

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 ☒ 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 PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST	1b Three-digit plan number (PN) ▶ 002
	1c Effective date of plan 11/01/1983
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) PEERLESS MANUFACTURING CO. 14651 NORTH DALLAS PARKWAY DALLAS, TX 75254 SUITE 500 DALLAS, TX 75254	2b Employer Identification Number (EIN) 75-0724417 2c Sponsor's telephone number 214-357-6181 2d Business code (see instructions) 332300

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	09/30/2010	MIKE MCGEE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/30/2010	MIKE MCGEE
	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") PEERLESS MANUFACTURING CO. 14651 NORTH DALLAS PARKWAY DALLAS, TX 75254	3b Administrator's EIN 75-0724417 3c Administrator's telephone number 214-357-6181
---	---

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	429
---	----------	-----

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	338
b Retired or separated participants receiving benefits.....	6b	4
c Other retired or separated participants entitled to future benefits.....	6c	52
d Subtotal. Add lines 6a , 6b , and 6c	6d	394
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	1
f Total. Add lines 6d and 6e	6f	395
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	360
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
--	----------	--

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

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) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		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 PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 PEERLESS MANUFACTURING CO.	D Employer Identification Number (EIN) 75-0724417	

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

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
BANK OF AMERICA, N.A.
94-1687665

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

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

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

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

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

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

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

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

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

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

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

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

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

MERRILL LYNCH, PIERCE, FENNER AND S

13-5674085

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 52 56 59 60 62 63 72	RECORDKEEPER	4040	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☐

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		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 PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 PEERLESS MANUFACTURING CO.	D Employer Identification Number (EIN) 75-0724417	

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)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	6666159	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1205	1114
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	179711	496875
(9) Value of interest in common/collective trusts.....	1c(9)	2128000	3385026
(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)	4350184	11597812
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	13325259	15480827

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	3337	3036
k Total liabilities (add all amounts in lines 1g through 1j)	1k	3337	3036

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	13321922	15477791
---	-----------	----------	----------

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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	493077	
(B) Participants	2a(1)(B)	1257836	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1750913

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	6	
(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)	33975	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		33981

(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)	184640	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		184640

(3) Rents	2b(3)		
-----------------	--------------	--	--

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(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)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		212222
(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)		2099962
c Other income.....	2c		14302
d Total income. Add all income amounts in column (b) and enter total.....	2d		4296020

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2047430	
(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)		2047430
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		74776
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)		
(4) Other	2i(4)	17945	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		17945
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		2140151

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2155869
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) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

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

(1) Name: STONER ALBRIGHT & COMPANY

(2) EIN: 75-2355916

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.).....		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.).....		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.)		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.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?		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?		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.).....	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.).....		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?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		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.			

- 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)

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 <u>PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PEERLESS MANUFACTURING CO.</u>	D Employer Identification Number (EIN) <u>75-0724417</u>

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	<u>0</u>
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): <u>22-3513863</u> <u>94-1687665</u> 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 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): _____

- 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): _____

*Peerless Mfg. Co. Retirement
Savings Plan & Trust*

*Independent Auditors' Report
and Financial Statements*

December 31, 2009 and 2008

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

DECEMBER 31, 2009 AND 2008

CONTENTS

PAGE

INDEPENDENT AUDITORS' REPORT	1
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS AS OF DECEMBER 31, 2009 AND 2008	2
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS FOR YEAR ENDED DECEMBER 31, 2009	3
NOTES TO FINANCIAL STATEMENTS	4-14
SUPPLEMENTARY INFORMATION	
Schedule of Assets Held at End of Year	16

