

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
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Part I	Annual Report Identification Information		
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE 2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) CANTON DROP FORGE, INC. 4575 SOUTHWAY STREET SW PO BOX 6902 CANTON, OH 44706-0902	1b Three-digit plan number (PN) ►	002	
	1c Effective date of plan	01/01/1961	
	2b Employer Identification Number (EIN)	34-0130090	
	2c Sponsor's telephone number	330-477-4511	
	2d Business code (see instructions)	332110	

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.	10/13/2010	TODD GRAY
	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") CANTON DROP FORGE BOARD OF ADMINISTRATION 4575 SOUTHWAY STREET SW PO BOX 6902 CANTON, OH 44706-0902	3b Administrator's EIN 34-0130090 3c Administrator's telephone number 330-477-4511
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	378
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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	156
b Retired or separated participants receiving benefits.....	6b	132
c Other retired or separated participants entitled to future benefits.....	6c	52
d Subtotal. Add lines 6a , 6b , and 6c	6d	340
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	34
f Total. Add lines 6d and 6e	6f	374
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1B 1G

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ 0 **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☐ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

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

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

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

A Name of plan <u>PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>CANTON DROP FORGE, INC.</u>	D Employer Identification Number (EIN) <u>34-0130090</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2009</u>	
2 Assets:	
a Market value	2a <u>12410148</u>
b Actuarial value	2b <u>13651163</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>166</u> <u>9679983</u>
b For terminated vested participants	3b <u>56</u> <u>730319</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>1256546</u>
(2) Vested benefits	3c(2) <u>6346984</u>
(3) Total active	3c(3) <u>158</u> <u>7603530</u>
d Total	3d <u>380</u> <u>18013832</u>
4 If the plan is at-risk, check the box and complete items (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>8.23</u> %
6 Target normal cost	6 <u>405816</u>

Statement by Enrolled Actuary

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

SIGN HERE	<u>09/08/2010</u>
Signature of actuary	Date
<u>MATTHEW R. KLEIN, FSA</u>	<u>08-06865</u>
Type or print name of actuary	Most recent enrollment number
<u>FINDLEY DAVIES, INC.</u>	<u>216-875-1900</u>
Firm name	Telephone number (including area code)
<u>1300 EAST NINTH STREET, SUITE 850</u> <u>CLEVELAND, OH 44114-1516</u>	
Address of the firm	

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

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

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8).....	0	0
10 Interest on item 9 using prior year's actual return of <u>-30.28</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		154
b Interest on (a) using prior year's effective rate of <u>6.01</u> %		9
c Total available at beginning of current plan year to add to prefunding balance		163
d Portion of (c) to be added to prefunding balance.....		0
12 Reduction in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III Funding percentages		
14 Funding target attainment percentage.....	14	75.78 %
15 Adjusted funding target attainment percentage.....	15	75.78 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	80.08 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	290892	0	10/15/2009	94766	0
05/15/2009	96964	0	11/13/2009	94766	0
06/18/2009	96964	0	12/15/2009	20488	0
07/15/2009	96964	0	01/15/2010	94766	0
08/14/2009	96964	0	06/15/2010	259616	0
09/14/2009	96964	0			
			Totals ►	18(b) 1340114	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	1263543
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☒ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	405816
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	4362669	857727
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	1263543
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement		Total balance
36 Additional cash requirement (item 34 minus item 35).....	36	1263543
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	1263543
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 CANTON DROP FORGE, INC.	D Employer Identification Number (EIN) 34-0130090	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

(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)

HARRIS ASSOCIATES, LP

TWO NORTH LASALLE STREET, SUITE 500
CHICAGO, IL 60602

04-3276558

(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?
20	NONE	84494	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

J.P. MORGAN CHASE BANK, N.A.

1300 EAST NINTH STREET, SUITE 1300
CLEVELAND, OH 44114

13-4994650

(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?
26	NONE	19092	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FINDLEY DAVIES, INC.

1300 EAST NINTH STREET, SUITE 850
CLEVELAND, OH 44114

34-1213174

(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?
11	NONE	18900	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MALONEY & NOVOTNY, LLC

4774 MUNSON STREET NW, SUITE 402
CANTON, OH 44718

34-0677006

(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?
10	NONE	6020	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

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

A Name of plan <u>PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE</u>	B Three-digit plan number (PN) <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CANTON DROP FORGE, INC.</u>	D Employer Identification Number (EIN) <u>34-0130090</u>

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	434153	354056
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	37761	48405
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2226328	1851734
(2) U.S. Government securities	1c(2)	2372810	2155590
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	766344	1672360
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	5042618	5552303
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	0	0
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1537632	4444297
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	12417646	16078745

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	5355	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	5355	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	12412291	16078745
---	-----------	----------	----------

Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1339788	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1339788

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	7123	
(B) U.S. Government securities	2b(1)(B)	92546	
(C) Corporate debt instruments	2b(1)(C)	75419	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		175088

