Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
KEYSTONE EMPLOYEES RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 005

1c Effective date of plan 01/01/1972

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
KEYSTONE CONSOLIDATED IND., INC.

5430 LBJ FREEWAY, SUITE 1740
DALLAS, TX 75240

2b Employer Identification Number (EIN)
37-0364250

2c Sponsor's telephone number
972-458-0028

2d Business code (see instructions)
332900

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	BERT E. DOWNING, JR.
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2010	BERT E. DOWNING, JR.
	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")
KEYSTONE CONSOLIDATED IND., INC.

5430 LBJ FREEWAY, SUITE 1740
DALLAS, TX 75240

3b Administrator's EIN
37-0364250

3c Administrator's telephone number
972-458-0028

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

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	1130
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	863
b	Retired or separated participants receiving benefits	**6b**	125
c	Other retired or separated participants entitled to future benefits	**6c**	123
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1111
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	15
f	Total. Add lines **6d** and **6e**	**6f**	1126
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**	2
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1G

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)	X	**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

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
KEYSTONE EMPLOYEES RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
KEYSTONE CONSOLIDATED IND., INC.

D Employer Identification Number (EIN)
37-0364250

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2009			
2	Assets:			
a	Market value	**2a**		99205975
b	Actuarial value	**2b**		109126573
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	115	21865859
b	For terminated vested participants	**3b**	146	2026899
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		147745
	(2) Vested benefits	**3c(2)**		57027033
	(3) Total active	**3c(3)**	903	57174778
d	Total	**3d**	1164	81067536
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**		8.10 %
6	Target normal cost	**6**		2538612

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

10/03/2010
Signature of actuary — Date

RANDY E. HALPER, E.A. — 08-04562
Type or print name of actuary — Most recent enrollment number

DELOITTE CONSULTING, LLP — 469-417-3557
Firm name — Telephone number (including area code)

6363 N. STATE HWY 161, SUITE 800
IRVING, TX 75038
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 [ ]

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)	4424749	
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	
9	Amount remaining (Item 7 minus item 8)	4424749	0
10	Interest on item 9 using prior year's actual return of -53.03 %	-2346444	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		
	b Interest on (a) using prior year's effective rate of 6.11 %		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		
12	Reduction in balances due to elections or deemed elections		
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	2078305	0

Part III Funding percentages

14	Funding target attainment percentage	14	132.04 %
15	Adjusted funding target attainment percentage	15	134.61 %
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	235.08 %
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
			Totals ► 18(b)	0	18(c) 0

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

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

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

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

21 Discount rate:

a Segment rates:

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

b Applicable month (enter code) **21b**

22 Weighted average retirement age	**22**	63

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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.	[X] Yes	[ ] No	
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	[X] Yes	[ ] No	
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	[X] Yes	[ ] No	

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	**31**	

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment		
b Waiver amortization installment		

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**	0

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement			0

36 Additional cash requirement (item 34 minus item 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	
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)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

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

A Name of plan	**B** Three-digit plan number (PN) ▶	
KEYSTONE EMPLOYEES RETIREMENT PLAN		005
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
KEYSTONE CONSOLIDATED IND., INC.	37-0364250	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

DELOITTE & TOUCHE

13-5133500

(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	36000	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

SUTTON FROST CARY LLP

75-2593210

(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	19081	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan 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
KEYSTONE EMPLOYEES RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 005

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
KEYSTONE CONSOLIDATED IND., INC.

D Employer Identification Number (EIN)
37-0364250

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: COMBINED MASTER RETIREMENT TRUST

b Name of sponsor of entity listed in (a): US BANK NATL ASSOC

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
75-2832229-001	M	72517222

a Name of MTIA, CCT, PSA, or 103-12 IE: COMBINED MASTER RET TRUST SUBTRUST

b Name of sponsor of entity listed in (a): US BANK NATL ASSOC.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
75-2832229-002	M	38872761

a Name of MTIA, CCT, PSA, or 103-12 IE: COMBINED MASTER RET TR SUBTRUST 2

b Name of sponsor of entity listed in (a): US BANK NATL ASSOC

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
75-2832229-003	M	6898231

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

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

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

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

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

A Name of plan
KEYSTONE EMPLOYEES RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500
KEYSTONE CONSOLIDATED IND., INC.

D Employer Identification Number (EIN)
37-0364250

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	99223604	118288214
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	99223604	118288214
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h	29587	36000
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	29587	36000
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	99194017	118252214

Part II Income and Expense Statement

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

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

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		21694874
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		4443
d Total income. Add all **income** amounts in column (b) and enter total	2d		21699317
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2518384	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		2518384
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	55081	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	67655	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		122736
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2641120
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		19058197
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: SUTTON FROST CARY LLP (2) EIN: 75-2593210

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		15000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g	X		118288214
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

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

A Name of plan
KEYSTONE EMPLOYEES RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500
KEYSTONE CONSOLIDATED IND., INC.

D Employer Identification Number (EIN)
37-0364250

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**

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): 41-6271370

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** 0

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sutton Frost Cary LLP
A Limited Liability Partnership
Certified Public Accountants and Consultants

Report of Independent Auditors

To the Participants and Administrator of
Keystone Employees' Retirement Plan:

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Keystone Employees' Retirement Plan (the "Plan") at December 31, 2008 and 2009, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Sutton Frost Cary
A Limited Liability Partnership
Certified Public Accountants

October 8, 2010
Arlington, Texas

600 Six Flags Drive, Suite 600 • Arlington, Texas 76011
(817) 649-8083 • Metro (817) 640-7609 • Fax (817) 649-3202
www.sfcllp.com • E-Mail: admin@sfcllp.com

Schedule SB, Line 22 – Description of Weighted Average Retirement Age

	Participant Count		Average Age		Total
Bartonville	656	x	62.71	=	41,137.76
Steel (Non-EWP)	151	x	63.46	=	9,582.46
Steel (EWP)	30	x	63.73	=	1,911.90
EWP Hourly	66	x	65.0	=	4,290.00
Sum	903				56,922.12
Weighted Average Age	63				

For each active participant, an expected retirement age was calculated, weighted in proportion to the probability that the individual would remain an active participant to each age and then retire at that age. The plan's weighted average retirement age (shown above) is the arithmetic average of the expected retirement ages of all such participants on the valuation date.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

ACTUARIAL ASSUMPTIONS

The following assumptions as to future experience were used in this valuation.

1.	Discount Rate	Full yield curve for October 2008
	Funding & PBGC	Effective discount rate: 8.10%
2.	Mortality	
	Funding	RP2000 with annual update for mortality improvement (mandatory static Treasury Table for 2009)
3.	Salary scale	
	Maximum Contribution	5.0%
4.	Retirement age	Desoto participants: Earlier of age 62 and 20 years of service or age 65. For vested terminated participants, age 65. Immediate retirement for any participant over assumed retirement age on valuation date. Prescott participants: Later of age 65 or age on valuation date. Bartonville and Steel & Wire (excluding EWP salaried): Employees are assumed to begin to retire at age 55 with 30 years of service or age 62 with 25 years of service under the following table:

ACTUARIAL ASSUMPTIONS (CONTINUED)

Age	Rate of Retirement	Age	Rate of Retirement
50	2.5%	61	20%
51	5%	62	30%
52	5%	63	25%
53	5%	64	25%
54	5%	65	25%
55	10%	66	30%
56	10%	67	30%
57	10%	68	35%
58	10%	69	65%
59	10%	70	100%
60	10%		

For vested terminated participates, the earlier of age 62 with 15 years of service or age 65.