STONER, ALBRIGHT & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

A PARTNERSHIP COMPRISED OF PROFESSIONAL CORPORATIONS

12655 NORTH CENTRAL EXPRESSWAY, SUITE 816

NORTH CENTRAL PLAZA I

DALLAS, TEXAS 75243

(972) 233-9600

FAX (972) 233-9649

MEMBER

AMERICAN INSTITUTE
OF CERTIFIED
PUBLIC ACCOUNTANTS

TEXAS SOCIETY
OF CERTIFIED
PUBLIC ACCOUNTANTS

GENE C. STONER, CPA

GLENN C. ALBRIGHT, CPA

DANNY L. COLLINS, CPA

TIMOTHY M. MURPHY, CPA

SUSAN K. STONER, PRINCIPAL

INDEPENDENT AUDITORS' REPORT

BRYAN E. STONER

RYAN M. WALLACE, CPA

DAVID A. CALLAHAN

STEVEN D. KILGORE

AMY L. HARRIS

LINDSEY A. SHINPAUGH

MARYBEL NAJERA

To the Administrative Committee of
The Peerless Mfg. Co. Retirement Savings Plan & Trust

We were engaged to audit the accompanying statements of net assets available for benefits of THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST (the "Plan") as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009 and the supplemental information of Schedule H, line 4i-Schedule of Assets Held (At End of Year). These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103.8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Merrill Lynch Bank & Trust Co., FSB, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and the supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2009 and 2008 and for the year ended December 31, 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.


Dallas, Texas
September 29, 2010

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

DECEMBER 31, 2009 AND 2008

	2009	2008
ASSETS		
INVESTMENTS, at fair value (Note 4):		
Money Market Accounts	\$ 1,114	\$ 1,205
Common/Collective Trusts	3,385,026	2,128,000
Mutual Funds	11,597,812	4,350,184
Participant Loans	496,875	179,711
	<hr/>	<hr/>
Total investments	15,480,827	6,659,100
 RECEIVABLES:		
Participant contributions	49,143	19,785
Employer contributions	-	10,622
Net assets from another plan designated to be merged into this plan (Note 2)	<hr/>	<hr/>
	-	6,666,159
	<hr/>	<hr/>
Total receivables	49,143	6,696,566
	<hr/>	<hr/>
Total assets	15,529,970	13,355,666
 LIABILITIES	 (3,036)	 (3,337)
	<hr/>	<hr/>
Net assets reflecting all investments at fair value	15,526,934	13,352,329
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<hr/>	<hr/>
	246,976	403,777
	<hr/>	<hr/>
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 15,773,910	\$ 13,756,106
	<hr/> <hr/>	<hr/> <hr/>

See Notes to Financial Statements

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2009

		<u>2009</u>
ADDITIONS		
Contributions		
Employer		\$ 482,455
Employee		1,287,194
Rollover		-
		<u>1,769,649</u>
Investment Income (Note 4)		
Interest		
Money market accounts	\$ 6	
Participant loans	<u>33,975</u>	33,981
Dividends and other earnings		
Common/collective trust funds	55,421	
Mutual funds	<u>184,640</u>	240,061
Other		<u>14,302</u>
		<u>288,344</u>
Realized and unrealized gains(losses) on investments (Note 4)		
Realized gains(losses)		(90,750)
Unrealized gains(losses)		<u>2,190,712</u>
		<u>2,099,962</u>
		<u>4,157,955</u>
DEDUCTIONS		
Participant withdrawals (includes \$74,776 deemed distributions on participant loans)		2,122,206
Administrative expenses		<u>17,945</u>
		<u>2,140,151</u>
NET INCREASE (DECREASE)		2,017,804
NET ASSETS AVAILABLE FOR PLAN BENEFITS		
AT BEGINNING OF YEAR		<u>13,756,106</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS		
AT END OF YEAR		<u><u>\$ 15,773,910</u></u>

See Notes to Financial Statements

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the plan are prepared on the accrual basis of accounting.