(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	111569	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		111569

(3) Rents	2b(3)		0
-----------------	--------------	--	---

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	18071501	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	18400921	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-329420

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	2876040	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		2876040
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		928629
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		5101694

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1254750	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1254750
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	24920	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	84494	
(4) Other	2i(4)	71076	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		180490
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1435240

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3666454
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

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

(1) Name: MALONEY & NOVOTNY, LLC

(2) EIN: 34-0677006

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CANTON DROP FORGE, INC.</u>	D Employer Identification Number (EIN) <u>34-0130090</u>

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>38-3311528</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>0</u>

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☒ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

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

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

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

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

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

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

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

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

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

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

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

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

**PENSION PLAN FOR CERTAIN HOURLY-
RATED EMPLOYEES AT PLANT B OF
CANTON DROP FORGE**

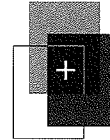
FINANCIAL REPORT

DECEMBER 31, 2009 and 2008

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

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INDEPENDENT AUDITORS' REPORT

Plan Administrator
Pension Plan for Certain Hourly-Rated Employees
at Plant B of Canton Drop Forge
Canton, Ohio

We were engaged to audit the accompanying financial statements and supplemental schedules of the Pension Plan for Certain Hourly-Rated Employees at Plant B of Canton Drop Forge as of December 31, 2009 and 2008 and for the years then ended, as listed in the preceding contents page. These financial statements and supplemental schedules 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 investment information summarized in Note 4, which was certified by JPMorgan, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the investment 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.

Maloney + Novotny LLC

Canton, Ohio
October 12, 2010

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2009 and 2008

<u>ASSETS</u>	<u>2009</u>	<u>2008</u>
Investments, at fair value:		
Money market funds	\$ 1,851,734	\$ 2,226,328
Equities	8,966,412	6,580,250
Fixed income obligations	4,858,138	3,139,154
Total investments	<u>15,676,284</u>	<u>11,945,732</u>
 Employer contribution receivable	 354,056	 434,153
 Accrued income	 <u>48,405</u>	 <u>37,761</u>
 Total assets	 16,078,745	 12,417,646
 <u>LIABILITIES</u>		
 Accrued expense	 \$ <u>-</u>	 \$ <u>5,355</u>
 Total liabilities	 <u>-</u>	 <u>5,355</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 \$ <u>16,078,745</u>	 \$ <u>12,412,291</u>

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

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
CONTRIBUTIONS AND INVESTMENT ACTIVITY		
Investment income	\$ 286,657	\$ 469,313
Net appreciation (depreciation) in fair value of investments	3,475,249	(5,629,243)
Employer contributions	1,339,788	1,717,931
Other receipts	-	3,434
	<u>5,101,694</u>	<u>(3,438,565)</u>
 DEDUCTIONS		
Benefits paid to participants	1,254,750	1,214,229
Administrative expenses	<u>180,490</u>	<u>168,140</u>
	<u>1,435,240</u>	<u>1,382,369</u>
Net increase (decrease)	3,666,454	(4,820,934)
 Net assets available for benefits:		
Beginning of year	<u>12,412,291</u>	<u>17,233,225</u>
 End of year	\$ <u><u>16,078,745</u></u>	\$ <u><u>12,412,291</u></u>

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

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

NOTES TO FINANCIAL STATEMENTS

1. Description of the Plan

Pension Plan for Certain Hourly-Rated Employees at Plant B of Canton Drop Forge (Plan) is a defined benefit pension plan established to provide for retirement, death and disability benefits for all employees of Canton Drop Forge, Inc. (Company) represented by the United Steelworkers of America, AFL-CIO and other hourly employees.

The Company has agreed to voluntarily contribute such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan participants. The Company's present intention is to make contributions in amounts sufficient to annually fund the Plan's current service cost and the prior service costs over a period not to exceed forty years. The Plan has met the Employee Retirement Income Security Act (ERISA) minimum funding requirements. The Company contributed \$1,339,788 and \$1,717,931 to the Plan for the years ended December 31, 2009 and 2008, respectively. The actuarial funding calculations show contributions of \$1,340,114 and \$1,219,562 to the Plan for the years ended December 31, 2009 and 2008, respectively.

Should the Plan terminate at some future time, its net assets will generally not be available on a pro-rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC's benefit guarantee while other benefits may not be provided for at all.

Information about the Plan agreement, the vesting and benefit provisions and the PBGC's benefit guarantee is contained in the Summary Plan Description of Canton Drop Forge Pension Plan For Certain Hourly-Rated Employees. Copies of this document are available from the Plan Administrator.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on an accrual basis.

Valuation of Investments

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 10 for a discussion of fair value measurements.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Summary of Significant Accounting Policies (continued)

Income

Investment income is recorded when earned.

Benefit Payments

Benefits are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets during the reporting period. Actual results could differ from those estimates.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to present and terminated employees or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on their years of credited service.

