# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

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

OMB Nos. 1210-0110
1210-0089

**2009**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

**D** Check box if filing under:
- [ ] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
PRIEFERT MANUFACTURING CO., INC. 401(K) PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/1969

**2a** Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
PRIEFERT MANUFACTURING COMPANY, INC

P.O. BOX 1540
MT. PLEASANT, TX 75456-1540

**2b** Employer Identification Number (EIN)
75-1236931

**2c** Sponsor's telephone number
903-572-1741

**2d** Business code (see instructions)
339900

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 07/29/2010 | BILL PRIEFERT |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 07/29/2010 | BILL PRIEFERT |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address (if same as plan sponsor, enter "Same")
PRIEFERT MANUFACTURING COMPANY, INC

P.O. BOX 1540
MT. PLEASANT, TX 75456-1540

**3b** Administrator's EIN
75-1236931

**3c** Administrator's telephone number
903-572-1741

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 677 |
| **6** | Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**). | | |
| **a** | Active participants | **6a** | 474 |
| **b** | Retired or separated participants receiving benefits | **6b** | 6 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 110 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 590 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 590 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 550 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 48 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2J 2K 3D

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

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

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

**b General Schedules**

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

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2009**

**This Form is Open to Public Inspection**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

**A** Name of plan
PRIEFERT MANUFACTURING CO., INC. 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
PRIEFERT MANUFACTURING COMPANY, INC

**D** Employer Identification Number (EIN)
75-1236931

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 30765 | 0 |
| **(2)** Participant contributions | 1b(2) | | 9729 |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 1899319 | 527038 |
| **(2)** U.S. Government securities | 1c(2) | 615377 | 558116 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | 459474 | 152265 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | 1195447 | 1570460 |
| **(5)** Partnership/joint venture interests | 1c(5) | 332800 | 369025 |
| **(6)** Real estate (other than employer real property) | 1c(6) | 551250 | 551250 |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | | |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 6349012 | 10182702 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 11433444 | 13920585 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | 4995 |
| **h** | Operating payables | 1h | 50000 | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | 39738 | 44462 |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 89738 | 49457 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 11343706 | 13871128 |

## Part II Income and Expense Statement

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

| | Income | | (a) Amount | (b) Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 39738 | |
| | **(B)** Participants | 2a(1)(B) | 613852 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 4797 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 658387 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 251830 | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | | |
| | **(F)** Other | 2b(1)(F) | 86701 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 338531 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| | **(B)** Common stock | 2b(2)(B) | | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 0 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | -59173 | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | -59173 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **2b** (5) Unrealized appreciation (depreciation) of assets: (A) Real estate | 2b(5)(A) | | |
| (B) Other | 2b(5)(B) | 2267939 | |
| (C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B) | 2b(5)(C) | | 2267939 |
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | |
| **c** Other income | 2c | | |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 3205684 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 516191 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | | |
| (4) Total benefit payments. Add lines 2e(1) through (3) | 2e(4) | | 516191 |
| **f** Corrective distributions (see instructions) | 2f | | |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | |
| **h** Interest expense | 2h | | |
| **i** Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | 44463 | |
| (4) Other | 2i(4) | 117608 | |
| (5) Total administrative expenses. Add lines 2i(1) through (4) | 2i(5) | | 162071 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 678262 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line 2j from line 2d | 2k | | 2527422 |
| **l** Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

(1) [X] Unqualified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

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

(1) Name: THOMAS & THOMAS, LLP (2) EIN: 71-0271741

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

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

## Part IV Compliance Questions

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

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| **e** | Was this plan covered by a fidelity bond? | 4e | X | | 600000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | |

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

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

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2009**

**This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

**A** Name of plan
PRIEFERT MANUFACTURING CO., INC. 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
PRIEFERT MANUFACTURING COMPANY, INC

**D** Employer Identification Number (EIN)
75-1236931

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 516191

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 75-6100659

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

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

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11** **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

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

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

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

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

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

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

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

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

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

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

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

*PRIEFERT MANUFACTURING COMPANY, INC.*
*401(k) RETIREMENT TRUST*

*FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION*

*DECEMBER 31, 2009 AND 2008*

*(WITH INDEPENDENT AUDITORS' REPORTS THEREON)*

*PRIEFERT MANUFACTURING COMPANY, INC.*
*401(k) RETIREMENT TRUST*

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Members American Institute Certified Public Accountants
Center for Public Company Audit Firms and PCPS

