Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
SPEARS MANUFACTURING COMPANY 401(K) PROFIT SHARING PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 07/01/1985

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

15853 OLDEN STREET
SYLMAR, CA 91342

15853 OLDEN STREET
SYLMAR, CA 91342

2b Employer Identification Number (EIN)
95-2647135

2c Sponsor's telephone number
818-364-1611

2d Business code (see instructions)
326100

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.	10/12/2010	KENNETH RUGGLES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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")
SPEARS MANUFACTURING CO.

15853 OLDEN STREET
SYLMAR, CA 91342

3b Administrator's EIN
95-2647135

3c Administrator's telephone number
818-364-1611

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**	1609
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**	1823
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	0
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1823
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	1823
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	782
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	9
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 2F 2H 2J 2K 2T 3H

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
SPEARS MANUFACTURING COMPANY 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SPEARS MANUFACTURING CO.

D Employer Identification Number (EIN)
95-2647135

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).. . . . . [X] 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

FID.INV.INST.OPS.CO.

04-2647786

(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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
64 37 65 60	RECORDKEEPER	30156	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] 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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
ALLNZ NFJ DIV VAL AD - BOSTON FINAN 04-2526037	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
AM CEN LG CO VAL INV - AMERICAN CEN 44-0619208	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
ARIEL FUND - US BANCORP FUND SERVIC 39-0281260	0.35%

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
BARON SMALL CAP - DST SYSTEMS, INC. 43-1581814	0.40%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
PIMCO TOT RETURN ADM - BOSTON FINAN 04-2526037	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
RAINIER SM MID CAP - US BANCORP FUN 39-0281260	0.35%

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

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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
SPEARS MANUFACTURING COMPANY 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SPEARS MANUFACTURING CO.

D Employer Identification Number (EIN)
95-2647135

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)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	6526071	6648591
(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)	2717149	2704367
(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)	17595037	22987180
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	26838257	32340138
	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 through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	26838257	32340138

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	971337	
	(B) Participants	2a(1)(B)	1790578	
	(C) Others (including rollovers)	2a(1)(C)	38017	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2799932
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	43052	
	(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)	149532	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		192584
	(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)	543455	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		543455
	(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)		

		(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)		
(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)		4086812
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		7622783
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2061653	
(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)		2061653
f Corrective distributions (see instructions)	2f		28955
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	10	
(4) Other	2i(4)	30284	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		30294
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2120902
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		5501881
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)** [X] Disclaimer **(4)** [ ] Adverse

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

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

(1) Name: MAYER,HOFFMAN MCCANN P.C. **(2)** EIN: 43-1947695

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

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

Part IV Compliance Questions

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

During the plan year:

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

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
SPEARS MANUFACTURING COMPANY 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SPEARS MANUFACTURING CO.

D Employer Identification Number (EIN)
95-2647135

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** 0

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): 04-6568107

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SPEARS MANUFACTURING COMPANY
401(k) PROFIT SHARING PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

Years Ended December 31, 2009 and 2008

Mayer Hoffman McCann P.C.
An Independent CPA Firm

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Los Angeles, California 90025
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310-268-2001 fx
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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the

SPEARS MANUFACTURING COMPANY 401(k) PROFIT SHARING PLAN

We were engaged to audit the statements of net assets available for benefits of the Spears Manufacturing Company 401(k) Profit Sharing Plan (the Plan) as of December 31, 2009 and 2008, and the statements of changes in net assets available for benefits for the years then ended and the supplemental schedule of assets (held at end of year) as of December 31, 2009. 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 5, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with 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 certifications from the trustee as of December 31, 2009 and 2008 and for the years then ended, 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.

Mayer Hoffman McCann P.C.

Los Angeles, California
July 15, 2010

SPEARS MANUFACTURING COMPANY
401(k) PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2009 and 2008

	2009	2008
ASSETS		
Investments	$ 29,635,771	$ 24,121,108
Participants' loans receivable	2,704,367	2,717,149
Total investments	32,340,138	26,838,257
Receivables:		
Participants' contributions	97,111	79,865
Employer contributions	31,903	26,473
Total receivables	129,014	106,338
TOTAL ASSETS	32,469,152	26,944,595
LIABILITIES	-	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 32,469,152	$ 26,944,595

See Notes to Financial Statements

SPEARS MANUFACTURING COMPANY
401(k) PROFIT SHARING PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2009 and 2008

	2009	2008
ADDITIONS:		
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	$ 4,086,812	$ -
Dividends	543,455	622,063
Interest	192,584	325,284
	4,822,851	947,347
Contributions:		
Employer	976,766	1,004,035
Participants	1,807,824	1,939,146
Rollover	38,017	433,733
	2,822,607	3,376,914
TOTAL ADDITIONS	7,645,458	4,324,261
DEDUCTIONS:		
Deductions from net assets attributed to:		
Net depreciation in fair value of investments	-	8,676,635
Benefits paid to participants	2,090,608	1,628,285
Administrative expenses	30,293	27,572
TOTAL DEDUCTIONS	2,120,901	10,332,492
NET INCREASE (DECREASE)	5,524,557	(6,008,231)
NET ASSETS AVAILABLE FOR BENEFITS - Beginning of year	26,944,595	32,912,363
TRANSFERS:		
To 401(k) plan	-	40,463
NET ASSETS AVAILABLE FOR BENEFITS - End of year	$ 32,469,152	$ 26,944,595

See Notes to Financial Statements

SPEARS MANUFACTURING COMPANY
401(k) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

(1) Description of plan

The following description of the Spears Manufacturing Company 401(k) Profit Sharing Plan (the Plan) is provided for general purposes only. Participants should refer to the Plan Agreement or Summary Plan Description for a more complete description of the Plan's provisions, which are available from the Plan Administrator.

