

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 <u>01/01/2009</u> and ending <u>12/31/2009</u>	
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 <u>REILLY INDUSTRIES, INC. EMPLOYEES RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>01/01/1958</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>VERTELLUS SPECIALTIES, INC.</u> <u>300 NORTH MERIDIAN STREET, ST. 1500</u> <u>INDIANAPOLIS, IN 46204</u>	2b Employer Identification Number (EIN) <u>35-0607240</u> 2c Sponsor's telephone number <u>317-638-7531</u> 2d Business code (see instructions) <u>325900</u>

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including 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	<u>Filed with authorized/valid electronic signature.</u>	<u>10/01/2010</u>	<u>SCOTT SMITH</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/01/2010</u>	<u>SCOTT SMITH</u>
	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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") VERELLUS SPECIALTIES, INC. 300 NORTH MERIDIAN STREET, ST. 1500 INDIANAPOLIS, IN 46204	3b Administrator's EIN 35-0607240 3c Administrator's telephone number 317-638-7531
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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	1130
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	329
b Retired or separated participants receiving benefits.....	6b	333
c Other retired or separated participants entitled to future benefits.....	6c	381
d Subtotal. Add lines 6a , 6b , and 6c	6d	1043
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	87
f Total. Add lines 6d and 6e	6f	1130
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	0
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:
 1A 1G

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
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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 SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

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

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

A Name of plan REILLY INDUSTRIES, INC. EMPLOYEES RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF VERTELLUS SPECIALTIES, INC.	D Employer Identification Number (EIN) 35-0607240
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month 01 Day 01 Year 2009	
2 Assets:	
a Market value	2a 24414808
b Actuarial value	2b 26856288
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 195 19196771
b For terminated vested participants	3b 140 4611993
c For active participants:	
(1) Non-vested benefits	3c(1) 39973
(2) Vested benefits	3c(2) 6220732
(3) Total active	3c(3) 142 6260705
d Total	3d 477 30069469
4 If the plan is at-risk, check the box and complete items (a) and (b)	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 8.19 %
6 Target normal cost	6 80000

Statement by Enrolled Actuary

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

SIGN HERE		09/13/2010
Signature of actuary		Date
RICHARD E. LENAR		08-04477
Type or print name of actuary		Most recent enrollment number
MCCREADY & KEENE, INC.		317-849-4333
Firm name		Telephone number (including area code)
7941 CASTLEWAY DRIVE INDIANAPOLIS, IN 46250-0460		
Address of the firm		

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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	921560	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	921560	0
10	Interest on item 9 using prior year's actual return of <u>27.00</u> %	-249028	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of <u>6.10</u> %		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	672532	0

Part III Funding percentages			
14	Funding target attainment percentage.....	14	87.08 %
15	Adjusted funding target attainment percentage.....	15	87.08 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	97.18 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 0
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	

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

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	80000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	2081545	369367
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	449367
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	449367
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	0
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	449367
40 Unpaid minimum required contribution for all years	40	449367

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	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

<div>A Name of plan</div> <div>REILLY INDUSTRIES, INC. EMPLOYEES RETIREMENT PLAN</div>	<div>B Three-digit plan number (PN)</div> <div>▶</div> <div>001</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500</div> <div>VERTELLUS SPECIALTIES, INC.</div>	<div>D Employer Identification Number (EIN)</div> <div>35-0607240</div>

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

JPMORGAN CHASE BANK NA340 S CLEVELAND AVENUEBLDG 350WESTERVILLE, OH 4308113-4994650

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

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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)

JPMORGAN CHASE BANK NA

340 S CLEVELAND AVENUE
BLDG 350
WESTERVILLE, OH 43081

31-6243920

(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?
25	NONE	32831	Yes ☒ No ☐	Yes ☐ No ☒	315	Yes ☐ No ☒

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

OXFORD FINANCIAL ADVISORS

35-1588335

(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?
28	NONE	24885	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:

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 REILLY INDUSTRIES, INC. EMPLOYEES RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 VERTELLUS SPECIALTIES, INC.	D Employer Identification Number (EIN) 35-0607240	

Part I	Asset and Liability Statement
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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)		184574
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	8971	11106
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	88437	305175
(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)		
(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)	24317400	39368619
(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	24414808	39869474

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	24414808	39869474
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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)	184574	
(B) Participants	2a(1)(B)		
(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)		184574

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	492784	
(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)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		492784

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	202600	
(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)		202600

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	18896831	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	17910906	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		985925

		(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)		
(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)		4711606
c Other income.....	2c		646
d Total income. Add all income amounts in column (b) and enter total.....	2d		6578135

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2430588	
(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)		2430588
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)	0	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	57716	
(4) Other	2i(4)	16490	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		74206
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		2504794

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		4073341
l Transfers of assets:			
(1) To this plan.....	2l(1)		11381325
(2) From this plan	2l(2)		0

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: DUNBAR, COOK & SHEPERD P.C.