## *INDEPENDENT AUDITORS' REPORT*

Trustees
Priefert Manufacturing Company, Inc.
401(k) Retirement Trust

We have audited the accompanying statements of net assets available for benefits of the Priefert Manufacturing Company, Inc. 401(k) Retirement Trust (the Plan) as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years then ended. 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 auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as 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 Priefert Manufacturing Company, Inc. 401(k) Retirement Trust as of December 31, 2009 and 2008, and the changes in its net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Thomas & Thomas LLP
CERTIFIED PUBLIC ACCOUNTANTS

Texarkana, Texas
July 15, 2010

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*FINANCIAL STATEMENTS*

## *Priefert Manufacturing Company, Inc. 401(k) Retirement Trust*

**Statements of Net Assets Available for Benefits**
***December 31,***

| | 2009 | 2008 |
|---|---|---|
| ***Assets*** | | |
| **Investments:** | | |
| At Fair Value: | | |
| Certificates of Deposit | $ 199,000 | $ 757,500 |
| Shares of registered investment companies | 10,182,702 | 6,349,012 |
| Corporate stocks - common | 1,570,460 | 1,195,447 |
| Corporate bonds & notes | 152,265 | 459,474 |
| Government & agency obligations | 558,116 | 615,377 |
| Partnership interests | 369,025 | 332,800 |
| Real estate | 551,250 | 551,250 |
| Total Investments | 13,582,818 | 10,260,860 |
| **Receivables:** | | |
| Employer contributions | 9,730 | 30,765 |
| **Cash and Cash Equivalents** | 328,038 | 1,141,819 |
| **Total Assets** | 13,920,586 | 11,433,444 |
| ***Liabilities*** | | |
| **Accounts Payable** | | |
| Accounts payable and accrued expenses | 49,458 | 89,738 |
| **Total Liabilities** | 49,458 | 89,738 |
| **Net Assets Available for Benefits** | $ 13,871,128 | $ 11,343,706 |

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

**Statements of Changes in Net Assets Available for Benefits**
***Years Ended December 31,***

| | 2009 | 2008 |
|---|---|---|
| **Additions to Net Assets Attributed to:** | | |
| Investment Income: | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | $ 2,267,939 | $ (4,033,075) |
| Realized (Loss) | (59,174) | (402,455) |
| Interest and Dividends | 251,830 | 553,727 |
| Other Income | 86,701 | 600 |
| | 2,547,296 | (3,881,203) |
| Less Investment Expense | (40,022) | (28,617) |
| | 2,507,274 | (3,909,820) |
| Contributions: | | |
| Employers | 39,738 | 431,643 |
| Participants | 613,853 | 951,425 |
| Rollovers | 4,797 | 15,597 |
| | 658,388 | 1,398,665 |
| Total Additions (Reductions) | 3,165,662 | (2,511,155) |
| **Deductions From Net Assets Attributed to:** | | |
| Benefits Paid to Participants | 516,191 | 828,630 |
| Administrative Expenses | 27,586 | 19,370 |
| Forfeitures Held in Suspense | 44,463 | 39,738 |
| Unrelated Business Income Tax | 50,000 | 50,000 |
| Other Expenses | - | 6,533 |
| Total Deductions | 638,240 | 944,271 |
| Net Increase (Decrease) | 2,527,422 | (3,455,426) |
| **Net Assets Available for Benefits:** | | |
| Beginning of Year | 11,343,706 | 14,799,132 |
| End of Year | $ 13,871,128 | $ 11,343,706 |

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

**Notes to Financial Statements**
***December 31, 2009 and 2008***

## Note A - Summary of Significant Accounting Policies

The following description of the Priefert Manufacturing Company, Inc. 401(k) Retirement Trust (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

### (1) General

The Priefert Manufacturing Company, Inc. 401(k) Retirement Trust was established January 1, 1969, and has been subsequently amended for changes in reporting requirements. The Plan is a defined contribution plan, which covers all full-time employees of Priefert Manufacturing Company, Inc., Priefert Complex Designs, LLC, PMCI, Management 1, LC, and Priefert Logistics, LP and allows each employee to participate in the Plan upon the day following the date that the employee completes a minimum of six full months of service. Participation in the Plan is voluntary. The accounting records of the Plan are maintained on the accrual basis of accounting and the Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan is funded through contributions from Priefert Manufacturing Company, Inc., Priefert Complex Designs, LLC, PMCI, Management 1, LC, and Priefert Logistics, LP (the Employers) and employee contributions.