General - The Plan is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility - The Plan covers all eligible employees of Spears Manufacturing Company and its controlled group of affiliated companies; Performance Data Systems, Inc., RWS Research & Development, Inc., Spears Caney, Inc., Plastinetics, Inc., Executive Payroll Services, Inc., and Spears Coastline Plastics, LLC. (the Employer); who have attained age 21 as of the entry date, except leased employees and those covered by collective bargaining agreements, and have completed six months of service (at least 1,000 hours). Eligible employees may enroll in the Plan on either January 1st or July 1st.

Contributions - Participants may contribute a percentage of their pretax annual compensation, as defined in the Plan, subject to maximum annual amounts allowed under the Internal Revenue Code. The maximum employee contributions eligible for deferral were $16,500 and $15,500 plus a $5,500 and $5,000 catch-up provision for the years ended December 31, 2009 and 2008, respectively, for those eligible participants who attained age 50 by the respective year ends. Employee contributions that exceed the maximum allowed are refunded in the following year.

Participants may also contribute amounts representing distributions from other qualified plans. Additionally, certain participants have elected to make voluntary after tax contributions, which are subject to other Internal Revenue Code requirements. Participants direct the investment of their contributions into various investment options offered by the Plan.

The Employer may, at its sole discretion, make matching contributions based upon the participants' contribution to the Plan, up to a maximum of 5% of compensation for employees of Spears Coastline Plastics, LLC and 4% of compensation for all other employees. The matching formula is 50% for participants with less than 4 years of service, 75% for participants with 4 years but less than 8 years of service, and 100% for participants with 8 or more years of service. The Employer may also make additional discretionary profit sharing contributions. Matching contributions were $976,766 and $1,004,035 for the years ended December 31, 2009 and 2008, respectively. There were no discretionary profit sharing contributions made by the Employer for the years ended December 31, 2009 and 2008. The Employer directs the investment of Employer contributions.

Participant investment account options - Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers a variety of mutual funds as investment options for participants.

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Participant accounts - Each participant's account is credited with any salary deferral contributions and voluntary after tax contributions made by the participant, Employer matching contributions and an allocation of Employer discretionary profit sharing contributions, if any, Plan earnings or losses, and Plan expenses. Allocations of Employer discretionary profit sharing contributions, if any, are based on the ratio of an eligible active participant's compensation, up to a maximum specified by the Plan, to the compensation of all eligible active participants. Allocations of Plan earnings or losses and Plan expenses are based on the ratio that a participant's investment in each fund bears to the total balance of all participants invested in that fund.

The benefit to which a participant is ultimately entitled is the value of the participant's vested account upon separation from the Plan or retirement.

Vesting - Participants are immediately vested in their salary deferral and after tax contributions plus the actual earnings thereon.

Vesting in Employer matching contributions is 20% after two years of service, with vesting increasing 20% each year thereafter until the sixth year, at which time participants become 100% vested. Vesting in Employer discretionary profit sharing contributions is 20% each year after three years of service, with vesting increasing 20% each year thereafter until the seventh year, at which time participants become 100% vested.

Participants become fully vested at the normal retirement age of 65 or, if elected, at the early retirement age of 55, or upon retirement due to disability, upon death or upon termination of the Plan.

Participants' loans receivable - Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of 50% of the participant's vested account balance or $50,000. The loans are secured by the vested balance in the participant's account and bear interest at rates that range from 5.0% to 10.25%. The interest rate for new loans is based on the rates available for similar loans from commercial lending institutions and is a fixed rate determined at the time the loan is requested. The maximum loan term for new loans is 5 years, or up to 10 years for loans used to purchase a principal residence. Principal and interest are paid ratably through bi-weekly payroll deductions.

Benefit payments and withdrawals - In the event of normal retirement, disability, or death, the participant's account will be distributed either in a single cash distribution, or as an annuity not to exceed the participant's or beneficiary's life expectancy. Annuities are not permitted for annuity start dates on or after April 1, 2003. For termination of service due to other reasons, participants may elect to stay in the Plan or receive the value of the vested interest in their accounts. Participant account balances that are less than $1,000 will be automatically distributed as a lump sum. For account balances between $1,000 and $5,000, lump sum is the only available form of distribution. Benefit payments upon the death of a participant are made to the beneficiary.

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Hardship withdrawals are allowed if the participant meets the applicable provisions of the Internal Revenue Code.

Forfeitures - Any portion of a participant's account, which is not vested upon separation from service, is forfeited. Forfeited amounts attributed to matching contributions will be used to pay administrative expenses. Any remaining forfeitures will be used to reduce the Company's matching contribution.

Forfeitures of non-vested participant accounts during 2009 and 2008, were $6,291 and $6,965, respectively. As of December 31, 2009 and 2008, accumulated unapplied forfeitures and earnings thereon were $664 and $7,056, respectively. Employer contributions were reduced by $13,118 and $0 from forfeited nonvested accounts in 2009 and 2008, respectively.

(2) **Summary of significant accounting policies**

Basis of accounting - The accompanying financial statements of the Plan are prepared under the accrual method of accounting.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires plan management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

Investment valuation and income recognition - Investments are reported 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 (6) for discussions 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. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of benefits - Benefits are recorded when paid, as required by accounting principles generally accepted in the United States. Vested amounts in accounts of participants who, at December 31, 2009 and 2008 were separated from the Company, approximated $213,600 and $152,300, respectively. There were no participants who requested distributions that have not been paid by the financial statement date.