(2) EIN: 35-1518874

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		2000000
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.		X	

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

A Name of plan <u>REILLY INDUSTRIES, INC. EMPLOYEES RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>VERTELLUS SPECIALTIES, INC.</u>	D Employer Identification Number (EIN) <u>35-0607240</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): _____ 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	<u>4</u>

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
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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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

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): _____



**REILLY INDUSTRIES, INC.
EMPLOYEES' RETIREMENT PLAN
AUDITED FINANCIAL STATEMENTS
AND SCHEDULE**

December 31, 2009 and 2008

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INDEPENDENT AUDITORS' REPORT

Vertellus Specialties Inc.
Reilly Industries, Inc. Employees' Retirement Plan
Indianapolis, Indiana

We were engaged to audit the financial statements and schedule of the **Reilly Industries, Inc. Employees' Retirement Plan** as of December 31, 2009 and 2008, and for the years then ended as listed in the accompanying index. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by Section 2520.103-8 of the Department of Labor 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 D, which was certified by JPMorgan Chase Bank, N.A., the trustee of the Plan, except for comparing such information to the related information included in the financial statements and supplemental schedule. 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 and for the years ended December 31, 2009 and 2008, 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.

September 20, 2010

Dunbar, Cook & Shepard, P.C.

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
INVESTMENTS		
Bond funds		
(cost 2009, \$16,333,945; cost 2008, \$10,179,850)	\$ 16,343,384	\$ 9,550,941
Equity stock funds		
(cost 2009, \$22,741,711; cost 2008, \$20,487,266)	23,025,235	14,766,459
Money market funds (cost equals market)	<u>305,175</u>	<u>88,437</u>
TOTAL INVESTMENTS	39,673,794	24,405,837
RECEIVABLES		
Interest and dividends receivable	11,106	8,971
Accrued employer contribution receivable	<u>184,574</u>	<u>-</u>
NET ASSETS AVAILABLE FOR PLAN BENEFIT	<u>\$ 39,869,474</u>	<u>\$ 24,414,808</u>

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ADDITIONS:		
Additions to net assets attributed to:		
Investment income:		
Net realized gain and unrealized appreciation (depreciation)		
in fair value of investments	\$ 5,697,531	\$(10,268,122)
Interest income	492,784	519,165
Dividend income	202,600	259,069
Other income	646	9,258
Employer contribution	<u>184,574</u>	<u>-</u>
 TOTAL ADDITIONS (REDUCTIONS)	 6,578,135	 (9,480,630)
 DEDUCTIONS:		
Deductions from net assets attributed to:		
Benefits paid to participants	(2,430,588)	(2,317,055)
Trustee and investment fees	(57,716)	(68,811)
Accounting and actuarial fees	-	(24,670)
Insurance premium	<u>(16,490)</u>	<u>(16,269)</u>
 TOTAL DEDUCTIONS	 <u>(2,504,794)</u>	 <u>(2,426,805)</u>
 NET INCREASE (DECREASE)	 4,073,341	 (11,907,435)
 NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	24,414,808	36,322,243
Transfers into the Plan	<u>11,381,325</u>	<u>-</u>
 End of year	 <u>\$ 39,869,474</u>	 <u>\$ 24,414,808</u>

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements of the Plan are prepared under the accrual method of accounting.

INVESTMENTS - Investments are stated at aggregate current value. Investments which are traded on a national securities exchange are valued at the last reported sales price on the last business day of the year; investments traded on the over-the-counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. The realized gain or loss from sales of investments is the difference between the proceeds received and the specific cost of investments sold.

ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS - Accumulated Plan benefits (see NOTE C) are those estimated future periodic payments that are attributable under the Plan's provisions for services rendered by the employees to the valuation date. Accumulated Plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits payable under all circumstances - retirement, death, disability and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

CONTRIBUTIONS - Contributions are recorded as additions to assets available for Plan benefits when the Plan sponsor accrues such contributions as current liabilities.

FEDERAL INCOME TAXES - The Plan qualifies under Section 401 of the Internal Revenue Code and is, therefore, not subject to tax under present income tax laws.

USE OF ESTIMATES - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SUBSEQUENT EVENTS - Management has evaluated subsequent events through September 20, 2010, which is the date the financial statements were available to be issued.