### (2) Valuation of Investments

Statement of Financial Accounting Standards No. 157 - *Fair Value Measurements* which is effective for financial statements issued for fiscal years beginning after November 15, 2007 requires that investments in financial and nonfinancial assets be reported in a hierarchy which includes the following three different levels:

Level I - Assets are based on quoted prices or unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access at the Plan's year end.
Level II - Assets are based on other than quoted prices or adjusted quoted prices of similar assets or liabilities in markets that are not active.
Level III - Assets are based on unobservable inputs and which shall reflect the Plan's own assumptions about the asset or liabilities.

The fair value hierarchy gives the highest priority to Level I assets and the lowest priority to Level III assets.

The Plan's investments are stated at fair value. Many factors are considered in arriving at fair value. In general, Level I investments are securities traded on a national securities exchange which are valued at the last reported sales price on the last business day of the Plan year. Level II securities are traded in the over-the-counter market and are listed securities for which no sale was reported on that date and are valued at the mean between the last reported bid and asked prices. The Level II investment in real estate is shown at appraised value which is determined by an independent appraisal performed every three years. There are no Level III investments.

**Note A - Summary of Significant Accounting Policies (Continued)**

(2) **Valuation of Investments (Continued)**

The Plan's investments, stated at fair value, consist primarily of shares in registered investment companies, equity securities, partnership interests, real estate, and interest-bearing deposits. Quoted market prices on the last business day of the Plan's year were used to determine market value of all investments except for partnership interests, Guaranty Bancshares stock, and real estate which are based on current valuations and appraisals.

Individual investments representing at least five percent of net assets available for benefits at December 31, 2009 and 2008 were as follows:

| | 2009 | 2008 |
|---|---|---|
| Level I - Investments at Fair Value as Determined by Quoted Market Price: | | |
| American Funds New Perspective Class A | $ - | $ 552,320 |
| Guaranty Bancshares, Inc. | 1,249,980 | 1,124,982 |

(3) **Participant Loans**

The Plan does not provide for loans to participants or beneficiaries.

(4) **Contributions**

Each year participants may contribute pretax annual compensation, not to exceed specific dollar amounts determined by the Internal Revenue Service. Participants may also contribute amounts representing distributions from other qualified plans. The Employer contributes on a discretionary basis at the option of the Company's Board of Directors.

Contributions from employees are received from the Employer through payroll deductions of Plan participants.

(5) **Expenses**

All expenses incurred in the administration of the Plan are paid by the Trust.

(6) **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**Note B - Summary of Significant Plan Provisions**

(1) **Vesting**

Participants are immediately vested in their contributions plus earnings thereon. Company contributions attributable to a participant are fully vested and non-forfeitable upon attainment of age sixty with five years of service or upon the completion of six years of qualifying service. If an employee terminates, because of death or disability (as defined in the plan), they become 100% vested. If a participant terminates employment other than because of death, disability or retirement, vesting in the profit sharing account shall be determined as follows:

| Years of Service | Vesting Percentage of Account Balance |
|---|---|
| Less than 2 years | 0% |
| 2 years | 20% |
| 3 years | 40% |
| 4 years | 60% |
| 5 years | 80% |
| 6 years or more | 100% |

(2) **Forfeited Accounts**

The portion of a terminated participant's account to which he or she is not entitled as a result of being less than fully vested shall be forfeited by the participant and reallocated as a discretionary matching contribution in accordance with the provisions of the Plan. At December 31, 2009 and 2008, forfeited nonvested accounts were approximately $44,463 and $39,738, respectively, which were available to reduce future contributions subject to reinstatement of terminated employees. Forfeitures of $39,738 were used to reduce employer contributions in 2009 and forfeitures of $28,122 were used to reduce the employer contributions in 2008.

(3) **Payment of Benefits**

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments, if the vested benefits exceed $5,000. Vested benefits not exceeding $5,000 must be distributed as soon as practicable following the event that entitles a distribution. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. The vested portion of the Company contribution will be distributed 5 years after the employee termination.

Unless a participant elects otherwise, payment of benefits must begin no later than sixty days after the close of the plan year in which the latest of the following events occur:

(a) the participant attains age sixty-five or,
(b) the termination of the participant's service with the Employer.

Distributions must commence no later than the first day of April following the calendar year in which the participant attains age 70-1/2 for 5% owners and 70-1/2 or retirement for less than 5% owners.

**Note B - Summary of Significant Plan Provisions (Continued)**

(4) **Termination**

Although it has not expressed any intention to do so, the Employer may terminate the Plan at any time. In the event of the termination of the Plan, each participant will have a 100% non-forfeitable interest in their individual account. In no event will any funds revert to the Employer.