Administrative expenses - Substantially all expenses incurred in maintaining the Plan are paid by the Plan unless the Employer, at its discretion, elects to pay all or part of these expenses. Expenses paid by the Employer are not included in the statements of changes in net assets available for benefits.

NOTES TO FINANCIAL STATEMENTS

(2) Summary of significant accounting policies (continued)

Reclassifications - In the 2008 statement of changes in net assets available for benefits, dividends of $622,063 were reclassified from net depreciation in fair value of investments and included in investment income.

New accounting pronouncements - In April 2009 and September 2009, the Financial Accounting Standards Board (FASB) issued new guidance included within Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*. This guidance (i) provided additional guidance for estimating fair value when the volume and level of activity for the asset or liability have significantly decreased, (ii) provided guidance on identifying circumstances that indicate a transaction is not orderly, (iii) permitted, as a practical expedient, entities to measure the fair value of certain investments based on the net asset value per share and (iv) expanded the required disclosures about fair value measurements. The adoption of this guidance did not have a material effect on the Plan's financial statements.

In May 2009 and February 2010, the FASB issued new guidance included within ASC Topic 855, *Subsequent Events*, which established general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. In particular, this guidance established (i) the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure, (ii) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date and (iii) the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. The adoption of this guidance did not have a material effect on the Plan's financial statements.

In June 2009, the FASB issued new guidance which establishes the FASB Accounting Standards Codification (Codification) as the single source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP). The Codification itself did not change GAAP. Following the Codification, the FASB will no longer issue new standards in the form of Statements, FASB Staff Positions, or Emerging Issues Task Force Abstracts; instead, the FASB will issue Accounting Standards Updates. Accounting Standards Updates will not be authoritative in their own right as they will only serve to update the Codification. Other than the manner in which new accounting guidance is referenced, the adoption of the Codification for the year ended December 31, 2009 had no impact on the Plan's financial statements.

In January 2010, the FASB issued new guidance included within ASC Topic 820, *Fair Value Measurements and Disclosures*, which expanded the required disclosures about fair value measurements. In particular, this guidance requires (i) separate disclosure of the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements along with the reasons for such transfers, (ii) information about purchases, sales, issuances and settlements to be presented separately in the reconciliation for Level 3 fair value measurements, (iii) fair value measurement disclosures for each class of assets and

NOTES TO FINANCIAL STATEMENTS

(2) Summary of significant accounting policies (continued)

liabilities and (iv) disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements for fair value measurements that fall in either Level 2 or Level 3. This guidance is effective for annual reporting periods beginning after December 15, 2009 except for (ii) above which is effective for fiscal years beginning after December 15, 2010. The Company is currently evaluating the impact that this guidance will have on the Plan's financial statement disclosures.

(3) Investments

The following presents investments that represent 5% or more of the Plan's net assets:

	December 31, 2009	December 31, 2008
Fidelity Balanced Fund	$ 9,251,174	$ 7,502,483
Fidelity Retirement Money Market Portfolio	6,648,591	6,526,071
Fidelity Contrafund	2,275,965	1,772,718

During 2009 and 2008, the Plan's investments in registered investment companies (including gains and losses on investments bought and sold during the year) appreciated (depreciated) in value by $4,086,812 and ($8,676,635), respectively.

Interest and dividends on the Plan's investments for the years ended December 31, 2009 and 2008 were $586,507 and $804,745, respectively.

(4) Nonparticipant-directed investments

Information about the net assets and the significant components of the changes in net assets relating to non-participant directed investments is as follows:

	December 31, 2009	December 31, 2008
Net assets:		
Registered investment companies	$ 11,557,465	$ 8,877,159

NOTES TO FINANCIAL STATEMENTS

(4) Nonparticipant-directed investments (continued)

	Years Ended December 31,	
	2009	2008
Changes in net assets:		
Employer contributions	$ 976,766	$ 1,004,035
Net appreciation (depreciation) in fair value of investments	2,068,795	(3,915,534)
Dividends	288,220	351,285
Benefit payments	(653,475)	(512,992)
	$ 2,680,306	$ (3,073,206)

(5) Information prepared and certified by trustee

Fidelity Management Trust Company (FMTC) is the trustee of the Plan's assets and managed and executed all investment transactions during 2009 and 2008.

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, FMTC has certified that the following data included in the accompanying 2009 and 2008 financial statements and supplemental schedule is complete and accurate with respect to investments:

- Investments at fair value
- Participants' loans receivable
- Net appreciation (depreciation) in fair value of investments
- Interest and dividends
- Schedule of assets (held at end of year)

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

(6) Fair value measurements

ASC 820 provides 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 ASC 820 are described below:

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.

(6) Fair value measurements (continued)

Level 2	Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the assets 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 or liability's fair value measurement level within 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.