Investments in bank or other financial institution collective investment funds that hold benefit-responsive investment contracts are presented at fair value on the statement of net assets available for benefits, and the amount representing the difference between fair value and contract value of the bank collective investment fund is presented on the face of the statement of net assets available for benefits as a single amount, calculated as the sum of the amounts necessary to adjust the portion of net assets attributable to each fully benefit-responsive investment contract from fair value to the contract value. The statement of changes in net assets available for benefits is prepared on a basis that reflects income credited to participants in the Plan and net appreciation or depreciation in the fair value of only those investment contracts that are not deemed to be fully benefit-responsive.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized and unrealized appreciation (depreciation) includes the plan's gains and losses on investments bought and sold as well as held during the year.

Estimates

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

Administrative Expenses

The sponsor of the Plan has elected to absorb substantially all administrative costs, except certain direct investment expenses, incurred by the Plan.

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain reclassifications have been made to the 2008 financial statements to conform to the 2009 financial statement presentation. These reclassifications had an immaterial effect on the net increase (decrease) per the accompanying statement of changes in net assets available for plan benefits.

NOTE 2: RECEIVABLE RELATED TO NET ASSETS OF ANOTHER PLAN MERGED INTO THE PLAN

Effective April 30, 2008 the Company completed the acquisition of Nitram Energy, Inc. (Nitram). Plan and sponsor management intended for the effective date of the merger of the Nitram retirement plan into the Peerless Mfg. Co. Retirement Savings Plan & Trust (Peerless) to be January 1, 2009. The accompanying 2008 financial statements reflect as a receivable (\$6,666,159) the net assets designated to be merged into the Peerless plan. Such assets were substantially transferred to the Peerless plan on or about February 2, 2009. For financial statement reporting purposes certain reclassifications and adjustments have been made to the net assets from another plan designated to be merged with the plan. A reconciliation follows:

Net Assets Transferred to This Plan

	<u>2009</u>	<u>2008</u>
Amount of net assets designated to be transferred to this plan per the restated 2008 financial statements	\$ -	\$ 6,756,798
Reclassification of Nitram adjustment related to fully benefit-responsive investment contracts	-	(60,232)
Accrued Nitram participant contributions	-	(19,785)
Accrued Nitram employer contributions	-	(10,622)
Net assets from another plan designated to be merged into this plan per accompanying financial statements	<u>\$ -</u>	<u>\$ 6,666,159</u>

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 2: RECEIVABLE RELATED TO NET ASSETS OF ANOTHER PLAN MERGED INTO THE PLAN (CONTINUED)

Adjustment from fair value to contract value for fully benefit-responsive investment contracts

	<u>2009</u>	<u>2008</u>
Adjustment from fair value to contract value per the restated 2008 financial statements	\$ -	\$ 343,545
Reclassification of Nitram fair value to contract value adjustment	-	60,232
Adjustment from fair value to contract value for fully benefit responsive investment contracts per accompanying financial statements	<u>\$ -</u>	<u>\$ 403,777</u>

NOTE 3: SIGNIFICANT PROVISIONS OF THE PLAN

The following brief description of the Peerless Mfg. Co. (Company) Retirement Savings Plan & Trust (Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

1. General. The Plan is a profit sharing, salary reduction plan commonly referred to as a "401 K" plan. A participant must be at least 18 years of age and have completed three months of service during the Plan year to be eligible to share in the Company's contribution. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).
2. Investment Options. Upon enrollment in the Plan, a participant may direct employee contributions into various accounts held by Merrill Lynch Bank & Trust Co., FSB (Merrill Lynch). In addition, the Plan offers several mutual funds held by Merrill Lynch and managed by third parties. Participants may also invest in the Merrill Lynch Preservation Trust which is a common/collective trust of Merrill Lynch. Participants may elect to change the allocation of their individual accounts among the investment alternatives at any time.
3. Contributions. Participants may elect to contribute up to 70% of their annual compensation subject to Internal Revenue Code limitations (\$16,500 for 2009 and 2008). For the year ended December 31, 2008 and the period from January 1, 2009 through August 31, 2009, for participants who have completed three months of service, the Company matched 100% of the first 3% of participant compensation contributed, plus 50% of participant compensation contributions greater than 3%, but not over 5%. Effective August 31, 2009 the company eliminated the matching contributions. Participants who are at least 50 years old may make additional "catch-up contributions" which are tax deferred (\$5,000).