UNCERTAIN TAX POSITIONS - The Plan adopted the provisions of Accounting for Uncertainty in Income Taxes on January 1, 2009. The standard clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a threshold of more-likely-than-not for recognition of tax benefits of uncertain tax positions taken or expected to be taken in a tax return. The standard also provides related guidance on measurement, derecognition, classification, interest and penalties, and disclosure. The adoption of this standard did not have an impact on the plan financial statements.

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS CONTINUED
December 31, 2009 and 2008

NOTE B - DESCRIPTION OF THE PLAN

The Plan is a non-contributory defined benefit plan which covers substantially all employees and provides for retirement, disability, death and survivor benefits. Contributions of the Company are actuarially determined to include normal cost and amortization of past service cost plus interest thereon over a ten-year period (see NOTE C). The Plan has met the ERISA minimum funding requirements.

The Company may terminate the Plan at any time by action of its Board of Directors although it has no current intention to do so. In the event the Plan is terminated, that portion of the assets which is attributable to the participants shall be divided in the following order or priority: first, to participants in pay status or who would have been in pay status had the participant been retired as of three years prior to termination; second, all other benefits of participants under the Plan insured under Title IV of the Employee Retirement Income Security Act of 1974 (ERISA); third, all other vested termination benefits and; fourth, all other accrued retirement benefits.

In funding the Plan, the Company will contribute an amount as determined by the actuary. This amount will at least meet the minimum funding requirements of ERISA.

Information about the Plan agreement, the vesting and benefit provisions, and the PBGC's benefit guarantee is contained in the pamphlet, "Summary Plan Description for Reilly Industries, Inc. Employees' Retirement Plan." Copies of this pamphlet are available from the Plan administrator.

NOTE C - ACTUARIAL ASSUMPTIONS AND LIABILITIES

The Plan employs an actuarial firm to perform all actuarial calculations relating to current and past service costs of the Plan. The actuarial calculations are based on the unit credit cost actuarial funding method. The more significant assumptions underlying the actuarial calculations to determine funding requirements are as follows:

Assumed rate of return on investments	lesser of 8.00 percent or the segment rate specified by Notice 2009-22
Mortality basis	2009 Applicable Table
Employee turnover	Sarason Table T-5
Valuation of assets	Market value
Benefit commencement date	Benefits are assumed to commence at later of age 65 or age on valuation date
Benefits separately valued	Normal retirement benefit, termination benefit

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS CONTINUED
December 31, 2009 and 2008

NOTE C - CONTINUED

Actuarially determined amounts at the respective valuation dates for the Retirement Plan are as follows:

	<u>2009</u>	<u>JANUARY 1,</u> <u>2008</u>
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 19,196,771	\$ 21,861,376
Other participants	<u>10,832,725</u>	<u>15,515,397</u>
	30,029,496	37,376,773
Non-vested benefits	<u>39,973</u>	<u>62,769</u>
	<u>\$ 30,069,469</u>	<u>\$ 37,439,542</u>

Actuarially determined amounts at the respective valuation dates for the Pension Plan (merged into the Retirement Plan effective December 31, 2009 – see Note F) are as follows:

	<u>2009</u>	<u>JANUARY 1,</u> <u>2008</u>
Actuarially present value of accumulated Plan benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 4,685,591	\$ 5,134,157
Other participants	<u>5,642,120</u>	<u>7,387,140</u>
	10,327,711	12,521,297
Non-vested benefits	<u>31,590</u>	<u>43,840</u>
	<u>\$ 10,359,301</u>	<u>\$ 12,565,137</u>

The actuarial present value of accumulated Plan benefits for the Retirement Plan was \$30,931,422 at January 1, 2007.

The actuarial present value of accumulated Plan benefits for the Pension Plan was \$9,497,905 at January 1, 2007.

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS CONTINUED
December 31, 2009 and 2008

NOTE D - INVESTMENTS

The Plan's investments are all held in trust at JPMorgan Chase Bank, N.A. Investments held during the years ended December 31, 2009 and 2008 appreciated (depreciated) in fair value as follows:

	NET CHANGE IN APPRECIATION (DEPRECIATION) IN FAIR VALUE DURING YEAR	FAIR VALUE AT END OF YEAR
<u>Year Ended December 31, 2009</u>		
Fair market value as determined by quoted market price:		
Mutual funds - bond	\$ 638,346	\$ 16,343,383
Mutual funds - equity	6,003,961	23,025,234
Fair value as determined by Trustee bank:		
Short-term investments	-	305,175
	<u>\$ 6,642,307</u>	<u>\$ 39,673,792</u>
<u>Year Ended December 31, 2008</u>		
Fair market value as determined by quoted market price:		
Mutual funds - bond	\$ (552,757)	\$ 9,550,941
Mutual funds - equity	(10,335,281)	14,766,459
Fair value as determined by Trustee bank:		
Short-term investments	-	88,437
	<u>\$ (10,888,038)</u>	<u>\$ 24,405,837</u>