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

Participant loans: Valued at their outstanding balance, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of the 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 determined the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTES TO FINANCIAL STATEMENTS

(6) Fair value measurements (continued)

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

	Investments at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Mid/large cap stock funds	$ 19,415,741	$ -	$ -	$ 19,415,741
Fixed income funds	2,275,093	-	-	2,275,093
Small cap stock funds	991,657	-	-	991,657
International funds	304,689	-	-	304,689
Total mutual funds	22,987,180	-	-	22,987,180
Money market funds	6,648,591	-	-	6,648,591
Loans to participants	-	-	2,704,367	2,704,367
Total investments at fair value	$ 29,635,771	$ -	$ 2,704,367	$ 32,340,138

	Investments at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Mid/large cap stock funds	$ 14,553,277	$ -	$ -	$ 14,553,277
Fixed income funds	2,061,999	-	-	2,061,999
Small cap stock funds	741,298	-	-	741,298
International funds	238,463	-	-	238,463
Total mutual funds	17,595,037	-	-	17,595,037
Money market funds	6,526,071	-	-	6,526,071
Loans to participants	-	-	2,717,149	2,717,149
Total investments at fair value	$ 24,121,108	$ -	$ 2,717,149	$ 26,838,257

NOTES TO FINANCIAL STATEMENTS

(6) Fair value measurements (continued)

The following table below sets forth a summary of changes in the fair value of the Plan's level 3 investments:

	Years Ended December 31,	
	2009	2008
Balance, beginning of year	$ 2,717,149	$ 2,371,545
Loans transferred	-	40,463
Issuances, repayments and settlements, net	(12,782)	305,141
Balance, end of year	$ 2,704,367	$ 2,717,149

(7) Related party transactions

Certain Plan investment options are mutual funds managed by Fidelity Management Trust Company (FMTC). FMTC is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees and administrative expenses paid by the Plan for services provided by FMTC were $30,156 and $27,572 for the years ended December 31, 2009 and 2008, respectively.

(8) Reconciliation of financial statements to Schedule H of Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500:

	December 31,	
	2009	2008
Net assets available for benefits per the financial statements	$ 32,469,152	$ 26,944,595
Less contributions receivable	(129,014)	(106,338)
Net assets available for benefits per Schedule H of the Form 5500	$ 32,340,138	$ 26,838,257

NOTES TO FINANCIAL STATEMENTS

(8) Reconciliation of financial statements to Schedule H of Form 5500 (continued)

The following is a reconciliation of the changes in net assets available for benefits per the financial statements to Schedule H of Form 5500:

	Years Ended December 31,	
	2009	2008
Net increase (decrease) in net assets as reported in the financial statements	$ 5,524,557	$ (6,008,231)
Difference between accrual and cash basis treatment of contributions receivable	(22,676)	(28,147)
Net increase (decrease) in net assets per the Form 5500	$ 5,501,881	$ (6,036,378)

(9) Plan termination

Although it has not expressed any intent to do so, the Employer 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 would become 100% vested in their accounts.

(10) Income tax status

The Plan is qualified under applicable provisions of the Internal Revenue Code and is not subject to federal and state income taxes. Participating employees are not subject to federal and state income taxes on Employer and pretax participant contributions, or on income accruing to their accounts, until they receive distributions from the Plan.

The Plan is a Prototype Non-Standardized Safe Harbor Profit Sharing Plan with CODA designed by Fidelity Management Trust Company. The prototype plan obtained its latest opinion letter on October 9, 2003, in which the Internal Revenue Service stated that the prototype plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since the prototype plan received the opinion letter. The Administrative Committee and the trustee believe that the Plan (and the related trust) is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code, and accordingly, no provision for income taxes has been included in the Plan's financial statements.

(11) Plan amendments

On August 4, 2008, the Plan was amended to include participants resulting from the Employer's acquisition of the Coastline division of the Victaulic Company of America (Coastline) in June 2008. As a result of the acquisition eligible employees of Coastline

NOTES TO FINANCIAL STATEMENTS

(11) Plan amendments (continued)

employed by the Employer became fully vested participants in the Plan. Participant accounts totaling $222,560 were transferred to the Plan and are included in rollovers in the statement of changes in net assets available for benefits. Loans totaling $40,463 were transferred to the Plan under the same terms applicable to the loans when they were originated and are included in transfers in the statement of changes in net assets available for benefits.

(12) Risks and uncertainties

The Plan provides for a variety of options in investment securities. Investment securities are exposed to various risks including interest rate, market and credit risk. Due to the level of risk associated with the investment securities and the level of uncertainty related to the change in value of the securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

(13) Subsequent events

The Company has evaluated subsequent events through July 15, 2010 which is the date the financial statements were issued.

On February 1, 2010, the Plan Sponsor created a new plan, the Spears Manufacturing 401(k) Plan. All non-executive employee participants and their respective account balances were transferred from the Plan into the new plan. Executive employee participants remain as participants in the Spears Manufacturing Company 401(k) Profit Sharing Plan. There are no differences in the attributes of the plans, other than the classification of eligible participants.

