controls and procedures are effective as of December 31, 2011.

Management s annual report on internal control over financial reporting

The following report is provided by management in respect of PolyOne s internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934):

1. PolyOne s management is responsible for establishing and maintaining adequate internal control over financial reporting.

2. PolyOne s management has used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework to evaluate the effectiveness of internal control over financial reporting. Management believes that the COSO framework is a suitable framework for its evaluation of financial reporting because it is free from bias, permits reasonably consistent qualitative and quantitative measurements of PolyOne s internal control over financial reporting, is sufficiently complete so that those relevant factors that would alter a conclusion about the effectiveness of PolyOne s internal control over financial reporting are not omitted and is relevant to an evaluation of internal control over financial reporting.

3. We acquired a controlling interest in ColorMatrix on December 21, 2011. As of December 31, 2011, ColorMatrix constituted 23% of our total assets for the year then ended. As the ColorMatrix acquisition occurred during the last 12 months, the scope of our assessment of the effectiveness of PolyOne s internal control over financial reporting does not include ColorMatrix. This exclusion is in accordance with the SEC s general guidance that an assessment of a recently acquired business may be omitted from our scope in the year of acquisition. Management has assessed the effectiveness of PolyOne s internal control over financial reporting as of December 31, 2011 and has concluded that such internal control over financial reporting is effective. There were no material weaknesses in internal control over financial reporting identified by management.

4. Ernst & Young LLP, who audited the consolidated financial statements of PolyOne for the year ended December 31, 2011, also issued an attestation report on PolyOne s internal control over financial reporting under Auditing Standard No. 5 of the Public Company Accounting Oversight Board. This attestation report is set forth on page 31 of this Annual Report on Form 10-K and is incorporated by reference into this Item 9A.

Changes in internal control over financial reporting

There were no changes in the Company s internal control over financial reporting that occurred during the quarter ended December 31, 2011 that have materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

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PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information regarding PolyOne s directors, including the identification of the audit committee and the audit committee financial expert, is incorporated by reference to the information contained in PolyOne s Proxy Statement with respect to the 2012 Annual Meeting of Shareholders (2012 Proxy Statement). Information concerning executive officers is contained in Part I of this Annual Report on Form 10-K under the heading Executive Officers of the Registrant.

The information regarding Section 16(a) beneficial ownership reporting compliance is incorporated by reference to the material under the heading Section 16(a) Beneficial Ownership Reporting Compliance in the 2012 Proxy Statement.

The information regarding any changes in procedures by which shareholders may recommend nominees to PolyOne s Board of Directors is incorporated by reference to the information contained in the 2012 Proxy Statement.

PolyOne has adopted a code of ethics that applies to its principal executive officer, principal financial officer and principal accounting officer. PolyOne s code of ethics is posted under the Investor Relations tab of its website at www.polyone.com. PolyOne will post any amendments to, or waivers of, its code of ethics that apply to its principal executive officer, principal financial officer and principal accounting officer on its website.

ITEM 11. EXECUTIVE COMPENSATION

The information regarding executive officer and director compensation is incorporated by reference to the information contained in the 2012 Proxy Statement.

The information regarding compensation committee interlocks and insider participation and the compensation committee report is incorporated by reference to the information contained in the 2012 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

The information about our equity compensation plans is incorporated by reference to the information contained in the 2012 Proxy Statement.

The information regarding security ownership of certain beneficial owners and management is incorporated by reference to the information contained in the 2012 Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information regarding certain relationships and related transactions and director independence is incorporated by reference to the information contained in the 2012 Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information regarding fees paid to and services provided by PolyOne s independent registered public accounting firm during the fiscal years ended December 31, 2011 and 2010 and the pre-approval policies and procedures of the audit committee is incorporated by reference to the information contained in the 2012 Proxy Statement.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements:

The following consolidated financial statements of PolyOne Corporation are included in Item 8:

Consolidated Statements of Operations for the years ended December 31, 2011, 2010 and 2009

Consolidated Balance Sheets at December 31, 2011 and 2010

Consolidated Statements of Cash Flows for the years ended December 31, 2011, 2010 and 2009

Consolidated Statements of Shareholders Equity for the years ended December 31, 2011, 2010 and 2009

Notes to Consolidated Financial Statements

(a)(2) Financial Statement Schedules:

The following financial statements of subsidiaries not consolidated and 50% or less owned entities, as required by Item 15(c) are incorporated by reference to Exhibit 99.1 to this Annual Report on Form 10-K:

Consolidated financial statements of SunBelt Chlor Alkali Partnership as of February 28, 2011, December 31, 2010 and December 31, 2009.