Steel and Wire (EWP Salaried) participants: The earlier of age 62 with 25 years of service or age 65. Immediate retirement for any participant past assumed retirement age on valuation date. For vested terminated participants, the earlier of age 62 with 15 years of service or age 65.

Sherman Wire participants: Age 65 or, if later, the age on the valuation date.

Engineered Wire Products participants: Age 65 or, if later, the age on the valuation date.

5. Withdrawal

Sample Rates are as follows:

Age	Rate per 100 participants
25	18.0
30	16.0
35	13.0
40	10.0
45	7.0
50	4.0
55	1.0
60	1.0

ACTUARIAL ASSUMPTIONS (CONTINUED)

6. Form of Payment	Life annuity
7. Percentage of participants with spouses	80% with wife assumed to be three years younger than husband for all groups.
8. Disability	None assumed.
9. Wage Base	4.5%
10. Medicare reimbursement COLA	3% per year.
11. Expense load (funding)	Actual prior year administrative expenses. $87,309 for 2009.
12. Maximum benefit provided by plan	$195,000 per year, adjusted for form of benefit and early commencement.
13. Changes in Actuarial Methods and Assumptions Since the Prior Valuation	For funding and PBGC purposes, the plan sponsor elected to use the full yield curve for October of the prior year. For 2008, the plan sponsor had elected to use the 24 month three tier segment rates for September of the prior year. Several of the other actuarial assumptions were updated for the 1/1/2009 valuation. The assumption changes were based on an experience study for the 5-year period through 12/31/2007. More information on the experience study is contained in the "Experience Study" report dated November 25, 2008. Below are the other changes in actuarial assumptions made at 1/1/2009. (1) Withdrawal Rates were updated. (2) Retirement Rates were updated for Bartonville and Steel & Wire (excluding EWP Salaried).

ACTUARIAL METHODS FOR FUNDING

Liability Valuation Method

Funding Target and Target Normal Cost as Defined in PPA

Please note regulations cited below are proposed regulations as of the report date.

The funding target is defined to be the present value of the benefits accrued or earned at valuation date. The earned benefits include retirement-type benefits and ancillary benefits (1.430(d)-1(c)(1)(i)). If the amount of a benefit that is expected to be paid is neither a function of the accrued benefit at the time the benefit is expected to be paid nor a function of the participant's service at that time, then the portion of the benefit taken into account for purposes of determining the funding target for a plan year is based on the proportion of a participant's service as of the first day of the plan year relative to the service the participant will have when the participant meets the age and service eligibility requirements for the benefit. The portion of the benefit that is taken into account in the target normal cost is the increase in the proportional benefit for the plan year (1.430(d)-1(c)(1)(ii)(C)). The determination of the funding target and target normal cost of a plan for a plan year is not permitted to take into account any limitations or anticipated limitations under section 436 (1.430(d)-1(c)(1)(iii)).

The target normal cost is the present value of all the benefits expected to accrue or to be earned during the year (benefits attributable to services performed in a prior year that are increased by reason of a compensation increase in the current year are treated as having accrued during the current year). Plan administrative expenses paid (or expected to be paid) from plan assets for a plan year are not reflected in the determination of a plan's funding target for that plan year (1.430(d)-1(c)(2)), but are reflected in the determination of a plan's target normal cost.

Generally if insurance contracts are held by the Plan, they are included in Plan Assets and the related benefits are included in the liability. In the case of benefits that are funded through insurance contracts purchased from an insurance company licensed under the laws of a State, the Plan is permitted to exclude the benefits from the liability and the insurance policy from the assets, but only to the extent that the right to receive benefits is an irrevocable contractual right based on premiums paid prior to the valuation date (1.430(d)-1(c)(3)).

The determination of a plan's funding target and target normal cost for a plan year is based on plan provisions that are adopted no later than the valuation date for the plan year and that become effective during that plan year. Section 412(d)(2) applies for purposes of determining whether a plan amendment is treated as having been adopted on the first day of the plan year (including a plan amendment adopted within 2 ½ months after the close of the plan year) (1.430(d)-1(d)).

For maximum deductible purposes, the cushion amount is equal to the sum of 50 percent of the funding target for the plan year and the amount the funding target for the plan year would increase if the Plan were to take into account increases in compensation which are expected to occur in succeeding plan years. If the Plan does not base benefits for service to date on compensation, increases in benefits which are expected to occur in succeeding plan years (determined on the basis of the average annual increase in benefits over the six immediately

ACTUARIAL METHODS FOR FUNDING (CONTINUED)

preceding plan years) are taken into account in lieu of expected increases in compensation. For plans that have less than 100 participants, increases in benefits for highly compensated employees as a result of plan amendments within the last two years are excluded from the calculation of the cushion amount.

Asset Valuation Method

Funding Purposes: Plan assets are determined using the 2 year annual averaging method as set forth in IRS Notice 2009-22. Under this method, the actuarial value of assets is the average of the fair market value of the assets on the valuation date and the adjusted fair market value of assets determined as of each of the earlier determination dates . The adjusted fair market value of assets as of a determination date is the market value of assets on that date, increased by contributions that were not included in the plan's asset balance on the determination date and decreased by benefits and administrative expenses between that determination date and the valuation date plus an adjustment for expected earnings as the sum of the expected earnings separately determined for each period between the determination date and the valuation date. The adjustment for expected earnings in 2007 is limited to 6.09% and for 2008 is limited to 6.38%. The calculated value is then further constrained to be no more than 110% of the market value of assets plus discounted receivable contributions and no less than 90% of the market value of assets plus discounted contributions.

ACTUARIAL METHODS FOR FUNDING (CONTINUED)

Procedures

Financial and census data: Financial data was submitted by the Trustee and census data was submitted by the plan sponsor. Information provided was reviewed for internal consistency and we have no reason to doubt its substantial accuracy.

No benefits of materiality were excluded from the valuation of the liabilities.

The limitations of the Internal Revenue Code 415(b) and 401(a)(17) have been incorporated into our calculations.

No liability is included for participants who terminated without vesting in their benefit prior to the valuation date.

The plan sponsor provided us with the data on its employees as of the valuation date, but only those employees who have completed the Plan's eligibility requirements are included in the valuation of liabilities.

The wages used in the projection of benefits and liabilities satisfied the Plan's definition of compensation, but do not exceed $225,000 in accordance with Section 401(a)(17) of the Internal Revenue Code.