SUPPLEMENTAL SCHEDULE

SPEARS MANUFACTURING COMPANY 401(k) PROFIT SHARING PLAN
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2009

EIN: 95-2647135
Plan Number: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investments including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value	
*	Fidelity	Balanced Fund	$ 10,201,963	$ 9,251,174	
*	Fidelity	Retirement Money Market Portfolio	6,648,591	6,648,591	
*	Fidelity	Contrafund	2,423,494	2,275,965	
	Allianz	NFJ Dividend Value Administrative Class	1,002,227	1,291,088	
*	Fidelity	U.S. Bond Index Fund	1,199,438	1,226,289	
*	Fidelity	Freedom 2015 Fund	1,127,437	1,087,146	(A)
*	Fidelity	Freedom 2025 Fund	1,067,500	1,008,315	(A)
*	Fidelity	Freedom 2020 Fund	964,115	924,888	(A)
	Pimco	Total Return Fund Administrative Class	897,584	908,151	
	Rainier	Small/Mid Cap Equity	855,103	661,881	
*	Fidelity	Freedom 2030 Fund	664,942	621,848	(A)
*	Fidelity	Freedom 2010 Fund	571,589	552,313	(A)
*	Fidelity	Spartan U.S. Equity Index Fund	514,983	476,383	
*	Fidelity	Freedom 2035 Fund	452,739	435,810	(A)
*	Fidelity	Leverage Company Stock Fund	251,628	325,658	
*	Fidelity	Value Fund	374,671	309,243	
*	Fidelity	Spartan International Index Fund	345,237	304,689	
*	Fidelity	Small Capital Independent Fund	361,735	264,444	
*	Fidelity	Freedom 2040 Fund	278,450	262,273	(A)
*	Fidelity	Export and Multinational Fund	256,842	244,340	
*	Fidelity	Capital Appreciation Fund	137,988	124,560	
*	Fidelity	Freedom 2005 Fund	108,913	103,604	(A)
*	Fidelity	Freedom Income Fund	103,742	102,885	(A)
	Baron	Small Cap	54,122	65,332	
*	Fidelity	Freedom 2045 Fund	51,306	53,649	(A)
*	Fidelity	Freedom 2000 Fund	38,468	37,769	(A)
*	Fidelity	Spartan Extended Market Index Fund	29,490	35,675	
*	Fidelity	Freedom 2050 Fund	28,858	31,808	(A)
			31,013,155	29,635,771	
*	Participant loans	Secured by participant vested interest, with various interest rates ranging from 5.0% to 10.25% per annum, and maturity ranging between 1-15 years.	-	2,704,367	
			$ 31,013,155	$ 32,340,138	

* Denotes party-in-interest

(A) Portions of the balances invested in these funds are non-participant directed.

SPEARS MANUFACTURING COMPANY
401(k) PROFIT SHARING PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

Years Ended December 31, 2009 and 2008

Mayer Hoffman McCann P.C.
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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the

SPEARS MANUFACTURING COMPANY 401(k) PROFIT SHARING PLAN

We were engaged to audit the statements of net assets available for benefits of the Spears Manufacturing Company 401(k) Profit Sharing Plan (the Plan) as of December 31, 2009 and 2008, and the statements of changes in net assets available for benefits for the years then ended and the supplemental schedule of assets (held at end of year) as of December 31, 2009. 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 5, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with 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 certifications from the trustee as of December 31, 2009 and 2008 and for the years then ended, 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.

Mayer Hoffman McCann P.C.

Los Angeles, California
July 15, 2010

SPEARS MANUFACTURING COMPANY
401(k) PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2009 and 2008

	2009	2008
ASSETS		
Investments	$ 29,635,771	$ 24,121,108
Participants' loans receivable	2,704,367	2,717,149
Total investments	32,340,138	26,838,257
Receivables:		
Participants' contributions	97,111	79,865
Employer contributions	31,903	26,473
Total receivables	129,014	106,338
TOTAL ASSETS	32,469,152	26,944,595
LIABILITIES	-	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 32,469,152	$ 26,944,595

See Notes to Financial Statements

SPEARS MANUFACTURING COMPANY
401(k) PROFIT SHARING PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2009 and 2008

	2009	2008
ADDITIONS:		
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	$ 4,086,812	$ -
Dividends	543,455	622,063
Interest	192,584	325,284
	4,822,851	947,347
Contributions:		
Employer	976,766	1,004,035
Participants	1,807,824	1,939,146
Rollover	38,017	433,733
	2,822,607	3,376,914
TOTAL ADDITIONS	7,645,458	4,324,261
DEDUCTIONS:		
Deductions from net assets attributed to:		
Net depreciation in fair value of investments	-	8,676,635
Benefits paid to participants	2,090,608	1,628,285
Administrative expenses	30,293	27,572
TOTAL DEDUCTIONS	2,120,901	10,332,492
NET INCREASE (DECREASE)	5,524,557	(6,008,231)
NET ASSETS AVAILABLE FOR BENEFITS - Beginning of year	26,944,595	32,912,363
TRANSFERS:		
To 401(k) plan	-	40,463
NET ASSETS AVAILABLE FOR BENEFITS - End of year	$ 32,469,152	$ 26,944,595

See Notes to Financial Statements

SPEARS MANUFACTURING COMPANY
401(k) PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

(1) Description of plan

The following description of the Spears Manufacturing Company 401(k) Profit Sharing Plan (the Plan) is provided for general purposes only. Participants should refer to the Plan Agreement or Summary Plan Description for a more complete description of the Plan's provisions, which are available from the Plan Administrator.

General - The Plan is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility - The Plan covers all eligible employees of Spears Manufacturing Company and its controlled group of affiliated companies; Performance Data Systems, Inc., RWS Research & Development, Inc., Spears Caney, Inc., Plastinetics, Inc., Executive Payroll Services, Inc., and Spears Coastline Plastics, LLC. (the Employer); who have attained age 21 as of the entry date, except leased employees and those covered by collective bargaining agreements, and have completed six months of service (at least 1,000 hours). Eligible employees may enroll in the Plan on either January 1st or July 1st.

Contributions - Participants may contribute a percentage of their pretax annual compensation, as defined in the Plan, subject to maximum annual amounts allowed under the Internal Revenue Code. The maximum employee contributions eligible for deferral were $16,500 and $15,500 plus a $5,500 and $5,000 catch-up provision for the years ended December 31, 2009 and 2008, respectively, for those eligible participants who attained age 50 by the respective year ends. Employee contributions that exceed the maximum allowed are refunded in the following year.

Participants may also contribute amounts representing distributions from other qualified plans. Additionally, certain participants have elected to make voluntary after tax contributions, which are subject to other Internal Revenue Code requirements. Participants direct the investment of their contributions into various investment options offered by the Plan.