All other schedules for which provision is made in the applicable accounting regulation of the SEC are not required under the related instructions or are inapplicable and, therefore, omitted.

(a)(3) Exhibits.

Exhibit No.	Exhibit Description
2.1	Purchase Agreement, dated as of February 28, 2011, by and among PolyOne Corporation, 1997 Chloralkali Venture, LLC, Olin Corporation and Olin SunBelt II, Inc. (incorporated by reference to Exhibit 2.1 to the Company s Current Report on Form 8-K filed March 3, 2011, SEC File No. 1-16091).
2.2	Agreement and Plan of Merger, dated as of September 30, 2011, among PolyOne Corporation, 2011 ColorNewton Inc., ColorMatrix Group, Inc., and Audax ColorMatrix Holdings, LLC (Incorporated by reference to Exhibit 2.1 to PolyOne Corporation s current report on Form 8-K filed on October 5, 2011, SEC File No. 1-16091).
3.1	Articles of Incorporation (incorporated by reference to Exhibit 3(i) to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2000, SEC File No. 1-16091)
3.2	Amendment to the Second Article of the Articles of Incorporation, as filed with the Ohio Secretary of State, November 25, 2003 (incorporated by reference to Exhibit 3.1a to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2003, SEC File No. 1-16091)
3.3	Regulations (incorporated by reference to Exhibit 3.1 to the Company s Current Report on Form 8-K filed on July 17, 2009, SEC File No. 1-16091)
4.1	Indenture, dated as of December 1, 1995, between the Company and NBD Bank, as trustee (incorporated by reference to Exhibit 4.3 to The Geon Company s Annual Report on Form 10-K for the fiscal year ended December 31, 1996, SEC File No. 1-11804)
4.2	Indenture, dated as of September 24, 2010, between the Company and Wells Fargo Bank, N.A., as Trustee (incorporated by reference to Exhibit 4.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, SEC File No. 1-16091)
4.3	First Supplemental Indenture, dated as of September 24, 2010, between the Company and Wells Fargo Bank, N.A., as Trustee (incorporated by reference to Exhibit 4.2 to the Company s Quarterly Report Form 10-Q for the quarter ended September 30, 2010, SEC File No. 1-16091)
10.1	Credit Agreement, dated as of December 21, 2011, by and among PolyOne Corporation, Bank of America, N.A. as Administrative Agent, the other Lenders party thereto, Wells Fargo Bank, National Association, as Syndication Agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated and Wells Fargo Securities, LLC, both as Joint-Lead Arrangers and Joint-Book Managers.
10.2	Credit Agreement, dated as of December 21, 2011, by and among PolyOne Corporation, PolyOne Canada Inc. the other subsidiaries of PolyOne Corporation party thereto as borrowers or guarantors, the Lenders party thereto, Wells Fargo Capital Finance, LLC, as Administrative and Collateral Agent, Bank of America, N.A. and U.S. Bank National Association, as Syndication Agents, PNC Bank, National Association and Key Bank, N.A., as Documentation Agents, and Wells Fargo Capital Finance, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, both as Joint Lead Arrangers and Bookrunners.
10.3+	Form of Award Agreement under the 2010 Equity and Performance Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2011, SEC File No. 1-16091).
10.4+	PolyOne Corporation 2010 Equity and Performance Incentive Plan (incorporated by reference to Exhibit 4.4 to the Company s Registration Statement on Form S-8, Registration Statement No. 333-166775, filed on May 12, 2010)
10.5+	PolyOne Senior Executive Annual Incentive Plan (effective January 1, 2011) (incorporated by reference to Appendix B to the Company s definitive proxy statement on Schedule 14A, SEC File No. 1-16091, filed on March 29, 2010)
10.6+	Form of Grant of Restricted Stock Units under the 2010 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, SEC File No. 1-16091)
10.7+	Form of Grant of Stock-Settled Stock Appreciation Rights under the 2010 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, SEC File No. 1-16091)
10.8+	Form of Grant of Performance Units under the 2010 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, SEC File No. 1-16091)
10.9+	Form of Award Agreement for Stock Appreciation Rights (incorporated by reference to Exhibit 10.2 to the Company s Current Report on Form 8-K filed on January 11, 2005, SEC File No. 1-16091)
10.10+	1999 Incentive Stock Plan, as amended and restated through August 31, 2000 (incorporated by reference to Exhibit 10.5 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2000, SEC File No. 1-16091)
10.11+	2000 Stock Incentive Plan (incorporated by reference to Annex D to Amendment No. 3 to The Geon Company s Registration Statement on Form S-4, Registration Statement No. 333-37344, filed on July 28, 2000)
10.12+	Amended and Restated Benefit Restoration Plan (Section 401(a)(17)) (incorporated by reference to Exhibit 10.8 of the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2007, SEC File No. 1-16091)
10.13+	Strategic Improvement Incentive Plan (incorporated by reference to Exhibit 10.9b to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2001, SEC File No. 1-16091)
10.14+	2005 Equity and Performance Incentive Plan (amended and restated by the Board as of July 21, 2005) (incorporated by reference to Exhibit 10.4 to the Company s Quarterly Report on Form 10-Q for the quarter ended June 30, 2005, SEC File No. 1-16091)