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 3: SIGNIFICANT PROVISIONS OF THE PLAN (CONTINUED)

4. Participant Accounts. Each participant's account is credited with the participant's and employer's contributions. Plan earnings are allocated to each participant's account based upon his account balance. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.
5. Vesting. Participants are immediately vested in their accounts.
6. Payment of benefits. On termination of service, death, disability or financial hardship, a participant may elect either a lump-sum amount equal to the value of his account, or periodic installments over various lengths of time. Upon separation, participants with account balances less than \$5,000, absent instructions otherwise, are automatically rolled over to an individual retirement account. Benefits are recorded when paid.
7. Participant loans. Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 4.00% to 9.25%, which are commensurate with local prevailing rates as determined quarterly by the Plan administrator.
8. Hardships. Under the Plan, trustees may permit withdrawals for extraordinary financial hardships. Hardship withdrawals are taxable to the participant.

NOTE 4: INFORMATION CERTIFIED BY MERRILL LYNCH BANK & TRUST CO., FSB

The following is a summary of the unaudited information included in the Plan's financial statements and supplemental schedule that was prepared by Merrill Lynch, the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate. Investments that represent 5 percent or more of the Plan's net assets are separately identified:

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 4: INFORMATION CERTIFIED BY MERRILL LYNCH BANK & TRUST CO., FSB
(CONTINUED)

	FAIR VALUE OF INVESTMENTS			
	2009		2008	
	No. of Shares or Principal Amount	Fair Value	No. of Shares or Principal Amount	Fair Value
<u>Money Market Accounts</u>				
CMA Money Market	1,114	\$ 1,114	1,205	\$ 1,205
<u>Common/Collective Trusts</u>				
Merrill Lynch Ret. Preservation Trust	3,632,002	3,385,026 *	2,471,545	2,128,000 *
<u>Mutual Funds</u>				
Goldman Sachs Mid-Cap Value	34,686	1,005,188 *	20,262	446,973 *
Oakmark Equity & Income Fund	73,772	1,876,012 *	-	- *
Blackrock S&P 500 Index Fund	48,372	659,308	33,532	368,852 *
PIMCO Total Return Fund	135,814	1,466,787 *	70,633	716,214 *
Goldman Sachs Gov't Income Fund	14,377	216,657	7,303	110,134
Eaton Vance Lg-Cap Value	77,706	1,300,793 *	42,592	619,293 *
UBS U.S. Small Cap Fund	20,528	215,955	10,593	83,688
Thornburg Inter Value Fund	68,395	1,696,879 *	43,715	832,334 *
JP Morgan Div. Mid-Cap Fund	39,853	684,676	19,154	230,232
JP Morgan Small Cap Fund	17,473	484,175	-	-
American Cap World Growth Fund	1,292	43,816	-	-
ING Global Real Estate Fund	968	14,199	-	-
Legg Mason Apprec Fund	2,295	28,371	-	-
Victory Spec Value Fund	5,312	71,977	-	-
Principal High Yield Fund	11,727	91,117	-	-
American Growth Fund of America	52,351	1,409,814 *	37,067	748,746 *
Allianz Small-Cap Fund	14,320	332,088	10,158	193,718
		<u>11,597,812</u>		<u>4,350,184</u>
<u>Participant Loans – various</u>		496,875		179,711
		\$ <u>15,480,827</u>		\$ <u>6,659,100</u>

*Represents 5% or more of Plan net assets

NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION)

	2009	2008
Investments at Fair Value Determined by Quoted Market Price		
Mutual funds	\$ <u>2,190,712</u>	\$ <u>(1,909,498)</u>