The following presents investments that represent 5 percent or more of the Plan's net assets for December 31, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
JPMorgan Core Bond Fund	\$ 3,117,477	\$ 2,009,502
Pimco Real Return Bond Fund	2,775,693	1,843,904
Pimco Funds Total Return Instl Cl.	5,150,062	5,697,535
Mutual Funds- Atrisan International Fund	-	1,385,690
Fidelity Diversified International Fund	-	1,363,312
Dodge & Cox Stock Fund	3,695,330	2,149,499
Growth Fund America, Inc.	7,797,066	4,838,324
Vanguard 500 Index Fund	3,114,438	1,955,839
Veracity Small Cap Value	2,491,111	2,091,723
Pimco Funds Short Term Fund	3,472,359	-

**VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS CONTINUED
December 31, 2009 and 2008**

NOTE E - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of realized gain or loss on asset dispositions, and unrealized appreciation or depreciation of assets per the financial statements to Form 5500:

For the year ended December 31, 2009:

	<u>Financial Statements</u>	<u>Form 5500</u>
Net gain on sale of assets:		
Aggregate proceeds	\$ 18,896,831	\$ 18,896,831
Aggregate carrying amount	<u>19,841,608</u>	<u>17,910,906</u>
	(944,777)	985,925
 Unrealized appreciation of assets	 <u>6,642,308</u>	 <u>4,711,606</u>
	 <u>\$ 5,697,531</u>	 <u>\$ 5,697,531</u>

NOTE F - TRANSACTIONS WITH PARTIES-IN-INTEREST

There were no transactions with parties-in-interest other than the payment of customary and reasonable fees for services rendered through the trustee bank. Accounting and actuary fees were paid by the Plan in 2009 and 2008.

NOTE G - FROZEN PLAN

On November 17, 2005, the Board of Directors elected to freeze the Plan effective December 31, 2006. See Note H for amendments made to the Plan for freezing of the Plan.

NOTE H - PLAN AMENDMENTS

Effective March 28, 2005, the Plan was amended to freeze participation and benefit accruals effective December 31, 2005. Therefore, an employee who was not already a participant as of December 31, 2005 will not become a participant. If a participant terminates their employment for any reason, they shall cease to be a participant upon such termination, and shall not be reinstated as a participant if reemployed on or after January 1, 2006. However, they will continue to earn vesting service if reemployed on or after January 1, 2006.

NOTE I - NAME CHANGE

Reilly Industries, Inc. changed its name to Vertellus Specialties Inc. effective July 2006.

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS CONTINUED
December 31, 2009 and 2008

NOTE J - FAIR VALUE MEASUREMENT

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 valuation methodologies 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.

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

The asset's 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 at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Mutual funds - Valued at the Net Asset Value (NAV) of shares held by the Plan at year end.

The preceding methods 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 assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES' RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS CONTINUED
December 31, 2009 and 2008

NOTE J - CONTINUED

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.

<i>Assets at Fair Value as of December 31, 2009</i>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market	\$ 305,175	\$ -	\$ -	\$ 305,175
Fixed income	11,193,325	-	-	11,193,325
Foreign	8,852,298	-	-	8,852,298
Large Cap	15,693,305	-	-	15,693,305
Mid Cap	1,138,580	-	-	1,138,580
Small Cap	<u>2,491,111</u>	<u>-</u>	<u>-</u>	<u>2,491,111</u>
Total assets, at fair value	<u>\$39,673,794</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$39,673,794</u>

<i>Assets at Fair Value as of December 31, 2008</i>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual fund-bonds	\$ 9,550,941	\$ -	\$ -	\$ 9,550,941
Mutual fund-stocks	14,766,459	-	-	14,766,459
Mutual fund - money market	<u>88,437</u>	<u>-</u>	<u>-</u>	<u>88,437</u>
Total assets, at fair value	<u>\$24,405,837</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$24,405,837</u>

NOTE K - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, credit and market 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 the participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE L - PLAN MERGER

Effective December 31, 2009, Vertellus Specialties Inc. merged the assets of the plans known as Reilly Industries, Inc. Employees' Pension Plan, Retirement Plan for Collectively Bargained Employees of the Cachem Facility of Rutherford Chemicals, LLC, and Retirement Plan for Collectively Bargained Employees of the Nepera Facility of Rutherford Chemicals, LLC, into this Plan. Sponsors of the plans that are merged into the Plan are considered adopting employers as of the Merge Date; moreover, the merging into this Plan by the various plans noted, and assets thereof, shall be considered to constitute a single plan with a single pool of assets that are available to pay any and all benefits accrued under the merged Plan. With respect to the calculation of all accrued benefits earned as of the Merge Date, the merger shall result only in Participants' entitlement to benefits calculated in accordance with the provisions of the respective plans under which they participated immediately prior to the Merge Date. The merged Plan will contain 4 separate benefit structures which mirror the benefit structures in place in the prior 4 respective plans. The succeeding plan will be known as the Vertellus Specialties Inc. Deferred Benefit Retirement Plan.