Exhibit No.	Exhibit Description
10.15+	Amended and Restated Deferred Compensation Plan for Non-Employee Directors (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, SEC File No. 1-16091)
10.16+	Form of Management Continuity Agreement (incorporated by reference to Exhibit 10.13 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2007, SEC File No. 1-16091)
10.17+	Schedule of Executives with Management Continuity Agreements
10.18+	Amended and Restated PolyOne Supplemental Retirement Benefit Plan (incorporated by reference to Exhibit 10.15 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2007, SEC File No. 1-16091)
10.19+	Amended and Restated Letter Agreement, dated as of July 16, 2008, between the Company and Stephen D. Newlin, originally effective as of February 13, 2006 (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 2008, SEC File No. 1-16091)
10.20	Amended and Restated Collateral Trust Agreement, dated as of June 6, 2006, between the Company, as grantor, and U.S. Bank Trust National Association, as collateral trustee (incorporated by reference to Exhibit 10.3 to the Company s Current Report on Form 8-K filed on June 8, 2006, SEC File No. 1-16091)
10.21	Assumption of Liabilities and Indemnification Agreement, dated March 1, 1993, amended and restated by Amended and Restated Assumption of Liabilities and Indemnification Agreement, dated April 27, 1993 (incorporated by reference to Exhibit 10.14 to The Geon Company s Annual Report on Form 10-K for the fiscal year ended December 31, 1996, SEC File No. 1-11804)
10.22	Unconditional and Continuing Guaranty, between the Company and Olin Corporation and Sunbelt Chlor Alkali Partnership (incorporated by reference to Exhibit 10(c) to The Geon Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 1996, SEC File No. 1-11804)
10.23	Asset Contribution Agreement PVC Partnership (Geon) (incorporated by reference to Exhibit 10.3 to The Geon Company s Current Report on Form 8-K filed on May 13, 1999, SEC File No. 1-11804)
10.24+	Form of Award Agreement for Stock-Settled Stock Appreciation Rights (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, SEC File No. 1-16091)
10.25	Sale and Agreement, by and among PolyOne Corporation, Occidental Chemical Corporation, and their representative affiliates party thereto, dated as of July 6, 2007 (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, SEC File No. 1-16091)
10.26+	PolyOne Corporation 2008 Equity and Performance Incentive Plan (incorporated herein by reference to Appendix A to the Registrant s proxy statement on Schedule 14A (SEC File No. 1-16091), filed on March 25, 2008).
10.27+	Form of Award Agreement for Restricted Stock Units (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2008, SEC File No. 1-16091)
10.28+	Form of Award Agreement for Stock-Settled Stock Appreciation Rights (incorporated by reference to Exhibit 10.2 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2008, SEC File No. 1-16091)
10.29+	First Amendment to The Geon Company Section 401(a)(17) Benefit Restoration Plan (December 31, 2007 Restatement) (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.30+	Amendment No. 1 to the PolyOne Supplemental Retirement Benefit Plan (As Amended and Restated Effective December 31, 2007) (incorporated by reference to Exhibit 10.2 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.31+	Form of Grant of Performance Shares under the 2009 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.32+	Form of Grant of Stock-Settled Stock Appreciation Rights under the 2009 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.33+	Form of Grant of Performance Units under the 2009 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.34+	Executive Severance Plan, as amended and restated effective February 17, 2009 (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, SEC File No. 1-16091)
10.35+	Undetermined Time Employment Contract between PolyOne Luxembourg s.a.r.l. and Bernard Baert (incorporated herein by reference to Exhibit 10.1 to the Company s Form 8-K, filed with the Commission on September 2, 2009, SEC File No. 1-106091)
10.36+	Amendment No. 2 to the PolyOne Supplemental Retirement Benefit Plan (As Amended and Restated Effective December 31, 2007) (incorporated by reference to Exhibit 10.51 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2009, SEC File No. 1-16091)
21.1	Subsidiaries of the Company