(5) **Participant Accounts**

Each participant's account is credited with an allocation of (a) the Employer's contribution, (b) earnings of the Plan, and (c) charged with an allocation of administrative expenses. Allocations are based on participant's earnings or account balances as defined in the Plan. Amounts forfeited by employees of employer non-vested contribution amounts are available to reduce future employer contributions.

**Note C - Tax Status**

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2008, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (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 designed and is currently being operated in compliance with the applicable requirements of the IRC.

**Note D - Commitments**

At December 31, 2009 and 2008, $982,893 and $1,045,562, respectively, were due to former employees who had retired, terminated employment or were deceased. These obligations will not be reported as deductions from net assets until payment is made.

**Note E - 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 such changes could materially affect the amounts reported in the statements of net assets available or benefits.

**Note F - Investments**

The following table presents investments at December 31,

| | 2009 | 2008 |
|---|---|---|
| Level I - Investments at fair value as determined by quoted market Price: | | |
| Shares of registered investment companies | $ 10,182,702 | $ 6,349,012 |
| Common stocks | 1,570,460 | 1,195,447 |
| Corporate bonds & notes | 152,265 | 459,474 |
| Government & agency obligations | 558,116 | 615,377 |
| Certificates of Deposit | 199,000 | 757,500 |
| | 12,662,543 | 9,376,810 |
| Level II - Investments at estimated fair value based on current valuations and appraisals: | | |
| Partnership interests | 369,025 | 332,800 |
| Real estate | 551,250 | 551,250 |
| | 920,275 | 884,050 |
| Total Investments | $ 13,582,818 | $ 10,260,860 |

The following is a schedule of net appreciation (depreciation) in the fair value of investments by investment type for the year ending December 31,

| Net Change in Fair Value: | 2009 | 2008 |
|---|---|---|
| Level I - Investments at fair value as determined by quoted market price: | | |
| Shares of registered investment companies | $ 2,132,762 | $ (4,082,255) |
| Common stock | 117,565 | (12,256) |
| Total Level I - Investments Increase (Decrease) | 2,250,327 | (4,094,511) |
| Level II - Investments at estimated fair value based on current valuations and appraisals: | | |
| Real Estate | - | 151,000 |
| Partnership interest | 17,612 | (89,564) |
| Total Level II - Investments Increase | 17,612 | 61,436 |
| Net change in fair value Increase (Decrease) | $ 2,267,939 | $ (4,033,075) |

**Note G - Party-in-Interest Transactions**

Certain Plan investments are shares of mutual funds which are managed by Baker Financial Services, Inc. or Guaranty Bond Bank Trust Department, who are the investment managers as defined by the Plan; therefore, these transactions qualify as party-in-interest transactions which are defined in ERISA Title I, Section 406. Fees paid by the Plan for the investment management services amounted to $40,022 and $28,617 for the years ended December 31, 2009 and 2008, respectively.

The plan also holds assets for investment purposes that are party-in-interest investments which include 41,666 shares of stock in Guaranty Bancshares valued at $1,249,980. During the last quarter of 2006, Guaranty Bancshares became a non-publicly traded company which removed the restrictions for selling the stock.

**Note H - Reclassifications**

Certain accounts relating to the prior year have been reclassified to conform to the current year presentation. The reclassifications have no effect on the previously reported net assets.

**Note I – Plan Amendments**

**Amendment 1 – Effective January 1, 2008**

The Plan was amended to add PMCI, Management 1, LC and Priefert Complex Designs, LLC as co-sponsors of the plan.

**Note J – Subsequent Events**

Statements of Financial Accounting Standards (SFAS) No. 165 – Subsequent Events, which is effective for financial periods ending after June 15, 2009, requires disclosure of the date through which the Plan has evaluated subsequent events, accordingly, the Plan has evaluated subsequent events through July 15, 2010, and has determined that no subsequent event disclosures are necessary. July 15, 2010 is the date the financial statements were available to be issued.

