

FOSTER L B CO  
Form 11-K  
June 20, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 11-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

**For the fiscal year ended December 31, 2013**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission file number 0-10436**

A. Full title of the plan and the address of plan, if different from that of the issuer named below  
**L.B. Foster Company Savings Plan for Bargaining Unit Employees**

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

**L.B. FOSTER COMPANY**

**415 Holiday Drive**

**Pittsburgh, PA 15222**

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EXHIBIT INDEX

Exhibit 23.1 Consent of Independent Registered Public Accounting Firm

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L.B. Foster Company  
Savings Plan for Bargaining Unit Employees  
Financial Statements and  
Supplemental Schedule  
December 31, 2013 and 2012 and the  
Year Ended December 31, 2013

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Report of Independent Registered Public Accounting Firm

The Plan Administrator

L.B. Foster Company

Savings Plan for Bargaining Unit Employees

We have audited the accompanying statements of net assets available for benefits of the L.B. Foster Company Savings Plan for Bargaining Unit Employees as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2013 and 2012, and the changes in its net assets available for benefits for the year ended December 31, 2013, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2013 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Pittsburgh, Pennsylvania

June 20, 2014

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L.B. Foster Company

Savings Plan for Bargaining Unit Employees

Statements of Net Assets Available for Benefits

	<b>December 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>Assets</b>		
Investments, at fair value	<b>\$ 1,932,822</b>	\$ 1,758,603
Notes receivable from participants	<b>145,029</b>	113,761
Net assets available for benefits	<b>\$ 2,077,851</b>	\$ 1,872,364

*See accompanying notes.*

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L.B. Foster Company  
Savings Plan for Bargaining Unit Employees  
Statement of Changes in Net Assets Available for Benefits  
Year Ended December 31, 2013

**Additions**

Investment income:	
Interest and dividends	\$ 47,101
Net realized/unrealized appreciation in investment fair value	267,369
<b>Total investment income</b>	<b>314,470</b>
Contributions:	
Employee	167,046
Employer	71,803
<b>Total contributions</b>	<b>238,849</b>
<b>Total additions</b>	<b>553,319</b>

**Deductions**

Deductions from net assets attributable to:	
Benefit payments	288,903
Transfers to affiliated plan*	46,842
Administrative expenses	12,087
<b>Total deductions</b>	<b>347,832</b>
<b>Increase in net assets available for benefits</b>	<b>205,487</b>
Net assets available for benefits, beginning of year	1,872,364
<b>Net assets available for benefits, end of year</b>	<b>\$ 2,077,851</b>

\* L.B. Foster 401(k) and Profit Sharing Plan  
*See accompanying notes.*

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L.B. Foster Company

Savings Plan for Bargaining Unit Employees

Notes to Financial Statements

December 31, 2013 and 2012

**1. Description of Plan**

The following brief description of the L.B. Foster Company Savings Plan for Bargaining Unit Employees (the Plan) is provided for general information purposes only. Participants should refer to the summary plan description as amended on May 1, 2007, for more complete information.

**General**

The Plan is a defined contribution plan extended to union hourly employees of L.B. Foster Company (the Company) who have attained age 18 and are employed at locations specified by the Plan. The L.B. Foster Company Investment Committee, appointed by the Board of Directors of the Company, serves as the plan administrator. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) as amended.

**Contributions and Forfeitures**

Contributions under the Plan are made by both the participants and the Company. A participant may elect to make deferred savings contributions on a pretax basis ranging up to 75% of annual compensation subject to Internal Revenue Code limitations. A participant who elects to make deferred savings contributions of at least 5% can also elect to make additional voluntary contributions on an after-tax basis provided, however, that the sum of the deferred savings and voluntary employee contributions does not exceed 100% of the participant's annual compensation. Participant and Company contributions are invested in accordance with participant elections. In the event that a participant does not make an investment election, contributions are invested in the Fidelity Freedom Fund (target date retirement fund) that coincides with the participant's date of normal retirement age, until such time as an election is made by the participant. The participant may transfer contributions defaulted to these funds into other investment options at the participant's discretion.