Exhibit No.	Exhibit Description
23.1	Consent of Independent Registered Public Accounting Firm Ernst & Young LLP
23.2	Consent of Independent Registered Public Accounting Firm Ernst & Young LLP
31.1	Certification of Stephen D. Newlin, Chairman, President and Chief Executive Officer, pursuant to SEC Rules 13a-14(a) and 15d-14(a), adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Robert M. Patterson, Executive Vice President and Chief Financial Officer, pursuant to SEC Rules 13a-14(a) and 15d-14(a), adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
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+ Indicates management contract or compensatory plan, contract or arrangement in which one or more directors or executive officers of the Registrant may be participants

The exhibits and schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K and will be provided to the Securities and Exchange Commission upon request.

* XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

POLYONE CORPORATION

February 17, 2012

BY: /S/ ROBERT M. PATTERSON
Robert M. Patterson
Executive Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated and on the dates indicated.

	Signature and Title	
/S/ STEPHEN D. NEWLIN Stephen D. Newlin	Chairman, President, Chief Executive Officer and Director (Principal Executive Officer)	Date: February 17, 2012
/S/ ROBERT M. PATTERSON Robert M. Patterson	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	Date: February 17, 2012
/S/ J. DOUGLAS CAMPBELL J. Douglas Campbell	Director	Date: February 17, 2012
/S/ CAROL A. CARTWRIGHT Carol A. Cartwright	Director	Date: February 17, 2012
/S/ RICHARD H. FEARON Richard H. Fearon	Director	Date: February 17, 2012
/S/ GREGORY J. GOFF Gregory J. Goff	Director	Date: February 17, 2012
/S/ GORDON D. HARNETT Gordon D. Harnett	Director	Date: February 17, 2012
/S/ RICHARD A. LORRAINE Richard A. Lorraine	Director	Date: February 17, 2012
/S/ EDWARD J. MOONEY Edward J. Mooney	Director	Date: February 17, 2012
/S/ WILLIAM H. POWELL William H. Powell	Director	Date: February 17, 2012
/S/ FARAH M. WALTERS Farah M. Walters	Director	Date: February 17, 2012
/S/ WILLIAM A. WULFSOHN William A. Wulfsohn	Director	Date: February 17, 2012