**SUPPLEMENTAL SCHEDULES REQUIRED BY EMPLOYEE RETIREMENT INCOME SECURITY ACT (ERISA) AND THE DEPARTMENT OF LABOR (DOL)**

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## *INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION*

Trustees
Priefert Manufacturing Company, Inc.
401(k) Retirement Trust

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Priefert Manufacturing Company, Inc. 401(k) Retirement Trust taken as a whole. The supplemental schedules of assets (held at end of year), schedule of assets (acquired and disposed of within year) and schedule of reportable transactions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are 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. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Thomas & Thomas LLP

CERTIFIED PUBLIC ACCOUNTANTS

Texarkana, Texas
July 15, 2010

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**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Asset Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Capital World Growth and Income Fund Inc CL A | Mutual Fund | $ 429,385 | $ 503,159 |
| * | Davis New York Venture Fund Inc CL A | Mutual Fund | 374,090 | 353,989 |
| * | Davis New York Venture Fund Inc CL C | Mutual Fund | 87,718 | 95,918 |
| * | Euro Pacific Growth FD CL A | Mutual Fund | 458,377 | 543,982 |
| * | Fleming Capital Mutual Fund Group CL C | Mutual Fund | 222,838 | 194,048 |
| * | American Growth Fund CL A | Mutual Fund | 555,864 | 559,716 |
| * | Investment Company of America CL A | Mutual Fund | 570,056 | 456,223 |
| * | New Perspective Fund Inc CL A | Mutual Fund | 378,017 | 603,604 |
| * | Pioneer Series Trust Cullen Value Fund CL C | Mutual Fund | 216,574 | 200,976 |
| * | Seligman Communication and Information A | Mutual Fund | 156,890 | 241,259 |
| * | Seligman Communication and Information C | Mutual Fund | 180,310 | 196,218 |
| * | Northern High Yield Fixed Income Fund | Mutual Fund | 106,119 | 121,710 |
| * | PIMCO Low Duration Fund Inst CL | Mutual Fund | 100,463 | 100,607 |
| * | PIMCO Total Return Fund | Mutual Fund | 545,352 | 581,839 |
| * | Pioneer Strategic Income Fund CL A | Mutual Fund | 329,473 | 397,236 |
| * | American Growth Fund of America CL F1 | Mutual Fund | 279,282 | 414,056 |
| * | Cohen & Steers Realty Inst CL C | Mutual Fund | 124,177 | 100,851 |
| * | Pioneer Cullen Value A | Mutual Fund | 61,227 | 70,928 |

* Party In Interest Transaction

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year) (Continued)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Asset Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Seligman Communications and Information Fund | Mutual Fund | $ 176,890 | $ 187,227 |
| * | Vanguard Precious Metals Fund | Mutual Fund | 158,373 | 205,903 |
| * | I Shares TR S&P Midcap 400 Index Fund | Mutual Fund | 265,116 | 177,187 |
| * | PIMCO High Yield | Mutual Fund | 70,903 | 66,667 |
| * | BrandyWine Blue Fund | Mutual Fund | 348,171 | 247,146 |
| * | Dodge & Cox Stock Fund | Mutual Fund | 684,703 | 582,546 |
| * | Vangaurd Capital Opportunity | Mutual Fund | 308,803 | 306,158 |
| * | Loomis Sayles GLB Bond | Mutual Fund | 123,807 | 140,140 |
| * | PIMCO Total Return Fund | Mutual Fund | 348,562 | 358,675 |
| * | Vanguard Investment Grade Fund | Mutual Fund | 46,359 | 46,491 |
| * | Vanguard GNMA Fund | Mutual Fund | 360,099 | 358,042 |
| * | Artisan Mid-Cap Value Fund | Mutual Fund | 197,890 | 261,198 |
| * | T Rowe Price Mid-Cap Growth | Mutual Fund | 192,951 | 259,080 |
| * | Stratton Small Cap Value Fund | Mutual Fund | 285,761 | 253,758 |
| * | First American Real Estate Secs Y | Mutual Fund | 230,727 | 261,431 |
| * | Vanguard Convertible Securities | Mutual Fund | 255,982 | 242,777 |
| * | Harbor International | Mutual Fund | 259,194 | 302,385 |
| * | Tweedy Browne Global Value Fund | Mutual Fund | 179,909 | 189,571 |