Company contributions are made pursuant to the terms of the collective bargaining agreements applicable to the Company's specific locations. Eligible employees of Spokane, Washington, shall have a Company matching contribution of \$0.50 for every \$1.00 contributed by the employee on the first 6% of annual compensation, based upon years of service, as defined by the Plan. Eligible employees of the Bedford, Pennsylvania, facility shall have a Company matching contribution of \$0.50 for every \$1.00 contributed by the employee, up to the first 6% of the employee's compensation. Matching contributions will only be made if the employee contributes to the Plan. The Company's contributions may be reduced by accumulated forfeitures. During the year ended December 31, 2013, \$3,000 of accumulated forfeitures were utilized to reduce Company contributions. At December 31, 2013 and 2012, forfeitures of \$5,354 and \$5,765, respectively, were available to reduce future Company contributions.



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**1. Description of Plan (continued)**

**Vesting**

A participant's vested interest in the Plan on any date is equal to the sum of the values of (a) that portion of the participant's account attributable to the participant's contributions and (b) that portion of the participant's account attributable to the Company's contributions multiplied by the applicable vesting percentage, (c) plus related earnings (losses). Participants are 100% vested in the Company's contributions after three years of eligible service or attaining age 65.

Notwithstanding the above, a participant who terminates from the Plan by reason of retirement, disability, or death is fully vested in their participant account.

**Distributions**

Normal retirement age is 65. Early retirement age is 55, provided that the participant has at least five years of service. In addition, a participant may obtain an early retirement distribution prior to reaching age 55, provided that the participant will turn 55 in the year distribution occurs and that the participant has completed at least five years of service.

As provided by the Plan, the distribution due to normal, early, or disability retirement, death, or termination of employment may be made in the form of a direct rollover, annuity, cash, or partly in cash, and partly as an annuity. The amount of such distribution is equal to the participant's vested account balance on the valuation date.

**Withdrawals**

In the event of hardship and subject to certain restrictions and limitations, as defined by the plan document, a participant may withdraw their vested interest in the portion of their account attributable to deferred savings contributions and related earnings. The Plan also allows for age 59 ½ in-service withdrawals of any portion or all of the participant's vested account balance.

**Participant Accounts**

Each participant account is credited with the participant's pretax and voluntary contributions, the participant's allocable share of Company contributions, and related earnings of the funds. Participant accounts may be invested in 10% increments into Company stock or any of the mutual funds available under the Plan at the direction of the participant.

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**1. Description of Plan (continued)**

**Loans**

A participant may obtain a loan from the vested portion of their account, subject to a minimum of \$1,000 and a maximum of \$50,000. The loan proceeds are deducted from the participant's account and are repaid by means of payroll deductions. Loans are required to be repaid within 60 months from the date on which the loan is originally granted and may be prepaid without penalty at any time. The repayment period for a loan that is obtained for purchasing a primary residence may be as long as 120 months. The loan carries a reasonable interest rate as determined by the plan sponsor. The interest rate is computed on the date the loan is requested and remains fixed for the full term of the loan.

**Plan Termination**

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. Should the Plan be terminated, participants will become fully vested in their accounts, and the assets of the Plan would be distributed to the participants based on their individual account balances as determined under the plan provisions.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements of the Plan are maintained under the accrual method of accounting in conformity with the accounting principles generally accepted in the United States ( GAAP ).

**Use of Estimates**

The preparation of financial statements in accordance with GAAP requires management to make estimates that affect the amounts reported in the financial statements, accompanying notes and supplemental schedule. Actual results could differ from those estimates.

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**2. Summary of Significant Accounting Policies (continued)**

**Valuation of Investments**

Mutual fund values are based on the underlying investments. Mutual fund securities traded on security exchanges are valued at the latest quoted sales price. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the plan year.

Realized gains or losses include recognized gains and losses on the sale of investments. Unrealized appreciation or depreciation represents changes in value from original cost. Dividend income is recorded on the ex-dividend date and interest income is accrued as earned. Plan assets are concentrated in mutual funds primarily consisting of stocks and bonds. Realization of the Plan's net assets available for benefits is dependent on the results of these markets.