EXHIBIT INDEX

Exhibit No.	Exhibit Description
2.1	Purchase Agreement, dated as of February 28, 2011, by and among PolyOne Corporation, 1997 Chloralkali Venture, LLC, Olin Corporation and Olin SunBelt II, Inc. (incorporated by reference to Exhibit 2.1 to the Company s Current Report on Form 8-K filed March 3, 2011, SEC File No. 1-16091).
2.2	Agreement and Plan of Merger, dated as of September 30, 2011, among PolyOne Corporation, 2011 ColorNewton Inc., ColorMatrix Group, Inc., and Audax ColorMatrix Holdings, LLC (Incorporated by reference to Exhibit 2.1 to PolyOne Corporation s current report on Form 8-K filed on October 5, 2011, SEC File No. 1-16091).
3.1	Articles of Incorporation (incorporated by reference to Exhibit 3(i) to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2000, SEC File No. 1-16091)
3.2	Amendment to the Second Article of the Articles of Incorporation, as filed with the Ohio Secretary of State, November 25, 2003 (incorporated by reference to Exhibit 3.1a to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2003, SEC File No. 1-16091)
3.3	Regulations (incorporated by reference to Exhibit 3.1 to the Company s Current Report on Form 8-K filed on July 17, 2009, SEC File No. 1-16091)
4.1	Indenture, dated as of December 1, 1995, between the Company and NBD Bank, as trustee (incorporated by reference to Exhibit 4.3 to The Geon Company s Annual Report on Form 10-K for the fiscal year ended December 31, 1996, SEC File No. 1-11804)
4.2	Indenture, dated as of September 24, 2010, between the Company and Wells Fargo Bank, N.A., as Trustee (incorporated by reference to Exhibit 4.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, SEC File No. 1-16091)
4.3	First Supplemental Indenture, dated as of September 24, 2010, between the Company and Wells Fargo Bank, N.A., as Trustee (incorporated by reference to Exhibit 4.2 to the Company s Quarterly Report Form 10-Q for the quarter ended September 30, 2010, SEC File No. 1-16091)
10.1	Credit Agreement, dated as of December 21, 2011, by and among PolyOne Corporation, Bank of America, N.A. as Administrative Agent, the other Lenders party thereto, Wells Fargo Bank, National Association, as Syndication Agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated and Wells Fargo Securities, LLC, both as Joint-Lead Arrangers and Joint-Book Managers.
10.2	Credit Agreement, dated as of December 21, 2011, by and among PolyOne Corporation, PolyOne Canada Inc. the other subsidiaries of PolyOne Corporation party thereto as borrowers or guarantors, the Lenders party thereto, Wells Fargo Capital Finance, LLC, as Administrative and Collateral Agent, Bank of America, N.A. and U.S. Bank National Association, as Syndication Agents, PNC Bank, National Association and Key Bank, N.A., as Documentation Agents, and Wells Fargo Capital Finance, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, both as Joint Lead Arrangers and Bookrunners.
10.3+	Form of Award Agreement under the 2010 Equity and Performance Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2011, SEC File No. 1-16091).
10.4+	PolyOne Corporation 2010 Equity and Performance Incentive Plan (incorporated by reference to Exhibit 4.4 to the Company s Registration Statement on Form S-8, Registration Statement No. 333-166775, filed on May 12, 2010)
10.5+	PolyOne Senior Executive Annual Incentive Plan (effective January 1, 2011) (incorporated by reference to Appendix B to the Company s definitive proxy statement on Schedule 14A, SEC File No. 1-16091, filed on March 29, 2010)
10.6+	Form of Grant of Restricted Stock Units under the 2010 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, SEC File No. 1-16091)
10.7+	Form of Grant of Stock-Settled Stock Appreciation Rights under the 2010 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, SEC File No. 1-16091)
10.8+	Form of Grant of Performance Units under the 2010 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, SEC File No. 1-16091)
10.9+	Form of Award Agreement for Stock Appreciation Rights (incorporated by reference to Exhibit 10.2 to the Company s Current Report on Form 8-K filed on January 11, 2005, SEC File No. 1-16091)
10.10+	1999 Incentive Stock Plan, as amended and restated through August 31, 2000 (incorporated by reference to Exhibit 10.5 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2000, SEC File No. 1-16091)
10.11+	2000 Stock Incentive Plan (incorporated by reference to Annex D to Amendment No. 3 to The Geon Company s Registration Statement on Form S-4, Registration Statement No. 333-37344, filed on July 28, 2000)