Net changes in unrealized appreciation (depreciation) was computed on the "revalued cost" basis as required by applicable IRS and Department of Labor (DOL) regulations. Generally accepted accounting principles require the utilization of the "historical cost" method for computing realized and unrealized gains (losses). Differences in realized and unrealized gains (losses) computed using the "revalued cost" method and the "historical cost" method are summarized as follows:

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 4: INFORMATION CERTIFIED BY MERRILL LYNCH BANK & TRUST CO., FSB
(CONTINUED)

	Revalued Cost		Historical Cost	
	2009	2008	2009	2008
Realized gains (losses)	\$ (90,750)	\$ (116,388)	\$ (502,763)	\$ (35,940)
Unrealized gains (losses)	<u>2,190,712</u>	<u>(1,909,498)</u>	<u>2,602,725</u>	<u>(1,989,946)</u>
	<u>\$ 2,099,962</u>	<u>\$ (2,025,886)</u>	<u>\$ 2,099,962</u>	<u>\$ (2,025,886)</u>

The "revalued cost" method has been used in the accompanying statement of changes in net assets available for plan benefits.

NOTE 5: FAIR VALUE MEASUREMENTS

FASB Statement No. 157, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB Statement No. 157 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 5: FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Money market funds: Valued using amortized cost which approximates fair value.

Common/collective trust funds: Valued at the net assets value (NAV) of shares/units held by the Plan at year end.

Mutual funds: Valued at the net asset value (NAV) of shares held by the Plan at year end.

Participant loans: Valued at amortized cost, which approximates fair value.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008:

Assets at Fair Value as of December 31, 2009				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 1,114	\$ -	\$ -	\$ 1,114
Common/collective trust funds	-	3,385,026	-	3,385,026
Mutual funds	11,597,812	-	-	11,597,812
Participant loans	-	-	496,875	496,875
Total assets at fair value	<u>\$11,598,926</u>	<u>\$ 3,385,026</u>	<u>\$ 496,875</u>	<u>\$15,480,827</u>

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 5: FAIR VALUE MEASUREMENTS (CONTINUED)

	Assets at Fair Value as of December 31, 2008			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 1,205	\$ -	\$ -	\$ 1,205
Common/collective trust funds	-	2,128,000	-	2,128,000
Mutual funds	4,350,184	-	-	4,350,184
Participant loans	-	-	179,711	179,711
Total assets at fair value	<u>\$ 4,351,389</u>	<u>\$ 2,128,000</u>	<u>\$ 179,711</u>	<u>\$ 6,659,100</u>

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2009:

Level 3 Assets	
Year Ended December 31, 2009	
	<u>Participant loans</u>
Balance, beginning of year	\$ 179,711
Realized gains/(losses)	-
Unrealized gains/(losses) relating to instruments still held at the reporting date	-
Purchases, sales, issuances, and settlements (net)	<u>317,164*</u>
Balance, end of year	<u>\$ 496,875</u>

*Includes \$447,615 of participant loans transferred into the Plan from Nirtram (see Note 2) and net change of (\$130,451) in issuances and settlements exclusive of loans transferred into the Plan.

NOTE 6: RELATED-PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Merrill Lynch, Pierce, Fenner & Smith (through an affiliated trust – Merrill Lynch Group Employee Services) the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for the investment management services amounted to \$17,945 and \$2,442 for the years ended December 31, 2009 and 2008, respectively.

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 7: TAX STATUS

The Plan is a "Prototype Non-Standardized Profit Sharing Plan as established by its record-keeper, Merrill Lynch. Merrill Lynch obtained a determination letter on March 31, 2008 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with applicable requirements of the Internal Revenue Code. The Plan has been amended since Merrill Lynch received the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Service.

NOTE 8: PLAN TERMINATION

Although it has not expressed any intent 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. In the event of plan termination, participants will have various alternatives available for the disposition of their fully vested accounts including rollover options to other tax-exempt accounts.

NOTE 9: 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 statement of net assets available for benefits.