**Notes Receivable From Participants**

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance, plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned and is reported within interest and dividends on the statement of changes in net assets available for benefits. No allowance for credit losses has been recorded as of December 31, 2013 or 2012. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

**Expenses**

The Company, as provided by the Plan, pays expenses of the Plan. Expenses incurred to establish and maintain a loan are charged to the applicable participant.

**Risks and Uncertainties**

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. Market values for investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults, and credit rating downgrades. The fair values assigned to the investments by the Plan are based upon available information believed to be reliable, which may be affected by conditions in the financial markets. The Plan may not be able to sell its investments when it desires to do so or to realize what it perceives to be its fair value in the event of a sale.

**Table of Contents****2. Summary of Significant Accounting Policies (continued)****Subsequent Events**

Subsequent to December 31, 2013, the Bedford, Pennsylvania Union Agreement was amended to provide a Company match of 100% of the first 1% of their eligible compensation and 50% of the next 6% of their eligible compensation for a maximum Company match of 4%. The matching contribution is effective as of January 1, 2015. The Plan's management concluded that there were no other subsequent events requiring adjustments to the financial statements or additional disclosures as stated herein.

**3. Investments**

At December 31, 2013 and 2012, the fair value of investments representing 5% or more of the Plan's net assets is as follows:

	2013	2012
Sentinel Common Stock A Fund	<b>\$ 260,624</b>	\$ 322,456
Fidelity Investments Spartan 500 Index Advantage Class Mutual Shares Class A	<b>186,406</b>	159,401
Fidelity Investments Freedom 2035 Class K	<b>180,769</b>	214,454
Fidelity Investments Freedom 2035 Class K	<b>177,533</b>	130,104
Fidelity Investments Balanced Fund Class K	<b>167,745</b>	175,232
Fidelity Investments Freedom 2030 Class K	<b>143,452</b>	76,755*
Fidelity Investments Government Income Fund	<b>123,627</b>	200,646
Fidelity Investments Retirement Government Money Market Fund	<b>122,237</b>	175,948
Fidelity Investments Freedom 2015 Class K	<b>113,918</b>	1,295*
Fidelity Investments Freedom 2040 Class K	<b>105,926</b>	86,791*

\* Presented for comparative purposes only.

For the year ended December 31, 2013, the Plan's investments (including investments bought, sold, and held during the year) appreciated in value as follows:

	Year Ended December 31, 2013
Mutual Funds	<b>\$ 266,878</b>
Employer Stock	<b>\$ 491</b>

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### **4. Income Tax Status**

The underlying volume submitter plan has received an advisory letter from the Internal Revenue Service (IRS) dated March 31, 2008, stating that the form of the plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and therefore, the related trust is tax-exempt. In accordance with Revenue Procedures 2013-6 and 2011-49, the plan administrator has determined that it is eligible to and has chosen to rely on the current IRS volume submitter advisory letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and therefore believes the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

### **5. Transactions With Parties-in-Interest**

Certain trustee, accounting, and administrative expenses relating to the maintenance of participant records and the Plan's administration are absorbed by the Company and may qualify as party-in-interest transactions under ERISA. The Plan also invests in L.B. Foster Company stock. L.B. Foster Company is the plan sponsor, and therefore, transactions may qualify as party-in-interest. Notes receivable from participants also qualify as party-in-interest transactions.

### **6. Fair Value Measurements**

The Plan applies the provisions of Accounting Standards Codification Topic 820, *Fair Value Measurements and Disclosures* (ASC 820), to its financial assets carried in the financial statements at fair value on a recurring basis. ASC 820 defines fair value as the exchange price that would be received for an asset in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a fair value hierarchy and requires categorization of assets measured at fair value into one of three levels based on the inputs used in the valuation. Assets are classified in their entirety based on the lowest level of input significant to the fair value measurement. The three levels are defined as:

Level 1    Observable inputs based on quoted prices (unadjusted) in active markets for identical assets.

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**6. Fair Value Measurements (continued)**

Level 2 Observable inputs, other than those included in Level 1, based on quoted prices for similar assets in active markets or quoted prices for identical assets in inactive markets.