SUPPLEMENTAL SCHEDULE

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES RETIREMENT PLAN
SCHEDULE OF ASSETS HELD AT THE END OF THE YEAR
December 31, 2009

Plan #001
EIN 35-0607240

Form 5500, Schedule H, Part IV, Item 4(i) - Schedule of Assets Held at the End of the Year

<u>IDENTITY OF ISSUE</u>	<u>DESCRIPTION OF INVESTMENT</u>	<u>COST</u>	<u>CURRENT VALUE</u>
Short-Term Investments:			
JPMorgan Liquid Assets Money Market Fund	685,635 shares	\$ 305,175	\$ 305,175
TOTAL SHORT-TERM INVESTMENTS			
Mutual Funds - Fixed Income:			
JPMorgan Core Bond Fund	281,107 shares	3,056,566	3,117,477 *
Pimco Real Return Bond Fund	257,247 shares	2,930,992	2,775,693 *
Pimco Funds Short-Term Fund	353,601 shares	3,458,322	3,472,359 *
Pimco Funds Total Return Instl Cl.	476,858 shares	5,049,336	5,150,062 *
Pimco Funds Developing Local Mkt	182,414 shares	1,838,729	1,827,793
TOTAL MUTUAL FUNDS - BONDS			
Mutual Funds - Equity			
Artisan International Fund	64,178 shares	1,862,424	1,325,912
Fidelity Diversified International Fund	46,843 shares	1,232,686	1,311,608
Leuthold Fund Asset Allocation	108,978 shares	776,653	1,064,716
Nortel Networks Corporation	50 shares	415	1
Dodge & Cox Stock Fund	38,437 shares	3,743,555	3,695,330 *
Growth Fund America, Inc.	285,293 shares	6,469,859	7,797,066 *
Morgan Stanley Instl US Real Estate Portfolio Fund	101,841 shares	1,664,072	1,138,580
Third Ave Fund, Inc.	23,456 shares	729,659	1,086,471
Vanguard Index 500 Portfolio Fund	36,723 shares	3,117,053	3,114,438 *
Veracity Small Cap Value	117,672 shares	3,145,707	2,491,113 *
		<u>\$ 39,381,203</u>	<u>\$ 39,673,794</u>

**The fair value of these investments represents 5 percent or more of the Plan's assets at December 31, 2009.*

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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

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

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

OMB No. 1210-0110

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▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.**A** Name of plan

REILLY INDUSTRIES, INC. EMPLOYEES RETIREMENT PLAN

B Three-digit
plan number (PN) ▶

001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

VERTELLUS SPECIALTIES, INC.

D Employer Identification Number (EIN)

35-0607240

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B**F** Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500**Part I Basic Information****1** Enter the valuation date: Month 1 Day 1 Year 2009**2** Assets:

	2a	
a Market value.....	24,414,808	
b Actuarial value.....	26,856,288	

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	195	19,196,771
b For terminated vested participants.....	140	4,611,993
c For active participants:		
(1) Non-vested benefits.....		39,973
(2) Vested benefits.....		6,220,732
(3) Total active.....	142	6,260,705
d Total.....	477	30,069,469

4 If the plan is at-risk, check the box and complete items (a) and (b) ☐

	4a	4b
a Funding target disregarding prescribed at-risk assumptions.....		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....		

5 Effective interest rate..... **5** 8.19 %**6** Target normal cost..... **6** 80,000**Statement by Enrolled Actuary**

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

**SIGN
HERE**

Signature of actuary

RICHARD E. LENAR

Type or print name of actuary

McCREADY & KEENE, INC.