Changes in Actuarial Methods since Prior Valuation

The asset valuation method was changed from market value to a 2-year annual averaging method as set forth in IRS Notice 2009-22

Schedule SB, Part V – Summary of Plan Provisions

A. FORMER KEYSTONE-BARTONVILLE PENSION PLAN

1.	Effective date of plan	Merger effective on September 27, 1996.
2.	Date last amended	May 3, 1999.
3.	Plan year	January 1 to December 31.
4.	Eligibility for participation	All permanent, collectively bargained employees of the employer who are employed by the employer at its Bartonville, Illinois, plant, become participants on their employment date. Effective August 12, 2004 no new employee can participate in the plan.
5.	Accumulated service	All periods of employment with an employer while a participant, regardless of whether separated by a break in continuous service.
6.	Year of vesting service	Each full and fractional 12-consecutive-month period of continuous service with an employer.
7.	Monthly average earnings	Total cash compensation for services rendered to an employer as a covered employee, including base pay and currently paid incentives averaged over the five calendar years that produce the highest average.
8.	Recognized compensation	Regular salary and wages subject to withholding, including base pay and other currently paid incentives accrued during the plan year.
9.	Normal Retirement Date	The first of the month following the attainment of age 65 and the fifth anniversary of the first day of the plan year participation commenced, but in no event later than age 66.

A. FORMER KEYSTONE-BARTONVILLE PENSION PLAN (Continued)

10.	Special Early Retirement Date	The earlier of age 62 and completion of 15 years of vesting service, or 30 years of accumulated service, or for an employee who terminates due to permanent plant shutdown or layoff, either a combination of age and vesting service equal to at least 70 with attained age of 55 or a combination of age and vesting service equal to at least 80.
11.	Early retirement date	The first of the month following the attainment of age 60 and completion of 15 years of vesting service or age 55 and completion of 20 years of vesting service.
12.	Disability retirement date	The first day of the month coincident with or following retirement as a result of "total and permanent" disability after the completion of 15 years of vesting service.
13.	Accrued benefit	Monthly benefit equal to the sum of (a) + (b) with a minimum of (c): (a) The participant's accrued benefit, if any, as of December 31, 1980, in an amount equal to 1.2% of the participant's monthly average earnings multiplied by the years of the participant's accumulated service earned prior to January 1, 1981, provided that such amount shall not be less than $15 per month for each of the first 15 years of accumulated service earned prior to December 31, 1980, plus $16 per month for each year of accumulated service from the fifteenth through the thirtieth year plus $18 per month for each year in excess of 30 earned prior to December 31, 1980.

A. FORMER KEYSTONE-BARTONVILLE PENSION PLAN (Continued)

		(b) An amount equal to 1.2% of the participant's recognized compensation up to the Social Security Taxable Wage Base, plus 1.75% of the participant's recognized compensation in excess of the Social Security Taxable Wage Base for each year of accumulated service after December 31, 1980. (c) $50 per month for each year of benefit service.
14.	Normal retirement benefit	An amount equal to the accrued benefit payable monthly and commencing at the normal retirement date.
15.	Late retirement benefit	An amount equal to the accrued benefit payable monthly, and commencing at the late retirement date, based upon benefit service and compensation to the late retirement date.
16.	Early retirement benefit	An amount equal to the accrued benefit if retiring on special early retirement date. Otherwise, an amount equal to the accrued benefit actuarially reduced from age 62.
17.	Disability retirement benefit	An amount equal to the participant's accrued benefit as of the date of disability, payable monthly commencing as of normal retirement date. An additional $300 per month will be paid until the participant is eligible for social security disability benefits.
18.	Deferred vested benefits	A participant actively employed on or after January 1, 1989, will be vested in his accrued benefit at termination after completion of five years or more of vesting service.

A. FORMER KEYSTONE-BARTONVILLE PENSION PLAN (Continued)

19.	Preretirement spouse's death benefit	The surviving spouse of a vested participant who dies prior to commencement of benefit is entitled to 50% of the benefit that the participant would have received if he/she terminated on the day prior to his/her death, survived to the latest retirement date and then retired. The benefit is reduced for early commencement and joint and survivor form of payment.
20.	Supplemental surviving spouse's benefit	The surviving spouse of a retired or active participant with 15 years of service will receive, beginning the first of the month following the death of the participant, a monthly amount of 50% of the accrued benefit, reduced for joint and survivor option.
21.	Normal form of benefit	If single, life only annuity; if married, qualified 50% joint and survivor annuity that is the actuarial equivalent of the life only annuity.
22.	Special provisions for certain groups	The Metalcrafters Hourly Plan was frozen as of April 15, 1983. Employees are eligible for unreduced early retirement after attainment of age 62. A vested terminated participant who commences benefits prior to age 65 may receive his accrued benefit as early as age 55 reduced by special early commencement factors.
23.	Medicare Reimbursement	Employees who are entitled to retiree medical benefits are reimbursed for Medicare Part B coverage of $96.40 per month for 2009 (applies to National Lock retirees) with annual cost of living increases.
24.	Special Early Retirement Window	Employees listed in Appendix I of Plan are eligible for enhanced early retirement benefits. The enhanced benefit is equal to 150% of the pension income that is otherwise payable. Eligible employees must make election by November 17, 2000 and retire January 1, 2001.

A. FORMER KEYSTONE-BARTONVILLE PENSION PLAN (Continued)

25.	16 week Supplemental Benefit	Participants are entitled to a special initial pension payment equal to 16 weeks of pay received by the participant during the calendar year of retirement, payable the month following retirement, in lieu of three months of benefit payments.
26.	Changes Since Prior Valuation	None.

B. FORMER KEYSTONE STEEL AND WIRE PENSION PLAN

1.	Effective date of plan	Merger effective date on September 27, 1996.
2.	Date last amended	May 3, 1999.
3.	Plan year	January 1 to December 31.
4.	Eligibility for participation	All permanent salaried employees and hourly employees not covered by a collective bargaining agreement become participants as of their employment date as long as they are employed at one of the following locations and the plan has been extended to employees of such location: the corporate headquarters in Dallas, Texas; the Keystone Steel & Wire Division in Bartonville, Illinois; the Sherman Wire Division in Sherman, Texas, for plan years beginning on or after July 1, 1988; the Keystone Fasteners Division in Springdale, Arkansas; Wire Products Company, a subsidiary of the Company in Hortonville, Wisconsin; and for plan years beginning on or after July 1, 1989, the Sherman Wire of Caldwell, Inc. subsidiary of the Company in Caldwell, Texas. Effective August 12, 2004 no new employee can participate in the plan.
5.	Years of vesting service	Each full and fractional 12-consecutive-month period of employment with an Employer.
6.	Years of benefit service	Each full and fractional 12-consecutive-month period of employment with an Employer.
7.	Earnings	Total cash compensation for services rendered for an employer as a covered employee, including overtime, bonuses, commissions, incentive compensation and salary deferral amounts under Section 401(k).
8.	Monthly average earnings	The monthly average of the earnings paid to a participant during any calendar year.
9.	Monthly average wage base earnings	The monthly average of the total amount of earnings paid to a participant during any calendar year and considered as wages under Section 3121(a)(1) of the Internal Revenue Code.

B. FORMER KEYSTONE STEEL AND WIRE PENSION PLAN (Continued)

10.	Normal retirement date	The earlier of the first of the month following (a) the attainment of age 62 and completion of 15 years of vesting service or 30 years of service (does not apply to EWP Salaried employees), (b) the attainment of age 65 and completion of five years of vesting service or (c) for an employee who retires due to permanent plant shutdown or layoff (i) with the combination of age and vesting service equal to at least 70 and after the attainment of age 55 or (ii) with the combination of age and vesting service equal to at least 80.
11.	Early retirement date	The first of the month coincident with or following the attainment of age 60 and completion of 15 years of vesting service or 30 years of service.
12.	Disability retirement date	The first day of the month coincident with or following retirement as a result of "total and permanent" disability after the completion of 15 years of vesting service.