The Employer may, at its sole discretion, make matching contributions based upon the participants' contribution to the Plan, up to a maximum of 5% of compensation for employees of Spears Coastline Plastics, LLC and 4% of compensation for all other employees. The matching formula is 50% for participants with less than 4 years of service, 75% for participants with 4 years but less than 8 years of service, and 100% for participants with 8 or more years of service. The Employer may also make additional discretionary profit sharing contributions. Matching contributions were $976,766 and $1,004,035 for the years ended December 31, 2009 and 2008, respectively. There were no discretionary profit sharing contributions made by the Employer for the years ended December 31, 2009 and 2008. The Employer directs the investment of Employer contributions.

Participant investment account options - Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers a variety of mutual funds as investment options for participants.

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Participant accounts - Each participant's account is credited with any salary deferral contributions and voluntary after tax contributions made by the participant, Employer matching contributions and an allocation of Employer discretionary profit sharing contributions, if any, Plan earnings or losses, and Plan expenses. Allocations of Employer discretionary profit sharing contributions, if any, are based on the ratio of an eligible active participant's compensation, up to a maximum specified by the Plan, to the compensation of all eligible active participants. Allocations of Plan earnings or losses and Plan expenses are based on the ratio that a participant's investment in each fund bears to the total balance of all participants invested in that fund.

The benefit to which a participant is ultimately entitled is the value of the participant's vested account upon separation from the Plan or retirement.

Vesting - Participants are immediately vested in their salary deferral and after tax contributions plus the actual earnings thereon.

Vesting in Employer matching contributions is 20% after two years of service, with vesting increasing 20% each year thereafter until the sixth year, at which time participants become 100% vested. Vesting in Employer discretionary profit sharing contributions is 20% each year after three years of service, with vesting increasing 20% each year thereafter until the seventh year, at which time participants become 100% vested.

Participants become fully vested at the normal retirement age of 65 or, if elected, at the early retirement age of 55, or upon retirement due to disability, upon death or upon termination of the Plan.

Participants' loans receivable - Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of 50% of the participant's vested account balance or $50,000. The loans are secured by the vested balance in the participant's account and bear interest at rates that range from 5.0% to 10.25%. The interest rate for new loans is based on the rates available for similar loans from commercial lending institutions and is a fixed rate determined at the time the loan is requested. The maximum loan term for new loans is 5 years, or up to 10 years for loans used to purchase a principal residence. Principal and interest are paid ratably through bi-weekly payroll deductions.

Benefit payments and withdrawals - In the event of normal retirement, disability, or death, the participant's account will be distributed either in a single cash distribution, or as an annuity not to exceed the participant's or beneficiary's life expectancy. Annuities are not permitted for annuity start dates on or after April 1, 2003. For termination of service due to other reasons, participants may elect to stay in the Plan or receive the value of the vested interest in their accounts. Participant account balances that are less than $1,000 will be automatically distributed as a lump sum. For account balances between $1,000 and $5,000, lump sum is the only available form of distribution. Benefit payments upon the death of a participant are made to the beneficiary.

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Hardship withdrawals are allowed if the participant meets the applicable provisions of the Internal Revenue Code.

Forfeitures - Any portion of a participant's account, which is not vested upon separation from service, is forfeited. Forfeited amounts attributed to matching contributions will be used to pay administrative expenses. Any remaining forfeitures will be used to reduce the Company's matching contribution.

Forfeitures of non-vested participant accounts during 2009 and 2008, were $6,291 and $6,965, respectively. As of December 31, 2009 and 2008, accumulated unapplied forfeitures and earnings thereon were $664 and $7,056, respectively. Employer contributions were reduced by $13,118 and $0 from forfeited nonvested accounts in 2009 and 2008, respectively.

(2) **Summary of significant accounting policies**

Basis of accounting - The accompanying financial statements of the Plan are prepared under the accrual method of accounting.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires plan management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

Investment valuation and income recognition - Investments are reported 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 (6) for discussions 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. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of benefits - Benefits are recorded when paid, as required by accounting principles generally accepted in the United States. Vested amounts in accounts of participants who, at December 31, 2009 and 2008 were separated from the Company, approximated $213,600 and $152,300, respectively. There were no participants who requested distributions that have not been paid by the financial statement date.

Administrative expenses - Substantially all expenses incurred in maintaining the Plan are paid by the Plan unless the Employer, at its discretion, elects to pay all or part of these expenses. Expenses paid by the Employer are not included in the statements of changes in net assets available for benefits.

NOTES TO FINANCIAL STATEMENTS

(2) Summary of significant accounting policies (continued)

Reclassifications - In the 2008 statement of changes in net assets available for benefits, dividends of $622,063 were reclassified from net depreciation in fair value of investments and included in investment income.

New accounting pronouncements - In April 2009 and September 2009, the Financial Accounting Standards Board (FASB) issued new guidance included within Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*. This guidance (i) provided additional guidance for estimating fair value when the volume and level of activity for the asset or liability have significantly decreased, (ii) provided guidance on identifying circumstances that indicate a transaction is not orderly, (iii) permitted, as a practical expedient, entities to measure the fair value of certain investments based on the net asset value per share and (iv) expanded the required disclosures about fair value measurements. The adoption of this guidance did not have a material effect on the Plan's financial statements.

In May 2009 and February 2010, the FASB issued new guidance included within ASC Topic 855, *Subsequent Events*, which established general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. In particular, this guidance established (i) the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure, (ii) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date and (iii) the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. The adoption of this guidance did not have a material effect on the Plan's financial statements.