An actuary from Findley Davies estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuation as of January 1, 2009 and 2008, are as follows:

- a. Mortality: RP-2000 Blue Collar Mortality Table for males and females.
- b. Investment return: 8.5% per year compounded annually.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Summary of Significant Accounting Policies (continued)

- c. Retirement age: Attainment of age 65 or age 55 with 30 years of credited service or age 60 with 25 years of credited service.
- d. Early retirement: Attainment of age 60 with 15 years of credited service.

These actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Subsequent Events

The Plan has evaluated subsequent events through October 12, 2010, which is the date the financial statements were available to be issued.

3. Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits for each plan year determined as of January 1 is as follows:

	<u>2009</u>	<u>2008</u>
Vested benefits:		
Participants currently receiving payments	\$ 8,922,900	\$ 8,495,200
Other participants	<u>5,930,800</u>	<u>5,945,500</u>
	14,853,700	14,440,700
Nonvested benefits	<u>1,121,200</u>	<u>1,138,800</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 15,974,900</u>	<u>\$ 15,579,500</u>

The changes in the actuarial present value of accumulated plan benefits during the years ended January 1 are as follows:

	<u>2009</u>	<u>2008</u>
Increase in accumulated benefits		
less benefits paid	\$ 395,400	\$ 116,400
Plan amendment	-	515,300
Change in actuarial assumptions	-	303,700
Beginning of year	<u>15,579,500</u>	<u>14,644,100</u>
End of year	<u>\$ 15,974,900</u>	<u>\$ 15,579,500</u>

The Plan was amended during the year ended December 31, 2008 to increase the benefits to participants.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Unaudited Information

JPMorgan, trustee of the Plan, administers the Plan's investments and executes related transactions. Financial information related to these assets is included in the accompanying financial statements and supplemental schedules based on information provided by the trustee. The information as of December 31, which has not been audited by the Plan's independent auditors, is summarized as follows:

	2009		2008	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Assets				
Money market funds	\$ 1,851,734	\$ 1,851,734	\$ 2,226,328	\$ 2,226,328
Equities	8,686,199	8,966,412	9,990,686	6,580,250
Fixed income obligations	4,605,082	4,858,138	2,991,341	3,139,154
			<u>Year Ended December 31,</u>	
			<u>2009</u>	<u>2008</u>

Changes in net assets available for plan benefits:

Investment income	\$ <u>286,657</u>	\$ <u>469,313</u>
Net appreciation (depreciation) in fair value of investments:		
Equities	\$ 3,366,038	\$ (5,708,384)
Fixed income obligations	<u>109,211</u>	<u>79,141</u>
	\$ <u>3,475,249</u>	\$ <u>(5,629,243)</u>

Reportable transactions as attached to this report were not audited; rather, they were certified by the trustee.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

5. Investments

Fair value of investments representing 5% or more of net assets available for plan benefits at December 31, is as follows:

	<u>2009</u>
JPMorgan Liquid Assets Money Market Fund	\$ 1,851,734
Harris Assoc. Oakmark International Fund	1,726,723
JP Morgan Core Bond Fund	1,030,188
	<u>2008</u>
JPMorgan Liquid Assets Money Market Fund	\$ 2,226,328
Harris Assoc. Oakmark International Fund	1,537,632

6. Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated January 10, 1996, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

7. Administrative Expenses

Certain administrative expenses relating to the maintenance of participant eligibility records are paid by the Company.

8. Related-Party Transactions

Certain Plan investments held at December 31, 2009 and 2008 are equity shares of JPMorgan and money market funds offered by JPMorgan, the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the trustee amounted to \$19,092 and \$17,810 for the years ended December 31, 2009 and 2008, respectively.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

8. Related-Party Transactions (continued)

Plan investments held at December 31, 2009 and 2008 include an investment fund offered by Harris Associates. Harris Associates is an investment manager for the Plan. Fees paid by the Plan for these management services amounted to \$84,494 and \$65,433 for the years ended December 31, 2009 and 2008, respectively.

9. Plan Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

10. Fair Value Measurements

Generally accepted accounting principles (GAAP) establish 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 GAAP 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.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

10. Fair Value Measurements (continued)

- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

The following is a description of the valuation methodologies used for assets of the Plan measured at fair value at December 31, 2009 and 2008.