B. FORMER KEYSTONE STEEL AND WIRE PENSION PLAN (Continued)

13. Accrued benefit

Monthly benefit equal to the sum of (a) + (b) + (c) + (d) subject to a minimum of (e), if applicable, below:

(a) The participant's accrued benefit, if any, as of June 30, 1982, in accordance with the terms of the predecessor plans.

(b) An amount equal to 1.2% of the participant's monthly average wage base earnings, plus 1.75% of the participant's monthly average earnings in excess of the participant's monthly average wage base earnings for each full and fractional year of service from July 1, 1982 through June 30, 1989.

(c) An amount equal to 1.2% of the participant's monthly average earnings, plus for non-highly compensated employees, 0.55% of the participant's monthly average earnings in excess of the participant's monthly average wage base earnings for each full and fractional year of service from July 1, 1989 through December 31, 1993.

(d) An amount equal to 1.2% of the participant's monthly average earnings for each full and fractional year of service on or after January 1, 1994.

(e) Effective June 1, 2006, an amount equal to $50 per month multiplied by years of benefit service. The minimum benefit is only applicable to management employees of Keystone Steel & Wire Co., Sherman Wire Co. (leased by Keystone Wire Products), and KCI Corporate. EWP Salaried employees are not entitled to this minimum benefit.

B. FORMER KEYSTONE STEEL AND WIRE PENSION PLAN (Continued)

14.	Normal retirement benefit	An amount equal to the accrued benefit payable monthly and commencing at the normal retirement date.
15.	Late retirement benefit	An amount equal to the accrued benefit payable monthly, and commencing at the late retirement date, based upon benefit service and compensation to the late retirement date.
16.	Early retirement benefit	An amount equal to the actuarial equivalent of the normal retirement benefit, adjusted so as to reflect the early commencement of payments.
17.	Disability retirement benefit	An amount equal to the participant's accrued benefit as of the date of disability, based upon assumed service at normal retirement date, payable monthly commencing as of normal retirement date.
18.	Preretirement spouse's death benefit	The surviving spouse of a vested participant who dies prior to commencement of benefit is entitled to 50% of the benefit that the participant would have received if he/she terminated on the day prior to his/her death, survived to the latest retirement date and then retired. The benefit is reduced for early commencement and joint and survivor form of payment.
19.	Supplemental surviving spouse's benefit	The surviving spouse of a retired or active participant with 15 years of service will receive, beginning the first of the month following the death of the participant, a monthly amount of 50% of the accrued benefit, reduced for joint and survivor option, subject to a minimum of $125 per month until eligibility for social security survivor benefit, and $75 thereafter.
20.	Deferred vested benefits	A participant actively employed on or after January 1, 1989, will be vested in his accrued benefit at termination prior to early retirement after the completion of five years or more of vesting service.

B. FORMER KEYSTONE STEEL AND WIRE PENSION PLAN (Continued)

21.	Normal form of benefit	If single, life only annuity; if married, qualified 50% joint and survivor annuity that is the actuarial equivalent of the life only annuity.
22.	Special provisions for certain groups	Supplement A Applicable to those participants of the Keystone Consolidated Pension Plan or the Keystone Consolidated Pension Plan Supplement for Keystone Group - Bartonville Salaried Employees as of October 31, 1982, with ten years of vesting service as of such date. Supplement A participants are entitled to a special "rule of 90" normal retirement date if the sum of their age, plus years of vesting service total 90 or more. They are also entitled to a special "30 and out" retirement benefit, providing an unreduced immediate benefit payable in the normal form or as an actuarially equivalent level retirement income benefit. Supplement B Applicable to former employees of the Company who were participants in Keystone Consolidated Pension Plan Supplement for National Lock Division (the "National Lock plan"), Chicago Heights Salaried Pension Plan (the "Chicago Heights plan") or Keystone Chicago Heights Pension Plan (the "Keystone Chicago plan") immediately prior to the merger of the National Lock plan, Chicago Heights plan and Keystone Chicago plan into the Plan effective as of July 1, 1986. All benefit accruals under the National Lock plan were frozen as of June 30, 1982. All benefit accruals under the Chicago Heights plan and the Keystone Chicago plan were frozen as of December 19, 1985.

B. FORMER KEYSTONE STEEL AND WIRE PENSION PLAN (Continued)

22.	Special provisions for certain groups (continued)	Supplement C Applicable to those participants in the plan who were participants in the Keystone Consolidated Industries, Inc. Salaried Pension Plan immediately prior to its merger with the Keystone Steel & Wire Pension Plan effective as of June 30, 1989. Supplement C participants are entitled to a special "rule of 90" normal retirement date if the sum of their age plus years of vesting service totals 90 or more. The "early retirement date" of a Supplement C participant who was first credited with an hour of service before July 1, 1986, is the first day of the calendar month coincident with or next following the date he retires on or after attaining age 60 years and completing ten years of vesting service, but only with respect to benefits accrued on or before June 30, 1989. These participants are also entitled to special disability and preretirement spouse's death benefits.
23.	Special Early Retirement Window	Employees listed in Appendix I of Plan are eligible for enhanced early retirement benefits. The enhanced benefit is equal to 150% of the pension income otherwise payable. Eligible employees must make election by November 17, 2000 and retire January 1, 2001.
24.	13 week Supplemental Benefit	Participants are entitled to a special initial pension payment equal to 13 weeks of pay received by the participant during the calendar year of retirement, payable the month following retirement, in lieu of three months of benefit payments.
25.	Changes since prior valuation	None.

C. FORMER SHERMAN WIRE PENSION PLAN

1.	Effective date of plan	Merger effective on September 27, 1996.
2.	Date last amended	October 16, 2005.
3.	Plan year	January 1 to December 31.
4.	Eligibility for participation	All permanent employees of the employer represented for purposes of collective bargaining by Local Lodge 2082 of the International Machinists and Aerospace Workers and employed at the facility in Sherman, Texas, become participants on their employment date.
5.	Years of vesting service	A plan year during which the employee completes 1,000 hours of service.
6.	Years of benefit service	A plan year during which the covered employee completes 1,000 hours of service.
7.	Normal retirement date	The first day of the month coincident with or following the attainment of age 65 and the fifth anniversary of the first day of the plan year in which participation commenced.
8.	Early retirement date	The first day of the month coincident with or following the attainment of age 60 with the combination of age and years of service equal to 85 or more
9.	Disability retirement date	The first day of the month coincident with or following retirement as a result of "total and permanent" disability after the completion of 15 years of vesting service.