* Party In Interest Transaction

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year) (Continued)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Asset Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Federal National MTG Association 4.875% Due: 12/15/2016 | Government Obligations | $ 100,269 | $ 108,036 |
| * | Federal Home Loan MTG 5.00% Due: 2/16/2017 | Government Obligations | 100,390 | 108,593 |
| * | Federal Farm Credit Banks 5.20% Due: 7/22/2014 | Government Obligations | 29,612 | 33,084 |
| * | Federal Farm Credit Banks 4.70% Due: 8/15/2018 | Government Obligations | 24,142 | 26,914 |
| * | Federal Farm Credit Banks 4.70% Due: 9/22/2010 | Government Obligations | 14,956 | 15,464 |
| * | Federal Farm Credit Banks 5.10% Due: 5/05/2013 | Government Obligations | 10,000 | 10,984 |
| * | Federal Farm Credit Banks 5.50% Due: 6/08/2015 | Government Obligations | 30,000 | 33,403 |
| * | Federal Farm Credit Banks 5.55% Due: 6/06/2017 | Government Obligations | 30,000 | 32,963 |
| * | Federal Farm Credit Banks 5.45% Due: 6/20/2016 | Government Obligations | 29,885 | 33,113 |
| * | Federal Home Loan 5.37% Due: 6/14/2013 | Government Obligations | 19,968 | 22,100 |
| * | Federal Home Loan 5.00% Due: 3/08/2013 | Government Obligations | 9,960 | 10,909 |
| * | Federal Home Loan 5.375% Due: 8/15/2018 | Government Obligations | 15,241 | 16,256 |

* Party In Interest Transaction

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year) (Continued)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Asset Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | U.S. Treasury Bond 5.00% Due: 5/15/2037 | Government Obligations | $ 105,332 | $ 106,297 |
| * | Bond Trust 4.15% Due: 6/15/2010 | Corporate Bonds and Notes | 26,782 | 25,087 |
| * | General Electric Capital Corporation 5.00% Due: 11/15/2014 | Corporate Bonds and Notes | 30,000 | 30,091 |
| * | General Electric Capital Corporation 5.00% Due: 6/15/2012 | Corporate Bonds and Notes | 5,000 | 5,236 |
| * | Prudential Financial, Inc. 5.50% Due: 3/15/2016 | Corporate Bonds and Notes | 30,000 | 30,041 |
| * | International Lease Financial 5.15% Due: 4/15/2012 | Corporate Bonds and Notes | 10,000 | 8,127 |
| * | Kraft Foods Inc. 5.625% Due: 11/01/2011 | Corporate Bonds and Notes | 51,066 | 53,203 |
| * | Washington Mutual 5.50% Due: 01/15/2013 | Corporate Bonds and Notes | 75,351 | 480 |
| * | Health Care Reit, Inc. | Partnership | 323,465 | 316,395 |
| * | Houston R.E. Income Properties X, Ltd. | Partnership | 60,000 | 52,631 |
| * | SPDR Gold Trust | Common Stock | 95,591 | 107,310 |
| * | Vanguard Wold Funds | Common Stock | 99,695 | 139,645 |
| * | Nucor Corporation | Common Stock | 104,753 | 73,525 |
| * | Guarant Bond Bank | Common Stock | 516,540 | 1,249,980 |

* Party In Interest Transaction

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year) (Continued)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Asset Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | State Bank of Texas 2.00% Due: 3/16/2010 | Certificate of Deposit | $ 100,000 | $ 100,000 |
| * | Champion Bank 4.51% Due: 9/10/2010 | Certificate of Deposit | 99,000 | 99,000 |
| * | Undeveloped Land Mt. Pleasant 6.96 acres | Land | 100,000 | 451,750 |
| * | Undeveloped Land Mt. Pleasant 1.09 acres | Land | 31,000 | 99,500 |
| | | Total Investments | $ 11,948,410 | $ 13,582,818 |

* Party In Interest Transaction

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Acquired and Disposed of Within Year)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) Identity of Issue, Borrower, Lessor, or Similar Party | (b) Description of Investment Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (c) Cost of acquisitions | (d) Proceeds of dispositions |
|---|---|---|---|
| Charles Schwab Institutional | General Motors Corporation | $ 16,578 | $ (5,287) |

**Plan # 001**
**EIN 71-1236931**
**Schedule of Reportable Transactions**
**(Form 5500, Schedule H, Part IV, Line 4j)**
**December 31, 2009**

| (a) Identity of Party Involved | (b) Description of Asset (Include Interest Rate and Maturity in Case of a Loan) | (c) Purchase Price | (d) Selling Price | (e) Lease Rental | (f) Expenses Incured With Transactions | (g) Cost of Asset | (h) Current Value of Asset on Transaction Date | (i) Net Gain or (Loss) |
|---|---|---|---|---|---|---|---|---|
| None | | | $ - | | | $ - | $ - | $ - |
| None | | $ - | | | | | $ - | |

| Form 5500 | Annual Return/Report of Employee Benefit Plan | OMB Nos. 1210-0110<br>1210-0089 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).<br>► **Complete all entries in accordance with the Instructions to the Form 5500.** | **2009**<br>**This Form is Open to Public Inspection** |