In June 2009, the FASB issued new guidance which establishes the FASB Accounting Standards Codification (Codification) as the single source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP). The Codification itself did not change GAAP. Following the Codification, the FASB will no longer issue new standards in the form of Statements, FASB Staff Positions, or Emerging Issues Task Force Abstracts; instead, the FASB will issue Accounting Standards Updates. Accounting Standards Updates will not be authoritative in their own right as they will only serve to update the Codification. Other than the manner in which new accounting guidance is referenced, the adoption of the Codification for the year ended December 31, 2009 had no impact on the Plan's financial statements.

In January 2010, the FASB issued new guidance included within ASC Topic 820, *Fair Value Measurements and Disclosures*, which expanded the required disclosures about fair value measurements. In particular, this guidance requires (i) separate disclosure of the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements along with the reasons for such transfers, (ii) information about purchases, sales, issuances and settlements to be presented separately in the reconciliation for Level 3 fair value measurements, (iii) fair value measurement disclosures for each class of assets and

NOTES TO FINANCIAL STATEMENTS

(2) Summary of significant accounting policies (continued)

liabilities and (iv) disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements for fair value measurements that fall in either Level 2 or Level 3. This guidance is effective for annual reporting periods beginning after December 15, 2009 except for (ii) above which is effective for fiscal years beginning after December 15, 2010. The Company is currently evaluating the impact that this guidance will have on the Plan's financial statement disclosures.

(3) Investments

The following presents investments that represent 5% or more of the Plan's net assets:

	December 31, 2009	December 31, 2008
Fidelity Balanced Fund	$ 9,251,174	$ 7,502,483
Fidelity Retirement Money Market Portfolio	6,648,591	6,526,071
Fidelity Contrafund	2,275,965	1,772,718

During 2009 and 2008, the Plan's investments in registered investment companies (including gains and losses on investments bought and sold during the year) appreciated (depreciated) in value by $4,086,812 and ($8,676,635), respectively.

Interest and dividends on the Plan's investments for the years ended December 31, 2009 and 2008 were $586,507 and $804,745, respectively.

(4) Nonparticipant-directed investments

Information about the net assets and the significant components of the changes in net assets relating to non-participant directed investments is as follows:

	December 31, 2009	December 31, 2008
Net assets:		
Registered investment companies	$ 11,557,465	$ 8,877,159

NOTES TO FINANCIAL STATEMENTS

(4) Nonparticipant-directed investments (continued)

	Years Ended December 31,	
	2009	2008
Changes in net assets:		
Employer contributions	$ 976,766	$ 1,004,035
Net appreciation (depreciation) in fair value of investments	2,068,795	(3,915,534)
Dividends	288,220	351,285
Benefit payments	(653,475)	(512,992)
	$ 2,680,306	$ (3,073,206)

(5) Information prepared and certified by trustee

Fidelity Management Trust Company (FMTC) is the trustee of the Plan's assets and managed and executed all investment transactions during 2009 and 2008.

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, FMTC has certified that the following data included in the accompanying 2009 and 2008 financial statements and supplemental schedule is complete and accurate with respect to investments:

- Investments at fair value
- Participants' loans receivable
- Net appreciation (depreciation) in fair value of investments
- Interest and dividends
- Schedule of assets (held at end of year)

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

(6) Fair value measurements

ASC 820 provides 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 ASC 820 are described below:

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.

(6) Fair value measurements (continued)

Level 2	Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the assets 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 or liability's fair value measurement level within 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.

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

Participant loans: Valued at their outstanding balance, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of the 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 determined the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTES TO FINANCIAL STATEMENTS

(6) Fair value measurements (continued)

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

	Investments at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Mid/large cap stock funds	$ 19,415,741	$ -	$ -	$ 19,415,741
Fixed income funds	2,275,093	-	-	2,275,093
Small cap stock funds	991,657	-	-	991,657
International funds	304,689	-	-	304,689
Total mutual funds	22,987,180	-	-	22,987,180
Money market funds	6,648,591	-	-	6,648,591
Loans to participants	-	-	2,704,367	2,704,367
Total investments at fair value	$ 29,635,771	$ -	$ 2,704,367	$ 32,340,138

	Investments at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Mid/large cap stock funds	$ 14,553,277	$ -	$ -	$ 14,553,277
Fixed income funds	2,061,999	-	-	2,061,999
Small cap stock funds	741,298	-	-	741,298
International funds	238,463	-	-	238,463
Total mutual funds	17,595,037	-	-	17,595,037
Money market funds	6,526,071	-	-	6,526,071
Loans to participants	-	-	2,717,149	2,717,149
Total investments at fair value	$ 24,121,108	$ -	$ 2,717,149	$ 26,838,257

NOTES TO FINANCIAL STATEMENTS

(6) Fair value measurements (continued)

The following table below sets forth a summary of changes in the fair value of the Plan's level 3 investments:

	Years Ended December 31,	
	2009	2008
Balance, beginning of year	$ 2,717,149	$ 2,371,545
Loans transferred	-	40,463
Issuances, repayments and settlements, net	(12,782)	305,141
Balance, end of year	$ 2,704,367	$ 2,717,149

(7) Related party transactions

Certain Plan investment options are mutual funds managed by Fidelity Management Trust Company (FMTC). FMTC is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees and administrative expenses paid by the Plan for services provided by FMTC were $30,156 and $27,572 for the years ended December 31, 2009 and 2008, respectively.