C. FORMER SHERMAN WIRE PENSION PLAN (Continued)

10.	Accrued benefit	Monthly benefit equal to $8 times years of benefit service for a participant retiring on or after September 1, 1984, and before September 1, 1985. For participants retiring on or after September 1, 1985, and before September 1, 1986, a monthly benefit equal to $8.50 times years of benefit service. For participants retiring on or after September 1, 1986, and before September 1, 1987, a monthly benefit equal to $9 times years of benefit service. For participants retiring on or after September 1, 1987, and before March 1, 1991, a monthly benefit equal to $10 times years of benefit service. For participants retiring on or after March 1, 1991, a monthly benefit equal to $12 times years of benefit service. For participants retiring on or after April 16, 2000 and before October 15, 2005, a monthly benefit equal to $13 times years of benefit service. For participants retiring on or after October 16, 2005, and before October 15, 2006, a monthly benefit equal to $15.00 times years of benefit service. For participants retiring on or after October 16, 2006, and before October 15, 2007, a monthly benefit equal to $16.00 times years of benefit service. For participants retiring on or after October 16, 2007, a monthly benefit equal to $17.00 times years of benefit service. No more than 30 years of benefit service shall be considered.
11.	Normal retirement benefit	An amount equal to the accrued benefit payable monthly, and commencing at the normal retirement date.
12.	Late retirement benefit	An amount equal to the accrued benefit payable monthly, and commencing at the late retirement date, based upon benefit service to the late retirement date.

C. FORMER SHERMAN WIRE PENSION PLAN (Continued)

13. Early retirement benefit

The accrued benefit at date of termination reduced by the following factors for payments beginning prior to normal retirement date:

Retirement age	Percentage
64	8.16%
63	15.40%
62	21.86%
61	27.64%
60	32.82%

14. Disability retirement benefit

An amount equal to the accrued benefit payable monthly, and commencing at the disability retirement date, but no less than $25 per month.

15. Deferred vested benefits

Any participant employed on or after January 1, 1989, will be vested in his accrued benefit at termination prior to normal retirement after completion of five years or more of vesting service.

16. Preretirement spouses' death benefit

The vested portion of the accrued benefit that would have been payable to the surviving spouse, assuming the participant had separated from service on the date of death, survived to the early retirement date (if applicable), retired with an immediate 50% joint and survivor pension, then died the following day.

17. Normal form of benefit

If single, life only annuity; if married, qualified 50% joint and survivor annuity that is the actuarial equivalent of the life only annuity.

18. Optional forms of benefit

Married participants:

(i) Life annuity

(ii) Optional joint and survivor annuity options (75% or 100%)

19. Changes since prior valuation

None.

D. FORMER PRICE BROTHERS COMPANY PENSION PLAN #13 (EWP)

1.	Effective date of plan	Merger effective on June 1, 1999.
2.	Plan year	January 1 to December 31.
3.	Eligibility for participation	All employees of the employer covered by the collective bargaining agreement of Teamsters Local #40 and employed at Engineered Wire Products, Inc. become participants on their employment date.
4.	Year of vesting service	A plan year during which the employee completes 1,000 hours of service.
5.	Year of benefit service	A plan year during which the covered employee completes 1,710 hours of service, not to exceed 40 years. Partial credit is granted for less than 1,710 hours.
6.	Normal retirement date	The later of the first day of the month coincident with or following the attainment of age 65 and fifth anniversary of participation.
7.	Early retirement date	The first day of the month coincident with or following the attainment of age 55 and the completion of 15 years of vesting service.
8.	Disability retirement date	The first day of the month, six months after the plan administrator determines that the participant is disabled and the attainment of age 50 with the completion of 15 years of vesting service. Proof of social security disability payments or workers' compensation is required.
9.	Accrued benefit	Monthly benefit equal to $20 times years of benefit service for a participant retiring on or after December 1, 1998. No more than 40 years of benefit service shall be considered. The monthly benefit increases to $21 effective December 1, 1999, $22 effective December 1, 2001 and $27.50 effective January 1, 2006, $28 effective December 1, 2007 and $28.50 effective December 1, 2008.

D. FORMER PRICE BROTHERS COMPANY PENSION PLAN #13 (EWP) (Continued)

10.	Normal retirement benefit	An amount equal to the accrued benefit payable monthly, and commencing at the normal retirement date.
11.	Late retirement benefit	An amount equal to the accrued benefit payable monthly, and commencing at the late retirement date, based upon benefit service to the late retirement date.
12.	Early retirement benefit	The accrued benefit at date of termination reduced by one-fifteenth for each of the first five years and one-thirtieth for each of the next five years by which the payment date precedes the normal retirement date.
13.	Disability retirement benefit	An amount equal to the accrued benefit payable monthly, and commencing at the disability retirement date.
14.	Deferred vested benefits	Five years or more of vesting service required to be vested in accrued benefit, payable at normal retirement. Alternatively, may commence payments early reduced the same as early retirement benefit.
15.	Preretirement spouses' death benefit	The vested accrued benefit that would have been payable to the surviving spouse, assuming the participant had separated from service on the date of death, survived to the earliest retirement date (if applicable), retired with an immediate 50% joint and survivor pension, then died the following day.
16.	Normal form of benefit	If single, life annuity; if married, qualified 50% joint and survivor annuity that is the actuarial equivalent of life annuity.
17.	Optional forms of benefit	Life annuity, five or ten years certain and life, and 50% joint and survivor.
18.	Changes since prior valuation	Accrued Benefit Multiplier was updated to $28.50 effective December 1, 2008.

Schedule SB, Line 24 – Change in Actuarial Assumptions

Several of the other actuarial assumptions were updated for the 1/1/2009 valuation. The assumption changes were based on an experience study for the 5-year period through 12/31/2007 and are anticipated to better reflect future experience. Below are the changes in actuarial assumptions made at 1/1/2009.

1. Withdrawal Rates were updated.
2. Retirement Rates were updated for Bartonville and Steel & Wire (excluding EWP Salaried).

Schedule SB, Line 25 – Change in Method

The asset valuation method was changed from market value to a 2-year annual averaging method as set forth in IRS Notice 2009-22.

For funding and PBGC purposes, the plan sponsor elected to use the full yield curve for October of the prior year. For 2008, the plan sponsor had elected to use the 24 month three tier segment rates for September of the prior year.

Schedule SB, Line 26 – Schedule of Active Participant Data

The following table displays the distribution of active participants by age and service.

Age Group	Service Group 0-4	5-9	10-14	15-19	20-24	25-29	30+	Total
0 - 19	0	0	0	0	0	0	0	0
20 - 24	7	0	0	0	0	0	0	7
25 - 29	7	11	2	0	0	0	0	20
30 - 34	7	24	26	0	0	0	0	57
35 - 39	4	29	61	24	6	0	0	124
40 - 44	8	23	37	36	46	0	0	150
45 - 49	3	31	28	35	48	15	15	175
50 - 54	3	7	22	27	26	5	53	143
55 - 59	0	11	10	15	13	3	94	146
60 - 64	1	4	4	11	2	1	47	70
65+	0	1	4	0	1	1	4	11
Total	40	141	194	148	142	25	214	903

KEYSTONE EMPLOYEES' RETIREMENT PLAN

FINANCIAL STATEMENTS

December 31, 2008 and 2009

with

REPORT OF INDEPENDENT AUDITORS

KEYSTONE EMPLOYEES' RETIREMENT PLAN

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Report of Independent Auditors

To the Participants and Administrator of
Keystone Employees' Retirement Plan:

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Keystone Employees' Retirement Plan (the "Plan") at December 31, 2008 and 2009, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A Limited Liability Partnership
Certified Public Accountants

October 8, 2010
Arlington, Texas

KEYSTONE EMPLOYEES' RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2008 and 2009

	2008	**2009**
Assets - Investments in units of The Combined Master Retirement Trust, at fair value	$99,223,604	**$118,288,214**
Liabilities - fees payable	29,587	**36,000**
Net assets available for benefits	$99,194,017	**$118,252,214**

See accompanying notes to financial statements.