Exhibit No.	Exhibit Description
10.12+	Amended and Restated Benefit Restoration Plan (Section 401(a)(17)) (incorporated by reference to Exhibit 10.8 of the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2007, SEC File No. 1-16091)
10.13+	Strategic Improvement Incentive Plan (incorporated by reference to Exhibit 10.9b to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2001, SEC File No. 1-16091)
10.14+	2005 Equity and Performance Incentive Plan (amended and restated by the Board as of July 21, 2005) (incorporated by reference to Exhibit 10.4 to the Company s Quarterly Report on Form 10-Q for the quarter ended June 30, 2005, SEC File No. 1-16091)
10.15+	Amended and Restated Deferred Compensation Plan for Non-Employee Directors (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, SEC File No. 1-16091)
10.16+	Form of Management Continuity Agreement (incorporated by reference to Exhibit 10.13 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2007, SEC File No. 1-16091)
10.17+	Schedule of Executives with Management Continuity Agreements
10.18+	Amended and Restated PolyOne Supplemental Retirement Benefit Plan (incorporated by reference to Exhibit 10.15 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2007, SEC File No. 1-16091)
10.19+	Amended and Restated Letter Agreement, dated as of July 16, 2008, between the Company and Stephen D. Newlin, originally effective as of February 13, 2006 (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 2008, SEC File No. 1-16091)
10.20	Amended and Restated Collateral Trust Agreement, dated as of June 6, 2006, between the Company, as grantor, and U.S. Bank Trust National Association, as collateral trustee (incorporated by reference to Exhibit 10.3 to the Company s Current Report on Form 8-K filed on June 8, 2006, SEC File No. 1-16091)
10.21	Assumption of Liabilities and Indemnification Agreement, dated March 1, 1993, amended and restated by Amended and Restated Assumption of Liabilities and Indemnification Agreement, dated April 27, 1993 (incorporated by reference to Exhibit 10.14 to The Geon Company s Annual Report on Form 10-K for the fiscal year ended December 31, 1996, SEC File No. 1-11804)
10.22	Unconditional and Continuing Guaranty, between the Company and Olin Corporation and Sunbelt Chlor Alkali Partnership (incorporated by reference to Exhibit 10(C) to The Geon Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 1996, SEC File No. 1-11804)
10.23	Asset Contribution Agreement PVC Partnership (Geon) (incorporated by reference to Exhibit 10.3 to The Geon Company s Current Report on Form 8-K filed on May 13, 1999, SEC File No. 1-11804)
10.24+	Form of Award Agreement for Stock-Settled Stock Appreciation Rights (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, SEC File No. 1-16091)
10.25	Sale and Agreement, by and among PolyOne Corporation, Occidental Chemical Corporation, and their representative affiliates party thereto, dated as of July 6, 2007 (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, SEC File No. 1-16091)
10.26+	PolyOne Corporation 2008 Equity and Performance Incentive Plan (incorporated herein by reference to Appendix A to the Registrant s proxy statement on Schedule 14A (SEC File No. 1-16091), filed on March 25, 2008).
10.27+	Form of Award Agreement for Restricted Stock Units (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2008, SEC File No. 1-16091)
10.28+	Form of Award Agreement for Stock-Settled Stock Appreciation Rights (incorporated by reference to Exhibit 10.2 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2008, SEC File No. 1-16091)
10.29+	First Amendment to The Geon Company Section 401(a)(17) Benefit Restoration Plan (December 31, 2007 Restatement) (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.30+	Amendment No. 1 to the PolyOne Supplemental Retirement Benefit Plan (As Amended and Restated Effective December 31, 2007) (incorporated by reference to Exhibit 10.2 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.31+	Form of Grant of Performance Shares under the 2009 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.32+	Form of Grant of Stock-Settled Stock Appreciation Rights under the 2009 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)
10.33+	Form of Grant of Performance Units under the 2009 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, SEC File No. 1-16091)

Exhibit No.	Exhibit Description
10.34+	Executive Severance Plan, as amended and restated effective February 17, 2009 (incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, SEC File No. 1-16091)
10.35+	Undetermined Time Employment Contract between PolyOne Luxembourg s.a.r.l. and Bernard Baert (incorporated herein by reference to Exhibit 10.1 to the Company s Form 8-K, filed with the Commission on September 2, 2009, SEC File No. 1-106091)
10.36+	Amendment No. 2 to the PolyOne Supplemental Retirement Benefit Plan (As Amended and Restated Effective December 31, 2007) (incorporated by reference to Exhibit 10.51 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2009, SEC File No. 1-16091)
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