Firm name

7941 CASTLEWAY DRIVE

INDIANAPOLIS

IN 46250-0460

Address of the firm

9/13/2010
Date

08-04477

Most recent enrollment number

(317) 849-4333

Telephone number (including area code)

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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	921,560	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8).....	921,560	0
10 Interest on item 9 using prior year's actual return of <u>27.00</u> %	(249,028)	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		0
b Interest on (a) using prior year's effective rate of <u>6.10</u> %		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance.....		0
12 Reduction in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	672,532	0

Part III Funding percentages

14 Funding target attainment percentage.....	14	87.08 %
15 Adjusted funding target attainment percentage.....	15	87.08 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	97.18 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If 20a is "Yes," see instructions and complete the following table as applicable:

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

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	80,000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	2,081,545	369,367
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	449,367
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	449,367
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	0
38 Interest-adjusted excess contributions for current year (see instructions)	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	449,367
40 Unpaid minimum required contribution for all years	40	449,367

Schedule B, line 22 - Description of Weighted Average Retirement Age

Reilly Industries, Inc, Employees' Retirement Plan
EIN: 35-0607240
PN: 001
Plan Year: January 1, 2009 to December 31, 2009

(a) Retirement Age	(b) Retirement Rate	(d) Survival Rate	(a) x (b) x (c)
65	1.00	1.0000	65.0000
AVERAGE RETIREMENT AGE			65

Schedule SB line 25 - Change in Method

Reilly Industries, Inc, Employees' Retirement Plan

EIN: 35-0607240

PN: 001

The following changes were made to the Actuarial Cost Method for the 2009 plan year:

The basis for selecting the interest rate has been changed from the segment rates for January (with phase-in) to the October 2008 Yield Curve .

The asset valuation method has been changed from the market value method to the 24-month average method determined in accordance with Notice 2009-22.

Because this is the first plan year to which IRC Section 430 applies, IRS approval is not required for these changes. However, the Employer has agreed to this change on Schedule R item 8.

Schedule SB Item 26---Schedule of Active Participant Data

Plan Name: Reilly Industries, Inc. Employees' Retirement Plan
 EIN: 35-0607240 Plan Number: 001

ANALYSIS OF EMPLOYEES BY AGE AND SERVICE AS OF JANUARY 1,2009

Attained Age	YEARS OF CREDITED SERVICE											
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up		
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	4	0	0	0	0	0	0	0	0	0
30 to 34	0	1	7	4	0	0	0	0	0	0	0	0
35 to 39	0	0	6	5	1	0	0	0	0	0	0	0
40 to 44	0	1	9	4	7	1	0	0	0	0	0	0
45 to 49	0	0	3	7	2	3	2	0	0	0	0	0
50 to 54	0	0	3	5	7	5	4	6	0	0	0	0
55 to 59	0	1	3	5	8	3	2	2	2	0	0	0
60 to 64	0	0	3	3	2	1	1	3	1	0	0	0
65 to 69	0	0	1	1	0	0	0	0	2	0	0	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0

Average compensation is not shown since benefits are not based on compensation.

Schedule SB Part V - Statement Of Actuarial Assumptions / Methods

Reilly Industries, Inc, Employees' Retirement Plan

EIN: 35-0607240

PN: 001

ACTUARIAL METHODS

	Suggested Maximum Contribution		FAS #35
	PPA Funding		
ACTUARIAL COST METHOD	Accrued Benefit (Unit Credit)	Accrued Benefit Unit Credit	Accrued Benefit (Unit Credit)
ASSET VALUATION METHOD	See Below	See Below	Market Value

Accrued Benefit (Unit Credit)

The funding target is equal to the sum of the individual accrued liabilities for all participants. The individual's accrued liability is the present value of the benefit accrued in prior plan years. The target normal cost is the present value of benefits accruing in the plan year. Experience gains and losses are included in the calculation of the funding target and are amortized as part of the shortfall amortization.

Actuarial Value of Assets

For 2008 - Market Value of Assets

For 2009 - The Actuarial Value of Assets is a 24-month average determined in accordance with Notice 2009-22. Actuarial Value of Assets must fall within 90% to 110% of market value.

Assumed rate of return is the lesser of 7.00% or the segment rate specified in Notice 2009-22.

Schedule SB Part V - Statement Of Actuarial Assumptions / Methods

Reilly Industries, Inc, Employees' Retirement Plan

EIN: 35-0607240

PN: 001

ACTUARIAL ASSUMPTIONS

PPA Funding
and Maximum

Segmented Interest Rates
Full Yield Curve

See IRS Notice 2008-105

Applicable Month	October
Current Liability Interest Rate (prior law)	6.29%
Effective Interest Rate	8.19%
Future Salary Increases	0.00%
Mortality	2009 Applicable Table (combined)
Disability	None Assumed
Termination	Sarason T-5
Retirement Age	65
Percent Married	80%
Age Difference in Participant & Spouse	Males two years older than females
Administrative Expense	Anticipated Administrative Expenses

Schedule SB Part V - Statement Of Plan Provisions

Reilly Industries, Inc, Employees' Retirement Plan

EIN: 35-0607240

PN: 001

SUMMARY OF PLAN PROVISIONS

EFFECTIVE DATE	January 1, 1958.
LATEST RESTATMENT	Complete Restatement January 1, 2001
PARTICIPATION	First day of calendar month coincident with or next following completion of 1 year of eligibility service.