KEYSTONE EMPLOYEES' RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years ended December 31, 2007 and 2008

	2008	**2009**
Additions:		
Net appreciation in fair value of Units of The Combined Master Retirement Trust	$ -	**$ 21,694,874**
Interest and Other Income	4,939	**4,443**
Total additions	4,939	**21,699,317**
Deductions:		
Net depreciation in fair value of Units of The Combined Master Retirement Trust	112,987,681	**-**
Benefits to participants	2,112,330	**2,518,384**
Administrative expenses	87,309	**122,736**
Total deductions	115,187,320	**2,641,120**
Net increase (decrease) in net assets available for benefits	(115,182,381)	**19,058,197**
Net assets available for benefits:		
Beginning of year	214,376,398	**99,194,017**
End of year	$ 99,194,017	**$118,252,214**

See accompanying notes to financial statements.

KEYSTONE EMPLOYEES' RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

Note 1 - Description of Plan:

General. The following description of the Keystone Employees' Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

The Plan is a non-contributory defined benefit plan for certain employees of Keystone Consolidated Industries, Inc. ("Keystone") not covered by a collective bargaining agreement including those at the following divisions: Keystone Steel and Wire ("KSW") and the corporate office. The Plan also covers employees at the following subsidiaries: Sherman Wire Company (formerly DeSoto, Inc.) ("Sherman") and Engineered Wire Products, Inc. ("EWP"). In addition, the Plan covers bargaining unit employees at the KSW. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Contran Corporation ("Contran") beneficially owns approximately 51% of Keystone. Substantially all of Contran's outstanding voting stock is held by trusts established for the benefit of certain children and grandchildren of Mr. Harold C. Simmons, of which Mr. Simmons is sole trustee. Keystone may be deemed to be controlled by Contran and Mr. Simmons.

The Plan was amended in 2004 to state that no hourly or salaried employee hired after August 12,2004 could participate in the Plan.

Contributions. The contributions to the Plan are designed to fund at least the minimum required by ERISA. For the years ended December 31, 2008 and 2009, the Company made no contributions to the Plan due to the full funding limitations imposed by the Internal Revenue Code of 1986, as amended, (the "Code").

Pension benefits. All participants are 100% vested after five years of service, as defined, and are entitled to receive monthly pension benefits beginning at normal retirement date (generally age 65). A participant's benefits are calculated based upon a percentage of the participant's average monthly compensation, as defined. The percentage rate used depends on the section of the Plan covering the participant.

Benefit payment options available at the time of retirement are straight life annuity, 10-year certain annuity and joint and survivor annuity (100%, 75% and 50%). The Plan permits early retirement with reduced benefits, as specified in the Plan.

D*isability and death benefits.* The Plan includes provisions for disability and for survivor's benefits for beneficiaries of participants who die after completion of at least one year of service, as defined.

Plan termination. The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, in compliance with the provisions of ERISA. In the event the Plan is terminated, the accrued benefits of each participant would become fully vested to the extent funded. The net assets of the Plan, after providing for liquidation expenses, are to be allocated to participants and beneficiaries in accordance with Section 4044 of ERISA. To the extent unfunded vested benefits exist, ERISA provides that such benefits are payable to participants by the Pension Benefit Guaranty Corporation, subject to certain limitations.

Expenses of administering the Plan. The administrative expenses are paid by the Plan.

Tax status. The Plan has been amended since it obtained its latest "determination letter" from the Internal Revenue Service dated September 23, 2003. The Plan administrator believes the Plan is currently designed and operated in compliance with the applicable requirements of the Code. The Plan had no significant uncertain tax positions for the year ending December 31, 2009. The Plan's Annual Return/Report of Employee Benefit Plan is subject to examination by the IRS for three years from the date of filing.

Note 2 - Summary of significant accounting policies:

Basis of accounting. The financial statements of the Plan are prepared in accordance with accounting principles generally accepted in the United States of America.

Cash and cash equivalents. Cash equivalents consist principally of bank time deposits with original maturities of three months or less.

Payment of benefits. Benefits are recorded when paid.

Management estimates. The preparation of the Plan's 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, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results may, in some instances, differ from previously estimated amounts.

Risks and uncertainties. The actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements.

The Plan indirectly invests in a variety of stocks, bonds, fixed income securities, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. In addition, the Plan on occasion sells securities short which obligates the Plan to purchase securities in the future at the then market price. 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 Plan's statement of net assets available for benefits.

Note 3 - Investments:

General. Investments are stated at fair value. See below for discussion of fair value measurements. Net appreciation (depreciation) consisting of realized and unrealized gains and losses for the years ended December 31, 2008 and 2009 is reflected in the Plan's statements of changes in net assets available for benefits and is based on the value of assets at the beginning of the year or at the date of purchase during the year.

At December 31, 2008 and 2009, significantly all of the assets of the Plan were held and related investment transactions were executed by U.S. Bank National Association ("U.S. Bank") as Trustee of the Keystone Consolidated Industries, Inc. Master Retirement Trust II (the "Keystone Trust"). The Keystone Trust invests in units of The Combined Master Retirement Trust (the "Combined Trust"), a collective investment trust formed by Valhi, Inc. ("Valhi"), a majority-owned subsidiary of Contran. The Combined Trust provides

for the collective investment of part or all of the assets of various employee benefit plans maintained by Keystone and certain other Contran affiliated corporations (the "Qualified Plans"). Harold C. Simmons is the trustee of the Combined Trust and may be deemed to control Keystone, Contran and Valhi.

The Combined Trust consists of a (i) CMRT Subaccount which holds securities issued by Titanium Metals Corporation ("TIMET") for the benefit of certain of the Qualified Plans, (ii) CMRT Subaccount 2 which holds securities issued by Whitney International University System, LTD. for the benefit of certain of the Qualified Plans, (iii) CMRT Subaccount 3 which holds securities issued by Valhi for the benefit of certain of the Qualified Plans and (iv) CMRT Primary Subaccount, which holds all of the remaining assets of the Combined Trust for the benefit of all of the Qualified Plans.

Summarized financial information of the Combined Trust as of December 31, 2008 and 2009 and for the year then ended is presented below.