NOTE 10: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per financial statements to the Form 5500 as of December 31, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Net assets available for benefits per the financial statements	\$ 15,773,910	\$ 13,756,106
Contributions receivable	(49,143)	(30,407)
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	<u>(246,976)</u>	<u>(403,777)</u>
Net assets available for benefits per the Form 5500	<u>\$ 15,477,791</u>	<u>\$ 13,321,922</u>

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 10: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (CONTINUED)

The reconciling items noted above are due to the method of accounting used in preparing the Form 5500 as compared to the Plan's financial statements.

The following is a reconciliation of the net increase (decrease) in assets available for benefits as of December 31, 2009 and 2008, per the financial statements to the Form 5500:

	<u>2009</u>	<u>2008</u>
Net increase (decrease) in assets available for benefits per the financial statements	\$ 2,017,804	\$ (1,960,726)
Prior year adjustment from fair value to contract value for fully benefit-responsive investment contract	343,545	25,888
Prior year participant contributions receivable	19,785	—
Prior year employer contributions receivable	10,622	—
Current year participant contributions receivable	(49,143)	—
Reclassification of prior year Nitram adjustment from fair value to contract value	60,232	—
Current year adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>(246,976)</u>	<u>(343,545)</u>
Net assets increase (decrease) in available for benefits per the Form 5500	<u>\$ 2,155,869</u>	<u>\$ (2,278,383)</u>

The reconciling items noted above are due to the difference in the method of accounting used in preparing the Form 5500 as compared to the Plan's financial statements. The cash basis of accounting was used in 2009 and 2008 in preparing the Form 5500, whereas the Plan's financial statements have been prepared on the accrual basis of accounting as required by accounting principles generally accepted in the United States of America.

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 10: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (CONTINUED)

The following is a reconciliation of contributions as of December 31, 2009 and 2008, per the financial statements to the Form 5500:

	<u>2009</u>	<u>2008*</u>
Contributions per the financial statements	\$ 1,769,649	\$ 2,244,586
Contributions receivable as of prior year end	30,407	18,682
Contributions receivable as of current year end	<u>(49,143)</u>	<u>(30,407)</u>
Contributions per the Form 5500	<u>\$ 1,750,913</u>	<u>\$ 2,232,861</u>

*Pro forma presentation to reflect merger of Peerless & Nitran plans as of December 31, 2008.

Net investment gain(loss) as reflected in Form 5500 is summarized as follows:

	<u>2009</u>		<u>2008</u>	
	<u>Common/ Collective Trust Funds</u>	<u>Mutual Funds</u>	<u>Common/ Collective Trust Funds</u>	<u>Mutual Funds</u>
Dividends and other earnings	\$ 55,421	\$ -	\$ 122,930	\$ 157,599
Realized gains(losses)	60,232	(90,750)	-	(116,388)
Unrealized gains (losses)	<u>96,569</u>	<u>2,190,712</u>	<u>(317,657)</u>	<u>(1,909,498)</u>
	<u>\$ 212,222</u>	<u>\$ 2,099,962</u>	<u>\$ (194,727)</u>	<u>\$ (1,868,287)</u>

NOTE 11: SUBSEQUENT EVENTS

Plan management evaluates events and transactions that occur after year end but before the date financial statements are issued. Accordingly, plan management has evaluated such events and transactions through September 29, 2010 when the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