## Part I Annual Report Identification Information

**For the calendar plan year 2009 or fiscal plan year beginning** 01/01/2009 **and ending** 12/31/2009

**A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan; or
☒ a single-employer plan; ☐ a DFE (specify) _____

**B** This return/report is: ☐ the first return/report; ☐ the final return/report;
☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here . . . . . ► ☐

**D** Check box if filing under: ☐ Form 5558; ☐ automatic extension; ☐ the DFVC program;
☐ special extension (enter description)

## Part II Basic Plan Information --- enter all requested information.

**1a** Name of plan
PRIEFERT MANUFACTURING CO., INC. 401(k) PLAN

**1b** Three-digit plan number (PN) ► 001

**1c** Effective date of plan 01/01/1969

**2a** Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
PRIEFERT MANUFACTURING COMPANY, INC

P.O. BOX 1540

US MT. PLEASANT TX 75456-1540

**2b** Employer Identification Number (EIN)
75-1236931

**2c** Sponsor's telephone number
(903) 572-1741

**2d** Business code (see instructions)
339900

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

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

| | | | |
|---|---|---|---|
| SIGN HERE | Bill Priefert | 07/29/10 | BILL PRIEFERT |
| | Signature of plan administrator | Date | Enter name of individual signing as plan administrator |
| SIGN HERE | Bill Priefert | 07/29/10 | BILL PREIFERT |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |
| SIGN HERE | | | |
| | Signature of DFE | Date | Enter name of individual signing as DFE |

| | | |
|---|---|---|
| **3a** Plan administrator's name and address (if same as plan sponsor, enter "Same")<br>Same | **3b** Administrator's EIN | |
| | **3c** Administrator's telephone number | |

| | | |
|---|---|---|
| **4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br>**a** Sponsor's name | **4b** EIN | |
| | **4c** PN | |

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | **5** | 677 |
| **6** Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c** and **6d**) | | |
| **a** Active participants | **6a** | 474 |
| **b** Retired or separated participants receiving benefits | **6b** | 6 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 110 |
| **d** Subtotal. Add lines **6a, 6b** and **6c** | **6d** | 590 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | |
| **f** Total. Add lines **6d** and **6e** | **6f** | 590 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 550 |
| **h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 48 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer complete this item) | **7** | |

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

2E 2J 2K 3D

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

| **9a** Plan funding arrangement (check all that apply) | **9b** Plan benefit arrangement (check all that apply) |
|---|---|
| (1) [ ] Insurance | (1) [ ] Insurance |
| (2) [ ] Code section 412(e)(3) insurance contracts | (2) [ ] Code section 412(e)(3) insurance contracts |
| (3) [X] Trust | (3) [X] Trust |
| (4) [ ] General assets of the sponsor | (4) [ ] General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

| **a** Pension Schedules | **b** General Schedules |
|---|---|
| (1) [X] R (Retirement Plan Information) | (1) [X] H (Financial Information) |
| (2) [ ] MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary | (2) [ ] I (Financial Information - Small Plan) |
| | (3) [ ] ____ A (Insurance Information) |
| | (4) [ ] C (Service Provider Information) |
| (3) [ ] SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | (5) [ ] D (DFE/Participating Plan Information) |
| | (6) [ ] G (Financial Transaction Information) |

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year) (Continued)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Asset Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Seligman Communications and Information Fund | Mutual Fund | $ 176,890 | $ 187,227 |
| * | Vanguard Precious Metals Fund | Mutual Fund | 158,373 | 205,903 |
| * | I Shares TR S&P Midcap 400 Index Fund | Mutual Fund | 265,116 | 177,187 |
| * | PIMCO High Yield | Mutual Fund | 70,903 | 66,667 |
| * | BrandyWine Blue Fund | Mutual Fund | 348,171 | 247,146 |
| * | Dodge & Cox Stock Fund | Mutual Fund | 684,703 | 582,546 |
| * | Vangaurd Capital Opportunity | Mutual Fund | 308,803 | 306,158 |
| * | Loomis Sayles GLB Bond | Mutual Fund | 123,807 | 140,140 |
| * | PIMCO Total Return Fund | Mutual Fund | 348,562 | 358,675 |
| * | Vanguard Investment Grade Fund | Mutual Fund | 46,359 | 46,491 |
| * | Vanguard GNMA Fund | Mutual Fund | 360,099 | 358,042 |
| * | Artisan Mid-Cap Value Fund | Mutual Fund | 197,890 | 261,198 |
| * | T Rowe Price Mid-Cap Growth | Mutual Fund | 192,951 | 259,080 |
| * | Stratton Small Cap Value Fund | Mutual Fund | 285,761 | 253,758 |
| * | First American Real Estate Secs Y | Mutual Fund | 230,727 | 261,431 |
| * | Vanguard Convertible Securities | Mutual Fund | 255,982 | 242,777 |
| * | Harbor International | Mutual Fund | 259,194 | 302,385 |
| * | Tweedy Browne Global Value Fund | Mutual Fund | 179,909 | 189,571 |