- Equities and fixed income obligations: Valued at the closing price reported on the active market on which the individual securities are traded. These investments are considered to be Level 1 assets.
- Money market funds: Hold investments which are not publicly-traded. These investments are considered to be Level 3 assets.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

10. Fair Value Measurements (continued)

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ -	\$ -	\$ 1,851,734	\$ 1,851,734
Equities	8,966,412	-	-	8,966,412
Fixed income obligations	<u>4,858,138</u>	<u>-</u>	<u>-</u>	<u>4,858,138</u>
Total	\$ <u>13,824,550</u>	\$ <u>-</u>	\$ <u>1,851,734</u>	\$ <u>15,676,284</u>

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ -	\$ -	\$ 2,226,328	\$ 2,226,328
Equities	6,580,250	-	-	6,580,250
Fixed income obligations	<u>3,139,154</u>	<u>-</u>	<u>-</u>	<u>3,139,154</u>
Total	\$ <u>9,719,404</u>	\$ <u>-</u>	\$ <u>2,226,328</u>	\$ <u>11,945,732</u>

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31:

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 2,226,328	\$1,468,326
Realized gains/(losses)	-	-
Unrealized gains/(losses) relating to instruments still held at the reporting date	-	-
Purchases, sales, issuances and settlements (net)	<u>(374,594)</u>	<u>758,002</u>
Balance, end of year	\$ <u>1,851,734</u>	\$ <u>2,226,328</u>

Schedule SB, Line 26 - Schedule of Active Participant Data

January 1, 2009 Valuation
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
(EIN: 34-0130090; PN: 002)

Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	-	1 (*)	-	-	-	-	-	-	-	-
25 to 29	-	3 (*)	3 (*)	-	-	-	-	-	-	-
30 to 34	-	1 (*)	7 (*)	1 (*)	-	-	-	-	-	-
35 to 39	-	7 (*)	1 (*)	2 (*)	-	-	-	-	-	-
40 to 44	-	5 (*)	4 (*)	1 (*)	5 (*)	2 (*)	-	-	-	-
45 to 49	-	1 (*)	5 (*)	2 (*)	10 (*)	4 (*)	1 (*)	3 (*)	-	-
50 to 54	-	5 (*)	1 (*)	2 (*)	5 (*)	3 (*)	4 (*)	16 (*)	-	-
55 to 59	-	-	-	3 (*)	2 (*)	5 (*)	7 (*)	7 (*)	11 (*)	1 (*)
60 to 64	-	-	-	2 (*)	1 (*)	2 (*)	3 (*)	2 (*)	1 (*)	4 (*)
65 to 69	-	-	-	-	1 (*)	-	-	1 (*)	-	-
70 & up	-	-	-	-	-	-	-	-	-	-

* Average compensation is not shown since there are fewer than 1,000 active participants in this plan

APPENDIX B

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

Interest Rates

Funding: Full Yield Curve for November 2008:		
a.	Effective Interest Rate using the above rates	8.23%
b.	Intermediate Level Contribution	7.00%
FAS 35:		
	Present Value of Vested and Accumulated Benefits	8.50%
FAS 87 Expense:		
a.	Discount Rate (liabilities)	6.25%
b.	Long-Term Rate (trust income)	9.00%

Mortality

Funding:	
IRS mandated Mortality Table projected to valuation year (male and female), separate annuitant/non-annuitant.	
FAS 35 and 87	
Healthy – RP-2000 Blue Collar Mortality Table projected to 2010 (male and female)	
Disabled – Blake's 1985 Pension Disabled Mortality Table (male and female).	

Rates of Retirement

<u>Age(s)</u>	<u>Less Than 25 Years of Service</u>	<u>25-30 Years of Service</u>	<u>More Than 30 Years of Service</u>
55-57	0%	0%	3%
58-59	0	0	5
60	2	10	10
61	3	10	10
62	10	35	40
63-64	5	15	20
65	75	75	75
66-69	50	50	50
70	100	100	100

Weighted Average Retirement Age is 63. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

APPENDIX B (Continued)

Rates of Disability 100% of the 1985 Blake Disability Study (male and female). Sample rates and ages are as follows.

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	0.218%	0.150%
40	0.597	0.547
55	2.118	1.962

Rates of Turnover 100% of Sarason's Table T-6. Sample rates and ages as follows:

<u>Age</u>	<u>Rate</u>
25	7.72%
35	6.86
40	6.11
45	5.16
55	1.37

Assumptions Made In Valuing Spouse's Benefit Sixty percent of the male and forty percent of the female employees included in the valuation are assumed to be married. These percentages are used as the probabilities that survivor benefits will be payable due to preretirement deaths. The wife is assumed to be three years younger than the husband.

Annual Increases to Maximum Benefits and Plan Compensation Limits

Funding:	0.00%
FAS 87 Expense:	0.00%

Provision for Expenses Administrative expenses expected to be paid in the coming year were added to the Target Normal Cost.

Expenses were subtracted from the Expected Return on Assets for FAS 87 expense purposes.

FAS 87 Measurement Date January 1

Fiscal Year The 12-month period ending each December 31.

APPENDIX B (Continued)

Asset Method

Funding: Market Value of Assets plus an adjustment to defer full recognition of investment losses and gains over a two-year period. The investment (gain)/loss for each year equals the market value at the beginning of the year projected to the end of the year using an interest rate no greater than the average of the third segment rates for the 24-month period ending with the month preceding the beginning of the plan year minus the end of the year actual market value. The actuarial value of assets will be no less than 90% and no more than 110% of the market value (including interest-adjusted accrued but unpaid contributions). A characteristic of this asset valuation method is that, over time, it is more likely to produce an actuarial value of assets that is less than the market value of assets.