(8) Reconciliation of financial statements to Schedule H of Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500:

	December 31,	
	2009	2008
Net assets available for benefits per the financial statements	$ 32,469,152	$ 26,944,595
Less contributions receivable	(129,014)	(106,338)
Net assets available for benefits per Schedule H of the Form 5500	$ 32,340,138	$ 26,838,257

NOTES TO FINANCIAL STATEMENTS

(8) Reconciliation of financial statements to Schedule H of Form 5500 (continued)

The following is a reconciliation of the changes in net assets available for benefits per the financial statements to Schedule H of Form 5500:

	Years Ended December 31,	
	2009	2008
Net increase (decrease) in net assets as reported in the financial statements	$ 5,524,557	$ (6,008,231)
Difference between accrual and cash basis treatment of contributions receivable	(22,676)	(28,147)
Net increase (decrease) in net assets per the Form 5500	$ 5,501,881	$ (6,036,378)

(9) Plan termination

Although it has not expressed any intent to do so, the Employer 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 would become 100% vested in their accounts.

(10) Income tax status

The Plan is qualified under applicable provisions of the Internal Revenue Code and is not subject to federal and state income taxes. Participating employees are not subject to federal and state income taxes on Employer and pretax participant contributions, or on income accruing to their accounts, until they receive distributions from the Plan.

The Plan is a Prototype Non-Standardized Safe Harbor Profit Sharing Plan with CODA designed by Fidelity Management Trust Company. The prototype plan obtained its latest opinion letter on October 9, 2003, in which the Internal Revenue Service stated that the prototype plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since the prototype plan received the opinion letter. The Administrative Committee and the trustee believe that the Plan (and the related trust) is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code, and accordingly, no provision for income taxes has been included in the Plan's financial statements.

(11) Plan amendments

On August 4, 2008, the Plan was amended to include participants resulting from the Employer's acquisition of the Coastline division of the Victaulic Company of America (Coastline) in June 2008. As a result of the acquisition eligible employees of Coastline

NOTES TO FINANCIAL STATEMENTS

(11) Plan amendments (continued)

employed by the Employer became fully vested participants in the Plan. Participant accounts totaling $222,560 were transferred to the Plan and are included in rollovers in the statement of changes in net assets available for benefits. Loans totaling $40,463 were transferred to the Plan under the same terms applicable to the loans when they were originated and are included in transfers in the statement of changes in net assets available for benefits.

(12) Risks and uncertainties

The Plan provides for a variety of options in investment securities. Investment securities are exposed to various risks including interest rate, market and credit risk. Due to the level of risk associated with the investment securities and the level of uncertainty related to the change in value of the securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

(13) Subsequent events

The Company has evaluated subsequent events through July 15, 2010 which is the date the financial statements were issued.

On February 1, 2010, the Plan Sponsor created a new plan, the Spears Manufacturing 401(k) Plan. All non-executive employee participants and their respective account balances were transferred from the Plan into the new plan. Executive employee participants remain as participants in the Spears Manufacturing Company 401(k) Profit Sharing Plan. There are no differences in the attributes of the plans, other than the classification of eligible participants.

SUPPLEMENTAL SCHEDULE

SPEARS MANUFACTURING COMPANY 401(k) PROFIT SHARING PLAN
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2009

EIN: 95-2647135
Plan Number: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investments including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value	
*	Fidelity	Balanced Fund	$ 10,201,963	$ 9,251,174	
*	Fidelity	Retirement Money Market Portfolio	6,648,591	6,648,591	
*	Fidelity	Contrafund	2,423,494	2,275,965	
	Allianz	NFJ Dividend Value Administrative Class	1,002,227	1,291,088	
*	Fidelity	U.S. Bond Index Fund	1,199,438	1,226,289	
*	Fidelity	Freedom 2015 Fund	1,127,437	1,087,146	(A)
*	Fidelity	Freedom 2025 Fund	1,067,500	1,008,315	(A)
*	Fidelity	Freedom 2020 Fund	964,115	924,888	(A)
	Pimco	Total Return Fund Administrative Class	897,584	908,151	
	Rainier	Small/Mid Cap Equity	855,103	661,881	
*	Fidelity	Freedom 2030 Fund	664,942	621,848	(A)
*	Fidelity	Freedom 2010 Fund	571,589	552,313	(A)
*	Fidelity	Spartan U.S. Equity Index Fund	514,983	476,383	
*	Fidelity	Freedom 2035 Fund	452,739	435,810	(A)
*	Fidelity	Leverage Company Stock Fund	251,628	325,658	
*	Fidelity	Value Fund	374,671	309,243	
*	Fidelity	Spartan International Index Fund	345,237	304,689	
*	Fidelity	Small Capital Independent Fund	361,735	264,444	
*	Fidelity	Freedom 2040 Fund	278,450	262,273	(A)
*	Fidelity	Export and Multinational Fund	256,842	244,340	
*	Fidelity	Capital Appreciation Fund	137,988	124,560	
*	Fidelity	Freedom 2005 Fund	108,913	103,604	(A)
*	Fidelity	Freedom Income Fund	103,742	102,885	(A)
	Baron	Small Cap	54,122	65,332	
*	Fidelity	Freedom 2045 Fund	51,306	53,649	(A)
*	Fidelity	Freedom 2000 Fund	38,468	37,769	(A)
*	Fidelity	Spartan Extended Market Index Fund	29,490	35,675	
*	Fidelity	Freedom 2050 Fund	28,858	31,808	(A)
			31,013,155	29,635,771	
*	Participant loans	Secured by participant vested interest, with various interest rates ranging from 5.0% to 10.25% per annum, and maturity ranging between 1-15 years.	-	2,704,367	
			$ 31,013,155	$ 32,340,138	

* Denotes party-in-interest

(A) Portions of the balances invested in these funds are non-participant directed.