* Party In Interest Transaction

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year) (Continued)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Asset Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Federal National MTG Association 4.875% Due: 12/15/2016 | Government Obligations | $ 100,269 | $ 108,036 |
| * | Federal Home Loan MTG 5.00% Due: 2/16/2017 | Government Obligations | 100,390 | 108,593 |
| * | Federal Farm Credit Banks 5.20% Due: 7/22/2014 | Government Obligations | 29,612 | 33,084 |
| * | Federal Farm Credit Banks 4.70% Due: 8/15/2018 | Government Obligations | 24,142 | 26,914 |
| * | Federal Farm Credit Banks 4.70% Due: 9/22/2010 | Government Obligations | 14,956 | 15,464 |
| * | Federal Farm Credit Banks 5.10% Due: 5/05/2013 | Government Obligations | 10,000 | 10,984 |
| * | Federal Farm Credit Banks 5.50% Due: 6/08/2015 | Government Obligations | 30,000 | 33,403 |
| * | Federal Farm Credit Banks 5.55% Due: 6/06/2017 | Government Obligations | 30,000 | 32,963 |
| * | Federal Farm Credit Banks 5.45% Due: 6/20/2016 | Government Obligations | 29,885 | 33,113 |
| * | Federal Home Loan 5.37% Due: 6/14/2013 | Government Obligations | 19,968 | 22,100 |
| * | Federal Home Loan 5.00% Due: 3/08/2013 | Government Obligations | 9,960 | 10,909 |
| * | Federal Home Loan 5.375% Due: 8/15/2018 | Government Obligations | 15,241 | 16,256 |

* Party In Interest Transaction

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year) (Continued)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Asset Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | U.S. Treasury Bond 5.00% Due: 5/15/2037 | Government Obligations | $ 105,332 | $ 106,297 |
| * | Bond Trust 4.15% Due: 6/15/2010 | Corporate Bonds and Notes | 26,782 | 25,087 |
| * | General Electric Capital Corporation 5.00% Due: 11/15/2014 | Corporate Bonds and Notes | 30,000 | 30,091 |
| * | General Electric Capital Corporation 5.00% Due: 6/15/2012 | Corporate Bonds and Notes | 5,000 | 5,236 |
| * | Prudential Financial, Inc. 5.50% Due: 3/15/2016 | Corporate Bonds and Notes | 30,000 | 30,041 |
| * | International Lease Financial 5.15% Due: 4/15/2012 | Corporate Bonds and Notes | 10,000 | 8,127 |
| * | Kraft Foods Inc. 5.625% Due: 11/01/2011 | Corporate Bonds and Notes | 51,066 | 53,203 |
| * | Washington Mutual 5.50% Due: 01/15/2013 | Corporate Bonds and Notes | 75,351 | 480 |
| * | Health Care Reit, Inc. | Partnership | 323,465 | 316,395 |
| * | Houston R.E. Income Properties X, Ltd. | Partnership | 60,000 | 52,631 |
| * | SPDR Gold Trust | Common Stock | 95,591 | 107,310 |
| * | Vanguard Wold Funds | Common Stock | 99,695 | 139,645 |
| * | Nucor Corporation | Common Stock | 104,753 | 73,525 |
| * | Guarant Bond Bank | Common Stock | 516,540 | 1,249,980 |

* Party In Interest Transaction

**Plan # 001**
**EIN 71-1236931**
**Schedule of Assets (Held at End of Year) (Continued)**
**(Form 5500, Schedule H, Part IV, Line 4i)**
**December 31, 2009**

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| * | Undeveloped Land Mt. Pleasant 6.96 acres | Land | 100,000 | 451,750 |
| * | Undeveloped Land Mt. Pleasant 1.09 acres | Land | 31,000 | 99,500 |
| | | Total Investments | $ 11,948,410 | $ 13,582,818 |

* Party In Interest Transaction