FAS 35 and FAS 87: Market Value of Assets plus, for FAS 35 purposes only, any contributions for prior plan years that will be made in this plan year.

Employees Valued

Only participants as of the valuation date were valued.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

EIN #34-0130090

PN #002

Schedule H, line 4j -- Schedule of Reportable Transactions

December 31, 2009

(a) Identity of Party Involved (b) Description of Assets

Category (i) -- Single Transaction in Excess of 5% of the Current Value of Plan Assets

JPMorgan	JPMorgan Core Bond Fund
JPMorgan	JPMorgan Liquid Assets Money Market
JPMorgan	JPMorgan Liquid Assets Money Market

(A) Commissions, taxes and other expenses incurred with the transaction are capitalized on purchases and charged against proceeds on sales.

	<u>Purchase (c) Price</u>	<u>Selling (d) Price</u>	<u>Lease (e) Rental</u>	(A) <u>Expenses Incurred With (f) Transaction</u>	<u>Cost of (g) Asset</u>	<u>Current Value of Asset on Transaction (h) Date</u>	<u>Net Gain or (i) (Loss)</u>
\$	1,026,002	N/A	N/A	N/A	N/A	\$ 1,026,002	N/A
	1,177,524	N/A	N/A	N/A	N/A	1,177,524	N/A
	N/A	2,673,013	N/A	N/A	2,673,013	2,673,013	-

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

EIN #34-0130090

PN #002

Schedule H, line 4j -- Schedule of Reportable Transactions

December 31, 2009

(a) Identity of Party Involved (b) Description of Assets

Category (iii) -- Series of Transactions in Excess of 5% of the Current Value of Plan Assets

JPMorgan

JPMorgan Liquid Assets Money Market Investment

105 purchases

61 sales

(A) Commissions, taxes and other expenses incurred with the transaction are capitalized on purchases and charged against proceeds on sales.

				(A) Expenses Incurred With			Current Value of Asset on Transaction	Net Gain or
<u>Purchase</u>	<u>Selling</u>	<u>Lease</u>		<u>(f) Transaction</u>	<u>Cost of</u>	<u>(h) Date</u>		<u>(i) (Loss)</u>
<u>(c) Price</u>	<u>(d) Price</u>	<u>(e) Rental</u>			<u>(g) Asset</u>			
\$ 4,333,835	N/A	N/A		N/A	N/A	\$ 4,333,835		N/A
N/A	\$ 3,212,940	N/A		N/A	\$ 3,212,940	3,212,940		-

**SCHEDULE SB
(Form 5500)**

Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

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

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

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

OMB No. 1210-0110

2009

**This Form is Open to Public
Inspection**

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

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

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

A Name of plan		B Three-digit plan number (PN)	002
Pension Plan for Certain Hourly Rated Employees of Canton Drop Forge			
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF		D Employer Identification Number (EIN)	
Canton Drop Forge, Inc.		34-0130090	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2009</u>			
2 Assets:			
a Market value.....	2a	12,410,148	
b Actuarial value.....	2b	13,651,163	
3 Funding target/participant count breakdown			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	166	9,679,983
b For terminated vested participants.....	3b	56	730,319
c For active participants:			
(1) Non-vested benefits.....	3c(1)		1,256,546
(2) Vested benefits.....	3c(2)		6,346,984
(3) Total active.....	3c(3)	158	7,603,530
d Total.....	3d	380	18,013,832
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	8.23 %	
6 Target normal cost.....	6	405,816	

Statement by Enrolled Actuary

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

SIGN HERE		<u>9-8-2010</u>
Signature of actuary		Date
Matthew R. Klein, F.S.A.		08-06865
Type or print name of actuary		Most recent enrollment number
Findley Davies, Inc.		(216) 875-1900
Firm name		Telephone number (including area code)
1300 East Ninth Street, Suite 850		
Cleveland	OH 44114-1516	
Address of the firm		

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

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

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8)	0	0
10 Interest on item 9 using prior year's actual return of <u>(30.28)</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		154
b Interest on (a) using prior year's effective rate of <u>6.01</u> %		9
c Total available at beginning of current plan year to add to prefunding balance		163
d Portion of (c) to be added to prefunding balance		0
12 Reduction in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14 Funding target attainment percentage	14	75.78 %
15 Adjusted funding target attainment percentage	15	75.78 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	80.08 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	290,892		10/15/2009	94,766	
05/15/2009	96,964		11/13/2009	94,766	
06/18/2009	96,964		12/15/2009	20,488	
07/15/2009	96,964		01/15/2010	94,766	
08/14/2009	96,964		06/15/2010	259,616	
09/14/2009	96,964				
Totals ▶			18(b)	1,340,114	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years	19a
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 1,263,543

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

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost**21** Discount rate:

a Segment rates:

1st segment:
%2nd segment:
%3rd segment:
%☒ N/A, full yield curve used

b Applicable month (enter code)

21b

2

22 Weighted average retirement age**22**

63

23 Mortality table(s) (see instructions)☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Part VI Miscellaneous items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.**27****Part VII Reconciliation of unpaid minimum required contributions for prior years****28** Unpaid minimum required contribution for all prior years**28**

0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)**29****30** Remaining amount of unpaid minimum required contributions (item 28 minus item 29)**30**

0

Part VIII Minimum required contribution for current year**31** Target normal cost, adjusted, if applicable (see instructions)**31**

405,816

32 Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

4,362,669

857,727

b Waiver amortization installment

0

0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount**33****34** Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)**34**

1,263,543

Carryover balance

Prefunding balance

Total balance

35 Balances used to offset funding requirement

0

0

0

36 Additional cash requirement (item 34 minus item 35)**36**

1,263,543

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c)**37**

1,263,543

38 Interest-adjusted excess contributions for current year (see instructions)**38**

0

39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)**39**

0

40 Unpaid minimum required contribution for all years**40**

0

Schedule SB, Part V – Summary of Plan Provisions
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
January 1, 2009 Valuation
EIN/PN: 34-0130090 / 002

APPENDIX A

SUMMARY OF PRINCIPAL PLAN PROVISIONS

<i>Plan Sponsor</i>	Canton Drop Forge, Inc.
<i>EIN/PN</i>	34-0130090/002
<i>Effective Date</i>	January 1, 1961; last amended effective January 1, 2008.
<i>Plan Year</i>	The 12-month period beginning each January 1.
<i>Participation</i>	All hourly employees of Plant B hired before February 27, 2005 will be Plan participants on their date of hire. Plan participation is frozen as of February 27, 2005.
<i>Continuous Service</i>	A participant's Continuous Service shall be equal to the elapsed time of employment measured from the date of hire to the termination date of an employee..
<i>Accrued Benefit</i>	A monthly life annuity starting at age 65 equal to:

<u>Retirement Date</u>	<u>Pension Benefit</u>		<u>Maximum Service</u>
	<u>Service Up to 20 Years</u>	<u>Service Over 20 Years</u>	
3/06/1996 – 3/01/1997	\$21.50	\$27.50	
3/02/1997 – 3/01/1998	22.25	28.25	
3/02/1998 – 3/01/1999	23.00	29.00	
3/02/1999 – 2/26/2000	24.00	30.00	
2/27/2000 – 2/26/2001	26.00	31.00	42
2/27/2001 – 2/26/2002	27.00	32.00	42
2/27/2002 – 2/26/2003	28.00	34.00	42
2/27/2003 – 2/26/2004	29.00	37.00	43
2/27/2004 – 12/31/2007	31.00	41.00	43
1/01/2008 and after	34.00	44.00	43

Those participants who retire from active status during the term of the union contract will receive an increase in their pension as the benefit unit increases.

APPENDIX A (Continued)

***Normal Retirement
Benefit***

Eligibility:

Attainment of age 65.

Monthly Benefit:

The Accrued Benefit.

Late Retirement

Eligibility:

After age 65 and five years of participation.

Monthly Benefit:

The Accrued Benefit calculated using the service accrued through the actual retirement date and the benefit unit in effect at termination.

***55/30 Early
Retirement***

Eligibility:

Attainment of age 55 and 30 years of Continuous Service.

Monthly Benefit:

The Accrued Benefit.

***60/25 Early
Retirement***

Eligibility:

Attainment of age 60 and 25 years of Continuous Service.

Monthly Benefit:

The Accrued Benefit.

Disability Retirement

Eligibility:

Permanent and total disability at any age with at least 15 years of Continuous Service. This benefit starts once all other company-paid benefits stop.

Monthly Benefit:

The Accrued Benefit at the time of disability is payable on an unreduced basis.

APPENDIX A (Continued)

**60/15 Early
Retirement**

Eligibility:

Attainment of age 60 and 15 years of Continuous Service.

Monthly Benefit:

The vested benefit commences in full at age 65, or as early as age 60 in a reduced amount equal to the actuarial equivalent of the Accrued Benefit at age 65. Sample rates and ages are as follows:

<u>Age</u>	<u>Rate</u>
60	70.18%
61	75.36
62	81.14
63	87.60
64	94.84
65	100.00

Deferred Retirement

Eligibility:

Termination after five years of Continuous Service.

Monthly Benefit:

The Accrued Benefit commencing at age 65. If the participant has at least 15 years of Continuous Service, they can retire after age 60 under the “60/15 Early Retirement” provisions.

**Supplemental
Benefit**

Participants who retire between March 1, 1997 and February 28, 1999, who are eligible for the “60/25 Early Retirement” and who have yet to attain age 65 are eligible to receive a \$100 per month supplemental benefit.