Statements of Net Assets	**December 31,**	
	2008	**2009**
Investments, at fair value:		
Securities:		
Common and preferred stocks	$ 299,679,506	**$ 398,401,575**
Mutual Funds	173,163,139	**145,014,399**
Limited partnerships	43,593,759	**46,350,198**
Corporate bonds and other fixed income securities	427,000	**927,000**
Real estate:		
Limited partnerships	6,494,266	**3,003,051**
Real estate mortgage notes	1,732,032	**1,605,739**
Cash and cash equivalents	10,579,173	**7,484,254**
Total investments	535,668,875	**602,786,216**
Accrued interest and dividends	221,420	**279,926**
Refundable income taxes	100,896	**-**
Other assets	65,193	**43,028**
Total assets	536,056,384	**603,109,170**
Liabilities:		
Payable for unsettled securities purchased	-	**1,500,000**
Accrued expenses	576,406	**-**
Net assets	$ 535,479,978	**$ 601,609,170**
Number of Combined Trust units outstanding:		
Primary Subaccount	600,825	**524,634**
Subaccount	95,569	**95,569**
Subaccount 2	201,826	**224,648**
Net asset value per Combined Trust unit:		
Primary Subaccount	$ 607.58	**$ 707.24**
Subaccount	$ 1,434.42	**$ 2,033.29**
Subaccount 2	$ 165.22	**$ 161.36**

Statements of Changes in Net Assets	December 31, 2008	**2009**
Investment activities:		
Interest and dividends	$ 8,350,963	**$ 10,756,538**
Partnership distributions and other	182,014	**230,849**
	8,532,977	**10,987,387**
Investment, administrative and other expenses	4,985,624	**765,835**
Income tax expense (refund)	-	**(8,594)**
Net investment income (loss)	3,547,353	**10,230,146**
Net realized and unrealized change in fair value of investments	(612,528,995)	**100,683,392**
Net increase (decrease) from investment activities	(608,981,642)	**110,913,538**
Unit transactions:		
Proceeds from issuance of units	5,363,105	**5,683,474**
Payments for redemption of units	(48,646,985)	**(50,467,820)**
Net decrease from unit transactions	(43,283,880)	**(44,784,346)**
Net increase (decrease) in net assets	(652,265,522)	**66,129,192**
Net assets at beginning of year	1,187,745,500	**535,479,978**
Net assets at end of year	$ 535,479,978	**$ 601,609,170**

At December 31, 2009, the Keystone Trust owned, for the benefit of the Plan, (i) 102,536 units or 19% of the CMRT Primary Subaccount’s total units (107,730 units or 18% at December 31, 2008), (ii) 19,118 units or 20% of the CMRT Subaccount’s total units (19,118 units or 20% at December 31, 2008), and (iii) 42,751 units or 19% of the CMRT Subaccount 2’s total units (38,408 units or 19% at December 31, 2008).

The Combined Trust's assets at December 31, 2008 and 2009 included 115,000 shares of Valhi common stock. In addition, at December 31, 2009 the Combined Trust’s assets included 15,434,604 shares of TIMET common stock (approximately 9% of TIMET’s common stock). The fair value of such TIMET common stock represented less than 25% and 32% of the Combined Trust's total assets at December 31, 2008 and 2009 respectively and 99% of the CMRT Subaccount’s total assets at December 31, 2008 and 2009 respectively.

Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures*, establishes a consistent framework for measuring fair value and beginning on January 1, 2008 this framework is generally applied to all financial statement items required to be measured at fair value. The standard requires fair value measurements to be classified and disclosed in one of the following three categories:

- *Level 1* – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- *Level 2* – Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the assets or liability; and
- *Level 3* – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable.

The asset 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 maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, the disclosures regarding the valuation methods and level of inputs utilized have been expanded. The adoption of this standard did not have a material effect on the Financial Statements.

The following table sets forth by level, within the fair value hierarchy of ASC Topic 820, *Fair Value Measurements and Disclosures*, the combined investments of the CMRT Primary Subaccount, the CMRT Subaccount and the CMRT Subaccount 2 at fair value as of December 31, 2008 and 2009.

	Fair Value at Reporting Date Using			
	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(In thousands)			
December 31, 2008:				
Securities:				
Common and preferred stocks	**$299,680**	**$252,818**	**$ 7,216**	**$39,646**
Mutual funds	**173,163**	**173,163**	**-**	**-**
Limited partnerships	**43,594**	**-**	**2,965**	**40,629**
Corporate bonds and other fixed income securities	**427**	**-**	**-**	**427**
Real estate:				
Limited partnerships	**6,494**	**-**	**-**	**6,494**
Real estate mortgage notes	**1,732**	**-**	**-**	**1,732**
Cash and cash equivalents	**10,579**	**10,579**	**-**	**-**
Total investments	**$535,669**	**$436,560**	**$10,181**	**$88,928**
December 31, 2009:				
Securities:				
Common and preferred stocks:				
Industrial Materials	**$238,342**	**$238,342**	**$ -**	**$ -**
Consumer Discretionary	**38,284**	**26,468**	**-**	**11,816**
Education	**37,373**	**1,126**	**-**	**36,247**
Information Technology	**25,035**	**25,035**	**-**	**-**
Foreign	**19,501**	**19,501**	**-**	**-**
Healthcare	**17,029**	**16,814**	**-**	**215**
Financial	**13,888**	**11,528**	**-**	**2,360**
Energy	**7,354**	**7,354**	**-**	**-**
Telecom Services	**1,595**	**1,595**	**-**	**-**
Total common and preferred stocks	**398,401**	**347,763**	**-**	**50,638**
Mutual funds:				
Fixed income funds	**123,655**	**123,655**	**-**	**-**
International funds	**18,591**	**18,591**	**-**	**-**
Growth funds	**2,769**	**2,769**	**-**	**-**
Total mutual funds	**145,015**	**145,015**	**-**	**-**
Limited partnerships	**46,350**	**-**	**4,163**	**42,187**
Corporate bonds and other fixed income securities	**927**	**-**	**-**	**927**
Real estate:				
Limited partnerships	**3,003**	**-**	**-**	**3,003**
Real estate mortgage notes	**1,606**	**-**	**-**	**1,606**
Cash and cash equivalents	**7,484**	**7,484**	**-**	**-**
Total investments	**$602,786**	**$500,262**	**$4,163**	**$98,361**

The following is a description of the valuation methodologies used for investments measured at fair value.

Common and preferred stocks: Investments that are valued at the closing price reported on the active market on which the individual securities are traded are classified within Level 1. Investments that trade in markets that are not considered to be active, but are valued based on third party valuations supported by observable inputs, are classified within Level 2. Investments that trade infrequently or not at all, but are valued based on original transaction price, forecasted operating results and other unobservable inputs, are classified within Level 3.

Mutual funds: Investments are valued at the net asset value reported on the active market at December 31, 2009, thus are classified within Level 1.

Securities - Limited partnerships: Investments classified within Level 2 are valued at the closing price reported on the active market on which the individual securities are traded adjusted for contractual obligations. Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not all. The selection of appropriate valuation techniques varies by investment and may be affected by the availability of relevant inputs as well as the relative reliability of inputs. The inputs used in estimating the value of Level 3 investments may include the original transaction price, length of time since investment was made, recent transactions in the same or similar instruments, recapitalizations and other capital structure transactions, subsequent rounds of financing, completed or pending third-party transactions in the investment or comparable issuers, offerings in the equity or debt capital markets, the values of similar securities issued by companies in the same or similar businesses, the financial condition and operating results of business, forecasted operating results, changes in financial ratios or cash flows, assumptions made by the limited partnerships, and other unobservable inputs. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

Corporate bonds and other fixed income securities: Investments that trade infrequently or not at all, but are valued based on original transaction price and other unobservable inputs, are classified within Level 3.

Real estate: Limited partnerships classified within Level 3 are valued based on third party valuations adjusted for contractual obligations and the partnership’s analysis of current market conditions. Real estate mortgage notes are valued based on the Developer’s estimate of actual and projected sales for the projects.