ELIGIBILITY FOR BENEFITS:

Normal Retirement	Last day of month in which participant attains 65th birthday.
Late Retirement	A participant who continues employment after age 65 will be eligible for late retirement on the last day of the month in which his employment terminates.
Early Retirement	For a participant whose participation date is on or after January 1, 1976, attainment of age 55 and completion of ten (10) years of vesting service; provided, however, for a participant whose participation date was prior to January 1, 1976, he shall have attained the age of 55 and also completed ten (10) years of (1) vesting service or (2) continuous service.
Disability Retirement	For a participant whose participation is on or after January 1, 1976, completion of ten (10) years of vesting service; provided, however, for a participant whose participation date was prior to January 1, 1976, he shall have completed ten (10) years of (1) vesting service or (2) continuous service, whichever is the first to occur.



SUMMARY OF PLAN PROVISIONS, Continued

Death Benefit

Payable on behalf of a married participant in the event of the participant's death after satisfaction of any of the retirement requirements or after completion of five (5) years of vesting service.

Payable on behalf of an unmarried participant in the event of the participant's death while employed after completion of 20 years of vesting service or upon retirement

Termination Benefit

5 or more years of vesting service.

AMOUNT OF BENEFITS:

Normal Retirement Benefit

The standard retirement benefit is the sum of (1), (2) and (3):

- (1) 0.85% of Monthly Plan Compensation multiplied by benefit service (maximum 35 years), plus
- (2) 0.55% of Monthly Plan Compensation in excess of covered compensation multiplied by benefit service (maximum 35 years), plus
- (3) 0.5% of Monthly Plan Compensation multiplied by benefit service in excess of 35 years.

However, Benefit Accruals were frozen as of December 31, 2005.

However, any non-highly compensated employees shall have their accrued benefits as of December 31, 1990 guaranteed under the prior formula. Also, any highly compensated employees shall have their accrued benefits as of December 31, 1988 guaranteed under the prior formula.



SUMMARY OF PLAN PROVISIONS, Continued

Normal Retirement, Continued

In addition, non-highly compensated employees whose normal retirement date is on or before December 31, 1992 will continue to accrue benefits under a prior formula and receive the greater of that benefit or the benefit accrued under the current formula.

Notwithstanding the above, the retirement benefit for married participants shall be an actuarially equivalent reduced monthly pension which provides for a 50% continuation of monthly payments to a surviving spouse. Participant may elect to receive the standard retirement benefit or various optional benefits in lieu of this form of an annuity.

Late Retirement Benefit

The participant shall be entitled to a monthly amount which shall be the standard retirement benefit otherwise payable upon normal retirement date but based upon benefit service and Monthly Plan Compensation as of late retirement date.

If a participant whose late retirement date is after January 1, 1988 and who is not a highly compensated employee and who was working after January 1, 1989, the late retirement benefit shall not be less than the greater of:

- (1) The standard retirement benefit determined under the provisions of the plan using the prior benefit formula but based on benefit service and Monthly Plan Compensation as of late retirement date, or
- (2) Actuarial equivalent determined as of the earlier of the late retirement date or December 31, 1990, of the accrued retirement benefit determined under the provisions of the plan using the prior benefit formula.



SUMMARY OF PLAN PROVISIONS, Continued

Late Retirement , Continued

If a participant whose late retirement date is after January 1, 1988 and who is a highly compensated employee working on or after January 1, 1989, the late retirement benefit shall not be less than the greater of:

- (1) The standard retirement benefit determined under the provisions of the plan using the prior benefit formula but based on benefit service and Monthly Plan Compensation as of December 31, 1988, or
- (2) Actuarial equivalent determined as of the earlier of the late retirement date or December 31, 1990, of the accrued retirement benefit determined as of December 31, 1988.

Early Retirement & Disability

The early retirement and disability benefit is the accrued retirement benefit determined as of early retirement date (or disability date) payable commencing at normal retirement date. However, participant may elect to have his benefit commence prior to normal retirement date in a reduced monthly amount. Benefits are reduced 1/180 for each month for the first 5 years, 1/360 for each month of the next 5 years and actuarially thereafter for each month that the commencement date precedes the normal retirement date.



SUMMARY OF PLAN PROVISIONS, Continued

Death Benefit

If a participant dies after he has become eligible for a deferred vested benefit but before benefits have commenced, either before termination of employment or after termination of employment, his surviving spouse shall be entitled to a benefit which is actuarially equivalent to the Qualified Survivor Benefit. The Qualified Survivor Benefit is payable commencing at the participant's earliest retirement date (or date of death, if later) and is equal in amount to the benefit that would have been payable, based on the participant's accrued benefit at his date of death or termination, if he had retired with a joint and 50% survivor annuity and then died before benefits commenced.