Participants who retire between February 27, 2005 and February 26, 2008, who are eligible for the “60/25 Early Retirement” or “55/30 Early Retirement” and who have yet to attain age 65 are eligible to receive a \$200 per month supplemental benefit.

These supplemental benefits will be paid until the earlier of the attainment of age 65 or the death of the participant.

APPENDIX A (Continued)

***Surviving Spouse's
Benefit***

Eligibility:

Death of an active employee after the age of 50 with at least 15 years of Continuous Service

Monthly Benefit:

50% of the benefit as though the employee had elected to retire the day before his death assuming the employee's age at death was 65. This benefit shall be reduced by 1/2% for each year the spouse is under the age of 50. After the spouse's attainment of age 65 the benefit will be 50% of the actuarially reduced benefit assuming the employee had retired at Normal Retirement Age and accepted the 50% Joint and Survivor benefit.

Death Benefit

Eligibility:

100% vested and not eligible for the Surviving Spouse's Benefit.

Monthly Benefit:

50% of the benefit the employee would have received if he would have elected the 50% Joint and Survivor benefit the day before his death. If the employee has not yet attained age 60, the benefit is calculated using service on the date of death and assuming the employee survived to age 60. The benefit is payable at the later of when the employee would have been age 60 or at the employee's death.

***Optional Forms of
Payment***

Life Annuity –monthly payments for the life of the participant.

Joint and 50% Survivor Annuity –monthly payments for the life of the participant with 50% of the benefit continuing to the surviving spouse (if any).

Joint and 75% Survivor Annuity –monthly payments for the life of the participant with 75% of the benefit continuing to the surviving spouse (if any).

***Benefits Available as
Lump Sums***

This plan pays only small benefit amounts (lump sums less than \$3,500, or less than \$5,000 effective January 1, 1998).

***Maximum Benefit
Limit***

The Internal Revenue Code Section 415 Maximum Benefit payable as a life annuity at Social Security Normal Retirement Age.

Schedule SB, Part V – Summary of Plan Provisions
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
January 1, 2009 Valuation
EIN/PN: 34-0130090 / 002

APPENDIX A (Continued)

Changes in Plan Provisions

The automatic changes, if any, in the maximum benefit limit were recognized as amendments for funding purposes.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

EIN #34-0130090

PN #002

Schedule H, line 4i -- Schedule of Assets (Held at End of Year)

December 31, 2009

Identity of Issue, Borrower, Lessor (a) (b) or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, (c) Par or Maturity Value	(d) Cost	Current (e) Value
	<u>Money market funds</u>		
* JPMorgan	JPMorgan Liquid Assets Money Market Fund	\$ 1,851,734	\$ 1,851,734
	<u>Equities</u>		
* Harris Associates	102,536.988 Shares, Harris Assoc. Oakmark International Fund	\$ 1,910,574	\$ 1,726,723
	727 Shares, AOL Inc	20,405	16,925
	100 Shares, Askmenow	1	-
	5,700 Shares, Disney Walt Co	161,766	183,825
	3,800 Shares, Diageo Plc	191,807	263,758
	13,000 Shares, Discovery Communications Inc New Ser C	185,959	344,760
	23,600 Shares, Intel Corp	546,709	481,440
	5,000 Shares, Johnson & Johnson	271,586	322,050
* JPMorgan	3,400 Shares, JPMorgan Chase & Co.	126,764	141,678
	5,200 Shares, Kinetic Concepts Inc.	127,723	195,780
	5,600 Shares, Legg Mason Inc	135,090	168,896
	28,475 Shares, Liberty Media Corp Interactive Com Ser A	230,543	308,669
	3,800 Shares, McDonalds Corp	94,069	237,272
	25,500 Shares, MDS Inc.	476,331	195,075
	6,700 Shares, Medtronic Inc.	258,523	294,666
	4,200 Shares, Newfield Explore Co.	83,084	202,566
	6,900 Shares, Omnicare Inc.	182,458	166,842
	3,200 Shares, Proctor & Gamble Co	159,441	194,016
	9,800 Shares, Robert Half International Inc.	256,880	261,954
	9,900 Shares, Teradata Corp Del	213,025	311,157
	8,000 Shares, Time Warner Inc. New	279,087	233,120
	14,700 Shares, Tyco Electronics Ltd	438,159	360,885
	14,900 Shares, Viacom Inc.	517,762	442,977
	6,100 Shares, Walgreen Co.	148,660	223,992
* JPMorgan	6,352.122 Shares, JPMorgan International Equity Fund	85,061	83,721
* JPMorgan	24,629.118 Shares, JPMorgan Intrepid America Fund	498,320	500,217
* JPMorgan	18,165.800 Shares, JPMorgan US Large Cap Core Plus	327,559	330,254
* JPMorgan	2,248.302 Shares, JPMorgan US Real Estate Fund	26,238	27,452
* JPMorgan	16,309.130 Shares, JPMorgan Equity Index Fund	409,559	412,947
* JPMorgan	28,577.043 Shares, JPMorgan Market Expansion Index Fund	235,510	248,049
* JPMorgan	4,590.775 Shares, JPMorgan International Equity Index	87,546	84,746
		\$ 8,686,199	\$ 8,966,412