THE PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

SCHEDULE OF ASSETS HELD AT END OF YEAR

DECEMBER 31, 2009

Federal I.D. #75-0724417
Plan #002

<u>IDENTITY OF ISSUER AND BORROWER</u>	<u>DESCRIPTION OF INVESTMENT</u>	<u>**</u> <u>COST</u>	<u>TRUST FUND</u>
			<u>FAIR</u> <u>VALUE</u>
CMA Money Market Fund	1,205 units money market fund	\$	1,114
			<u>1,114</u>
Merrill Lynch Ret. Preservation Trust	2,471,545 units common/collective trust		3,385,026
			<u>3,385,026</u>
Goldman Sachs Mid-Cap Value Fund	20,262 shares - mutual fund		1,005,188
Oakmark Equity & Income Fund	73,772 shares - mutual fund		1,876,012
Blackrock S&P 500 Index	33,532 shares - mutual fund		659,308
Goldman Sachs Gov't Income Fund	7,303 shares - mutual fund		216,657
Thornburn Inter Value Fund	43,715 shares - mutual fund		1,696,879
Eaton Vance Lg-Cap Value Fund	42,592 shares - mutual fund		1,300,793
PIMCO Total Return Fund	70,633 shares - mutual fund		1,466,787
JP Morgan Div. Mid-Cap Fund	10,154 shares - mutual fund		684,676
UBS U.S. Sm-Cap Growth Fund	10,593 shares - mutual fund		215,955
American Growth Fund of America	37,067 shares - mutual fund		1,409,814
Allianz Small-Cap Fund	10,158 shares - mutual fund		332,088
JP Morgan Small Cap Fund	17,473 shares - mutual fund		484,175
American Cap World Growth Fund	1,292 shares - mutual fund		43,816
ING Global Real Estate Fund	968 shares - mutual fund		14,199
Legg Mason Apprec Fund	2,295 shares - mutual fund		28,371
Victory Spec Value Fund	5,312 shares - mutual fund		71,977
Principal High Yield Fund	11,727 shares - mutual fund		91,117
			<u>11,597,812</u>
Participant Loans	Various - interest rates - 5% - 9.25%	0	496,875
			<u>\$ 15,480,827</u>

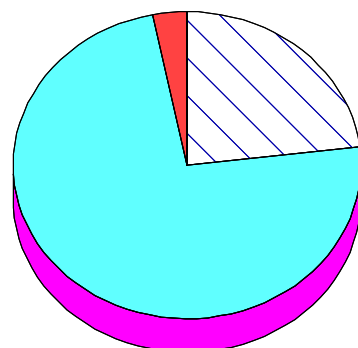
* Party in Interest

** Historical cost - Omitted pursuant to rule stating cost information may be omitted when reporting on an individual account plan that a participant directed with respect to assets allocated to his or her account.

STATEMENT OF ASSETS
FOR THE PERIOD 01/01/2009 - 12/31/2009

PEERLESS MFG. CO. RETIREMENT
SAVINGS PLAN AND TRUST
CONSOLIDATION

ALLOCATION OF PLAN ASSETS



23.10% COMMON / COLLECTIVE TRUSTS

3.16% LOANS

0.01% ACCRUED INCOME

73.76% MUTUAL FUNDS

0.00% PENDING SETTLEMENT FUNDS

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
<u>COMMON / COLLECTIVE TRUSTS</u>					
ML RET PRESERVATION TRUST	3,373,420.1500	1.000	3,373,420.15	3,373,420.15	21.45%
ML RET PRES TRUST-GM	258,581.3862	1.000	258,581.38	258,581.39	1.64%
TOTAL COMMON / COLLECTIVE TRUSTS			3,632,001.53	3,632,001.54	23.10%
<u>MUTUAL FUNDS</u>					
JPMORGAN DIV MID CAP GR A	30,427.0894	17.180	420,871.60	522,737.40	3.32%
JPMORGAN DIV MID CAP GR A GM	9,426.0075	17.180	165,735.69	161,938.81	1.03%
THE OAKMARK EQ & INC FD CL II	73,771.6137	25.430	1,561,519.85	1,876,012.14	11.93%
UBS U.S. SMALL CAP GROWTH FUND	11,240.5688	10.520	101,911.91	118,250.78	0.75%
UBS U.S. SMALL CAP GRWTH FD GM	9,287.4894	10.520	99,151.76	97,704.39	0.62%
AMERICAN CAP WORLD GR & INC R3	1,292.1368	33.910	33,468.31	43,816.36	0.28%