If a participant dies after completing 20 years of vesting service before his termination of employment or if he dies after his actual retirement but before benefits have commenced, his surviving spouse shall be entitled to a benefit that is actuarially equivalent to the benefit that would be payable if the participant had retired the day before his death with a joint and 100% survivor annuity. If the participant had not attained age 55 as of his date of death, the Early Retirement Benefit on which the death benefit is computed will be computed as though he was age 55.

Termination Benefit

After completion of at least 5 years of vesting service, a participant shall be 100% vested in his accrued benefit.



SUMMARY OF PLAN PROVISIONS, Continued

Eligibility Service

A salaried employee shall receive credit for one (1) year of eligibility service for his initial 12 month period of employment during which he is employed at least 1,000 hours. In the event he does not have 1,000 hours in his initial 12 month period, he shall receive credit for one (1) year of eligibility service for each plan year which includes the first anniversary of his employment during which he is employed at least 1,000 hours.

Vesting Service

Participant shall receive credit for 1 year of vesting service for each calendar year of employment during which he is employed at least 1000 hours.

Benefit Service

Full and fractional years which are credited to a participant for the purpose of determining his standard retirement benefit and accrued retirement benefit under the plan. Participant shall receive credit for 1 year of participation under the plan during which he is employed at least 1000 hours.

NOTE: If information given in this summary disagrees or appears to disagree with the provisions of the plan legal document, the provisions of the document prevail.



Schedule SB, line 32 - Schedule of Amortization Bases

Reilly Industries, Inc, Employees' Retirement Plan

EIN: 35-0607240

PN: 001

Plan Year: January 1, 2009 to December 31, 2009

SHORTFALL AMORTIZATION CHARGE

Date Established	Initial Balance	Shortfall Amortization Installment	Balance 1/1/2009
1/1/2008	\$ 0	\$ 0	\$ 0
1/1/2009	\$ 2,081,545	\$ 369,367	\$ 2,081,545
Total		\$ 369,367	\$ 2,081,545



McCreedy and Greene, Inc.

VERTELLUS SPECIALTIES INC.
REILLY INDUSTRIES, INC. EMPLOYEES RETIREMENT PLAN
SCHEDULE OF ASSETS HELD AT THE END OF THE YEAR
December 31, 2009

Plan #001
EIN 35-0607240

Form 5500, Schedule H, Part IV, Item 4(i) - Schedule of Assets Held at the End of the Year

<u>IDENTITY OF ISSUE</u>	<u>DESCRIPTION OF INVESTMENT</u>	<u>COST</u>	<u>CURRENT VALUE</u>
Short-Term Investments:			
JPMorgan Liquid Assets Money Market Fund	685,635 shares	\$ 305,175	\$ 305,175
TOTAL SHORT-TERM INVESTMENTS			
Mutual Funds - Fixed Income:			
JPMorgan Core Bond Fund	281,107 shares	3,056,566	3,117,477 *
Pimco Real Return Bond Fund	257,247 shares	2,930,992	2,775,693 *
Pimco Funds Short-Term Fund	353,601 shares	3,458,322	3,472,359 *
Pimco Funds Total Return Instl Cl.	476,858 shares	5,049,336	5,150,062 *
Pimco Funds Developing Local Mkt	182,414 shares	1,838,729	1,827,793
TOTAL MUTUAL FUNDS - BONDS			
Mutual Funds - Equity			
Artisan International Fund	64,178 shares	1,862,424	1,325,912
Fidelity Diversified International Fund	46,843 shares	1,232,686	1,311,608
Leuthold Fund Asset Allocation	108,978 shares	776,653	1,064,716
Nortel Networks Corporation	50 shares	415	1
Dodge & Cox Stock Fund	38,437 shares	3,743,555	3,695,330 *
Growth Fund America, Inc.	285,293 shares	6,469,859	7,797,066 *
Morgan Stanley Instl US Real Estate Portfolio Fund	101,841 shares	1,664,072	1,138,580
Third Ave Fund, Inc.	23,456 shares	729,659	1,086,471
Vanguard Index 500 Portfolio Fund	36,723 shares	3,117,053	3,114,438 *
Veracity Small Cap Value	117,672 shares	3,145,707	2,491,113 *
		<u>\$ 39,381,203</u>	<u>\$ 39,673,794</u>

**The fair value of these investments represents 5 percent or more of the Plan's assets at December 31, 2009.*