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
AT PLANT B OF CANTON DROP FORGE

EIN #34-0130090
PN #002

Schedule H, line 4i -- Schedule of Assets (Held at End of Year)

December 31, 2009

(a) Identity of Issue, Borrower, Lessor (b) or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, (c) Par or Maturity Value	(d) Cost	Current (e) Value
	<u>Fixed income obligations</u>		
	\$300,000, Federal Home Ln Mtg Corp Medium Term		
	Nts dtd 12/18/2009 step cpn due 12/18/2014	\$ 299,400	\$ 293,946
	\$300,000, Federal Natl Mtg Assn Medium Term		
	Nts dtd 12/09/2009 step cpn due 12/09/2016	299,775	294,375
	\$300,000, Federal Home Ln Bks		
	dtd 9/22/2003 4.50% due 9/16/2013	304,122	323,907
	\$100,000, United States Treasury		
	Nts dtd 2/17/2004 4.0% due 2/15/2014	104,008	106,930
	\$300,000, Federal Natl Mtg Assn		
	dtd 1/27/2009 3.22% due 1/27/2016	299,586	294,750
	\$300,000, United States Treasury		
	Nts dtd 3/15/2005 4.0% due 3/15/2010	298,430	302,262
	\$200,000, United States Treasury		
	Nts dtd 3/31/2007 4.5% due 3/31/2012	199,641	214,062
	\$300,000, United States Treasury		
	Nts dtd 7/2/2007 4.875% due 6/30/2012	308,016	325,359
	\$200,000, Merrill Lynch & Co Inc Med Term		
	Nts dtd 8/4/2005 4.79% due 8/4/2010	195,128	204,134
	\$200,000 Fisher Scientific Intl Inc Sr Sub Nt		
	dtd 1/01/2006 6.125% due 7/1/2015	179,000	206,250
	\$300,000 General Elec Cap Corp Medium Term		
	Nts dtd 10/19/2007 5.25% due 10/19/2012	291,228	319,266
	\$200,000 TCI Communications Inc Sr Deb		
	dtd 8/1/1995 8.75% due 8/1/2015	219,390	236,958
* JPMorgan	\$360,000, JPMorgan Chase & Co Dep Shs Repstg		
	1/10th Pfd Ser I dtd 4/23/2008 var due open end	291,012	386,797
	\$300,000, XTO Energy Inc Sr Nt		
	dtd 4/18/2008 4.625% due 6/15/2013	276,000	318,954
* JPMorgan	92,809.72 Shares, JPMorgan Core Bond Fund	1,040,346	1,030,188
		\$ <u>4,605,082</u>	\$ <u>4,858,138</u>

* Indicates party-in-interest to the Plan.

Schedule SB, line 32 – Schedule of Shortfall Amortization Bases
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
January 1, 2009 Valuation
EIN/PN: 34-0130090 / 002

EXHIBIT IV

SCHEDULE OF AMORTIZATION BASES

	Plan Year Beginning			1/01/2009
	Date Established	Present Value of Payments	Remaining Years	Shortfall Amortization Installment
<i>Shortfall Amortization Bases</i>	1/01/2009	\$ 683,492	7.00	\$ 121,728
	1/01/2008	3,679,177	6.00	735,999
	Total	\$ 4,362,669		\$ 857,727
<i>Waiver Amortization Bases</i>	1/01/2009	\$ 0		\$ 0
	Total	\$ 0		\$ 0

Schedule SB, line 25 – Change in Method

Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.

January 1, 2009 Valuation

EIN/PN: 34-0130090 / 002

***Changes in Methods
since the Last
Actuarial Valuation***

The segment rates used for determining the target liability were 5.26%, 5.82% and 6.38%. Switching to the full yield curve for November 2008 constitutes a change in funding method

The asset method for funding purposes was changed to a two-year smoothing method.

Administrative expenses are now included in the Target Normal Cost.

***Justification for
Changes in Methods***

Approval for the change in asset valuation is not required per Notice 2009-22 released April 6, 2009. Approval for the change in method to use the yield curve in determining plan obligations is not being requested, as the IRS has stated they will not challenge the use of the monthly yield curve, or any of the four prior months, for 2009 valuations.

Schedule SB, line 24 – Change in Actuarial Assumptions
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
January 1, 2009 Valuation
EIN/PN: 34-0130090 / 002

***Changes in
Assumptions since
the Last Actuarial
Valuation***

The mortality table for the funding target was changed as required under PPA '06.

The discount rate for determining the FAS 87 expense was 6.75%.

***Justification for
Changes in Actuarial
Assumptions***

No assumption changes were made, other than those required by statute, and therefore no approval is required.