Level 3 Unobservable inputs that reflect an entity's own assumptions about the inputs a market participant would use in pricing the asset based on the best information available in the circumstances.

Investments included in the statements of net assets available for benefits include mutual funds totaling \$1,924,671 and \$1,753,745, the Company's common stock fund of \$7,122 and \$3,857, and the Company's Stock Purchase Account of \$1,029 and \$1,001 are stated at fair value as of December 31, 2013 and 2012, respectively. These investments are valued using daily unadjusted quoted prices and are Level 1 fair value measurements.

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Supplemental Schedule

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L.B. Foster Company

Savings Plan for Bargaining Unit Employees

EIN #25-1324733 Plan #014

Schedule H, Line 4i Schedule of Assets

(Held at End of Year)

December 31, 2013

<b>Identity of Issue, Borrower, Lessor, or Similar Party</b>	<b>Description of Investment</b>	<b>Shares Held</b>	<b>Fair Market Value</b>
Fidelity Investments *:			
Government Income Fund	Government obligations	12,168	\$ 123,627
Spartan US Bond Index Fund Advantage Class	Fixed income securities	301	3,424
Balanced Fund Class K	Equities	7,376	167,745
Capital Appreciation Fund Class K	Equities	179	6,481
Contrafund K	Equities	34	3,248
International Discovery Fund Class K	Equities	213	8,591
Low Price Stock Fund Class K	Equities	90	4,469
Retirement Government Money Market Fund	Government obligations, money market securities	122,237	122,237
Spartan International Index Fund Advantage Class	Equities	69	2,790
Spartan Extended Market Index Fund Advantage Class	Equities	80	4,270
Spartan 500 Index Fund Advantage Class	Equities	2,846	186,406
Freedom Income Fund Class K	Equity funds, fixed income funds	967	11,566
Freedom 2000 Class K	Equity funds, fixed income funds	223	2,721
Freedom 2005 Class K	Equity funds, fixed income funds	374	5,021
Freedom 2010 Class K	Equity funds, fixed income funds	98	1,377
Freedom 2015 Class K	Equity funds, fixed income funds	8,000	113,918
Freedom 2020 Class K	Equity funds, fixed income funds	2,925	43,517
Freedom 2025 Class K	Equity funds, fixed income funds	1,038	16,106
Freedom 2030 Class K	Equity funds, fixed income funds	9,045	143,452
Freedom 2035 Class K	Equity funds, fixed income funds	10,838	177,533
Freedom 2040 Class K	Equity funds, fixed income funds	6,431	105,926
Freedom 2045 Class K	Equity funds, fixed income funds	2,728	45,838
Freedom 2050 Class K	Equity funds, fixed income funds	5,169	87,196
Freedom 2055 Class K	Equity funds, fixed income funds	4,166	50,284
Prudential Jennison Mid-Cap Growth Fund Class Q	Equities	39	1,566
Mutual Shares Class A	Equities	6,428	180,769
Oppenheimer Developing Markets Fund	Equities	295	11,229
PIMCO Real Return Inst	Fixed income securities	1,208	13,253



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PIMCO Total Return Fund	Fixed income securities	1,600	17,100
Allianz NFJ Small Cap Value Fund	Equities	72	2,387
Sentinel Common Stock A Fund	Equities	6,078	260,624
			1,924,671

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L.B. Foster Company

Savings Plan for Bargaining Unit Employees

EIN #25-1324733 Plan #014

Schedule H, Line 4i – Schedule of Assets

(Held at End of Year) (continued)

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment	Shares Held	Fair Market Value
L.B. Foster Company*:			
Stock Fund	Common stock	151	\$ 7,122
Stock Purchase Account	Money market securities		1,029
			8,151
			1,932,822
Participant loans*	Participant loans, interest rates ranging from 4.25% to 8.25%, various maturities ranging from one year to five years		145,029
			\$ 2,077,851

\* Party in interest

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

**L.B. Foster Company Savings Plan for  
Bargaining Unit Employees**

(Name of Plan)

Date: **June 20, 2014**

**/s/ Brian H. Kelly**

Brian H. Kelly

Vice President, Human Resources and  
Administration