Cash and cash equivalents: Investments are valued at the net asset value of $1.00 per share at December 31, 2009 based on frequent transactions in 2009, in which the net asset value was $1.00 in all transactions.

The following table sets forth a summary of changes in the fair value of the combined level 3 assets of the CMRT Primary Subaccount, the CMRT subaccount and the CMRT Subaccount 2 for the year ended December 31, 2008 and 2009.

	Level 3 Assets					
		Securities		Real estate		
	Total	Common and Preferred Stock	Limited partnerships	Corporate bonds	Limited partnerships	Mortgage notes
	(In thousands)					
Level 3 fair value at January 1, 2008:	$ 510,300	$31,060	$ 463,914	$427	$13,014	$1,885
Realized gains, net	32,192	-	31,965	-	-	227
Unrealized losses, net	(285,522)	8,586	(287,128)	-	(6,827)	(153)
Purchases and sales, net	(168,042)	-	(168,122)	-	307	(227)
Level 3 fair value at December 31, 2008:	88,928	39,646	40,629	427	6,494	1,732
Realized gains, net	19	-	19	-	-	-
Unrealized losses, net	(11,782)	(4,524)	(3,519)	-	(3,613)	(126)
Purchases and sales, net	9,380	3,700	5,058	500	122	-
Transfer into Level 3 (a)(b)	11,816	11,816	-	-	-	-
Level 3 fair value at December 31, 2009	$ 98,361	$50,638	$ 42,187	$927	$ 3,003	$1,606

(a) Transferred from Level 2 to Level 3 because of lack of 3rd party valuations.

Note 4 - Actuarial present value of accumulated benefits:

Accumulated benefits are those estimated future payments that are attributable under the Plan's provisions to the services employees have rendered. Accumulated benefits include benefits expected to be paid to (i) retired and terminated participants or their spouses, (ii) spouses of deceased participants, and (iii) active participants or their spouses. Benefits payable under all circumstances (retirement, death, disability and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated benefits is determined by independent actuaries and is the amount that results from applying actuarial assumptions to adjust the accumulated benefits 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. Actual valuations are determined at January 1 of each Plan year.

The significant actuarial assumptions used in the valuations as of December 31, 2008 and 2009 were: (i) life expectancy of participants - the RP 2000 Combined Mortality Table for Males and Females with Blue Collar Adjustment; (ii) retirement age assumption - ranging from age 50 to 65, if eligible, otherwise age 65; (iii) assumed average rates of return on investments – 8.5%; (iv) employee turnover withdrawal table consistent with the Employer's expected experience; disability - none. The foregoing assumptions were based on the presumption 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.

In 2005, the interest assumptions for determination of current liability were modified to comply with requirements of the Internal Revenue Code and the retirement age assumption was changed for one of the groups covered by the Plan. Additionally, the Plan was amended to increase the benefit factor for Sherman Wire participants.

The actuarial present value of accumulated benefits at December 31, 2008 and 2009 and the changes in the actuarial present value of accumulated benefits for the year then ended are summarized below.

	December 31, 2008	**2009**
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving Payments	$20,748,540	**$26,224,454**
Other participants	52,550,581	**53,609,177**
	73,299,121	**79,833,631**
Nonvested benefits	119,871	**53,405**
Total actuarial present value of accumulated plan benefits	$73,418,992	**$79,877,036**
Actuarial present value of accumulated plan benefits at beginning of year	$65,113,852	**$73,418,992**
Change during the year attributable to:		
Net benefits accumulated and experience	4,178,096	**2,850,663**
Increase for interest	5,534,677	**6,240,614**
Change in actuarial assumptions	771,982	**-**
Change in Plan provisions	20,658	**-**
Benefits paid to participants adjusted For interest	(2,200,273)	**(2,623,233)**
Net increase	8,305,140	**6,468,044**
Actuarial present value of accumulated plan benefits at end of year	$73,418,992	**$79,887,036**

Benefits paid above are different than the amount reported in the Plan's financial statements due to certain timing differences related to benefit payments.

Note 5 – Recent Accounting Pronouncements:

The FASB Accounting Standards Codification – In June 2009, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("FAS") No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles* – a replacement of FASB Statement No. 162, and also issued Accounting Standards No. 2009-01, *Generally Accepted Accounting Principles* (ASC Topic 105-10), which establishes the FASB Accounting Standards Codification ("Codification" or "ASC") as the official single source of authoritative U.S. generally accepted accounting principles ("GAAP"). All guidance contained in the Codification carries an equal level of authority. All existing accounting standards are superseded. All other accounting guidance not included in the Codification will be considered non-authoritative. The Codification is not intended to change GAAP, but it will change the way GAAP is organized and presented. The Codification is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The Plan adopted this statement during the year ended December 31, 2009. Except for the disclosure requirements, the adoption of this statement did not have an impact on the determination or reporting of the Plan's financial statements.

Uncertain Tax Positions – In July 2006, the FASB issued Interpretation ("FIN") 48, *Accounting for Uncertainty in Income Taxes* – an Interpretation of SFAS 109 ("ASC 740"). The interpretation is effective for years beginning after December 15, 2008 and clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS 109, Accounting for Income Taxes. It prescribes a recognition threshold and measurement attribute for financial statement disclosure of tax positions taken or expected to be taken on a tax return. The Plan adopted this interpretation during the year ended December 31, 2009. The adoption of this interpretation did not have an impact on the Plan's financial statements.

Subsequent Events – In May 2009, the FASB issued SFAS No. 165, *Subsequent Events,* which is now included with ASC Topic 855 *Subsequent Events* which was subsequently amended by Accounting Standards Update 2010-09. SFAS No. 165 establishes general standards of accounting for and disclosure of events that occur after the statement of net assets available for benefits date but before financial statements are issued or available to be issued, which are referred to as subsequent events. The statement clarifies existing guidance on subsequent events including the determination of when the effects of subsequent events should be recognized in the financial statements and disclosures regarding all subsequent events. The statement also requires us to disclose the date through which we have evaluated subsequent events. We have evaluated subsequent events through October 8, 2010, the date these Financial Statements were available to be issued.

KEYSTONE EMPLOYEES' RETIREMENT PlAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2009

Description of Investments	Fair Value
Combined Master Retirement Trust Primary Subaccount*	**$72,517,222**
Combined Master Retirement Trust Subaccount*	**38,872,761**
Combined Master Retirement Trust Subaccount 2*	**6,898,231**
	$118,288,214

* Investment in a "Party-in-interest" entity, as defined by ERISA

Attachment to 2009 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name KEYSTONE EMPLOYEES RETIREMENT PLAN **EIN:** 37-0364250
Plan Sponsor's Name KEYSTONE CONSOLIDATED IND., INC. **PN:** 005

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	COMBINED MASTER RET TRUST	COMBINED MASTER RETIREMENT TRUST	31,741,566	72,517,222
*	COMBINED MASTER RET SUBTRUST	COMBINED MASTER RETIREMENT SUBTRUST	8,636,350	38,872,761
*	COMBINED MASTER RET SUBTRUST 2	COMBINED MASTER RETIREMENT SUBTRUST	4,557,951	6,898,231