Balances include the effect of pending trades

STATEMENT OF ASSETS
FOR THE PERIOD 01/01/2009 - 12/31/2009

PEERLESS MFG. CO. RETIREMENT
SAVINGS PLAN AND TRUST
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
AMERICAN GROWTH FD OF AMER R3	32,716.4470	26.930	834,805.71	881,053.92	5.60%
AMERICAN GRTH FD OF AMER R3 GM	19,634.6299	26.930	545,403.29	528,760.58	3.36%
ING GLOBAL REAL ESTATE FD CL A	967.8824	14.670	11,935.49	14,198.83	0.09%
PRINCIPAL HIGH YIELD FUND	11,726.7833	7.770	79,167.81	91,117.11	0.58%
JPMORGAN SMALL CAP EQTY FD CLA	17,472.9211	27.710	355,328.30	484,174.64	3.08%
BLACKROCK GOV INC A	0.0001	10.320	0.01	0.00	0.00%
PIMCO TOTAL RETURN FUND CL A	69,392.8686	10.800	716,718.93	749,442.98	4.77%
PIMCO TOT RET FD CL A GM	66,420.7290	10.800	697,097.24	717,343.87	4.56%
BLACKROCK S&P500 INDEX I	48,371.8668	13.630	554,845.22	659,308.54	4.19%
ALLIANZ NFJ SM-CAP VALUE CL A	8,757.2615	23.190	187,627.77	203,080.89	1.29%
ALLIANZ NFJ SM-CAP VL CL A GM	5,563.0518	23.190	132,691.98	129,007.17	0.82%
GOLDMAN SACHS GOVT INC FD A	14,376.6295	15.070	214,031.85	216,655.81	1.38%
GOLDMAN SACHS MID CAP VAL A	26,461.6478	28.980	756,343.47	766,858.55	4.88%
GOLDMAN SACHS MID CAP VAL A GM	8,223.9253	28.980	265,423.54	238,329.36	1.52%
LEGG MASON CLRBRG APPR CL A	2,295.3841	12.360	22,195.26	28,370.95	0.18%
THORNBURG INTER VALUE FD A	39,184.0867	24.810	781,781.31	972,157.19	6.18%
THORNBURG INTER VALUE FD A GM	29,210.8686	24.810	693,742.27	724,721.65	4.61%
VICTORY SPECL VAL FD C-A	5,311.9600	13.550	52,286.26	71,977.06	0.46%
EATON VANCE LG-CAP VALUE FD A	38,017.0939	16.740	541,520.24	636,406.15	4.05%
EATON VANCE LG-CAP VAL FD A GM	39,688.5658	16.740	642,111.79	664,386.59	4.23%

Balances include the effect of pending trades



STATEMENT OF ASSETS
FOR THE PERIOD 01/01/2009 - 12/31/2009

PEERLESS MFG. CO. RETIREMENT
SAVINGS PLAN AND TRUST
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
MASS INV GRTH STK FD CL A GM	0.0001	13.430	0.00	0.00	0.00%
TOTAL MUTUAL FUNDS			10,467,716.86	11,597,811.72	73.76%
<u>LOANS</u>					
LOAN FUND	496,875.3300	1.000	496,875.33	496,875.33	3.16%
<u>PENDING SETTLEMENT FUNDS</u>					
PENDING SETTLEMENT FUND	100.0000	1.000	100.00	100.00	0.00%
INVESTMENT TOTAL			14,596,693.72	15,726,788.59	100.01%
UNINVESTED CASH			0.00	0.00	0.00%
ACCRUED INCOME			1,014.17	1,014.17	0.01%
CASH			(3,036.25)	(3,036.25)	-0.02%
TOTAL ASSETS			14,594,671.64	15,724,766.51	100.00%

The balance in the cash fund may be temporarily invested in the CMA Money Fund. Additional amounts not reported as cash may also be invested in the CMA Money Fund pending settlement of trades.

Balances include the effect of pending trades