

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>DRESSER, INC. RETIREMENT & SAVINGS PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>04/10/2001</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>04/10/2001</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>04/10/2001</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>DRESSER, INC.</u> <u>15455 DALLAS PARKWAY, SUITE 1100</u> <u>DALLAS, TX 75001</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>75-2795365</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>972-361-9829</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>333200</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>75-2795365</u>	2c Sponsor's telephone number <u>972-361-9829</u>	2d Business code (see instructions) <u>333200</u>	
2b Employer Identification Number (EIN) <u>75-2795365</u>					
2c Sponsor's telephone number <u>972-361-9829</u>					
2d Business code (see instructions) <u>333200</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	MARY WAGNER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") DRESSER, INC. 15455 DALLAS PARKWAY, SUITE 1100 DALLAS, TX 75001	3b Administrator's EIN 75-2795365 3c Administrator's telephone number 972-361-9829
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	2800
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	2013
b Retired or separated participants receiving benefits.....	6b	4
c Other retired or separated participants entitled to future benefits.....	6c	615
d Subtotal. Add lines 6a , 6b , and 6c	6d	2632
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	1
f Total. Add lines 6d and 6e	6f	2633
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	2475
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	253

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K 2S 2T

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan DRESSER, INC. RETIREMENT & SAVINGS PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 DRESSER, INC.		D Employer Identification Number (EIN) 75-2795365

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
THE VANGUARD GROUP, INC.
23-1945930

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

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

THE VANGUARD GROUP, INC.

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 16 26 37 52	NONE	108108	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

IVINS PHILLIPS AND BARKER CHARTERED

52-1229560

(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?
29	NONE	13073	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

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

HUSELTON MORGAN & MAULTSBY PC

75-2409112

(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	12615	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

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

TOWERS PERRIN

23-1159360

(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?
16	NONE	12891	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

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

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <u>01/01/2009</u> and ending <u>12/31/2009</u>		
A Name of plan <u>DRESSER, INC. RETIREMENT & SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DRESSER, INC.</u>	D Employer Identification Number (EIN) <u>75-2795365</u>	

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)	452050	516268
(2) Participant contributions	1b(2)	24710	393302
(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)	4800634	4392937
(9) Value of interest in common/collective trusts	1c(9)	45359348	47317874
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	110427159	142929400
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	161063901	195549781

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	161063901	195549781
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	6244995	
(B) Participants	2a(1)(B)	12977845	
(C) Others (including rollovers)	2a(1)(C)	575154	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		19797994

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)	289241	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		289241

(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)	3233365	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		3233365

(3) Rents	2b(3)		
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(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)		2897299
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		25395620
c Other income.....	2c		7585
d Total income. Add all income amounts in column (b) and enter total.....	2d		51621104

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	17000362	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	4283	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		17004645
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	134699	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		134699
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		17139344

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		34481760
l Transfers of assets:			
(1) To this plan.....	2l(1)		4768
(2) From this plan	2l(2)		648

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: HUSELTON, MORGAN AND MAULTSBY, LLC

(2) EIN: 75-2409112

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
DRESSER, INC. SAVINGS PLAN	75-2795365	005

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

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

A Name of plan <u>DRESSER, INC. RETIREMENT & SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DRESSER, INC.</u>	D Employer Identification Number (EIN) <u>75-2795365</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>23-2186884</u> Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3

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

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

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

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

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

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

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

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Independent Auditors' Report

To the Participants and Benefits
Committee of the Dresser, Inc. Retirement and Savings Plan – Plan 001

We were engaged to audit the accompanying statements of net assets available for benefits of the Dresser, Inc. Retirement and Savings Plan – Plan 001 (the "Plan") as of December 31, 2009 and 2008 and the related statement of changes in net assets available for benefits for the year ended December 31, 2009 and the supplemental information included with Schedule H of Internal Revenue Service Form 5500 as of and for the year ended December 31, 2009. These financial statements and supplemental information are the responsibility of the Plan's Benefits Committee.

As permitted by 29CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan sponsor instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3 and 4, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental information. We have been informed by the plan sponsor that the trustee holds the Plan's investment assets and executes investment transactions. The plan sponsor has obtained a certification from the trustee as of December 31, 2009 and 2008 and for the year ended December 31, 2009, that the information provided to the plan sponsor by the trustee is complete and accurate.

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

Sucellton, Morgan + Maultsky, P.C.

Dallas, Texas
October 8, 2010

DRESSER, INC. RETIREMENT AND SAVINGS PLAN

PLAN 001

Financial Statements

For the Years Ended December 31, 2009 and 2008

and Supplemental Information Included

with Schedule H of Internal Revenue Service Form 5500

For the Year Ended December 31, 2009

with

Independent Auditors' Report

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Independent Auditors' Report

To the Participants and Benefits
Committee of the Dresser, Inc. Retirement and Savings Plan – Plan 001

We were engaged to audit the accompanying statements of net assets available for benefits of the Dresser, Inc. Retirement and Savings Plan – Plan 001 (the "Plan") as of December 31, 2009 and 2008 and the related statement of changes in net assets available for benefits for the year ended December 31, 2009 and the supplemental information included with Schedule H of Internal Revenue Service Form 5500 as of and for the year ended December 31, 2009. These financial statements and supplemental information are the responsibility of the Plan's Benefits Committee.

As permitted by 29CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan sponsor instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3 and 4, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental information. We have been informed by the plan sponsor that the trustee holds the Plan's investment assets and executes investment transactions. The plan sponsor has obtained a certification from the trustee as of December 31, 2009 and 2008 and for the year ended December 31, 2009, that the information provided to the plan sponsor by the trustee is complete and accurate.

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

Sucellton, Morgan + Maultsky, P.C.

Dallas, Texas
October 8, 2010

DRESSER, INC. RETIREMENT AND SAVINGS PLAN

PLAN 001

Statements of Net Assets Available For Benefits

December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets		
Investments in registered investment companies, at fair value	\$ 142,929,400	\$ 110,427,159
Investments in common collective trust, at fair value	47,317,874	45,359,348
Loans to participants	4,392,937	4,800,634
Contributions receivable		
Participants	393,302	24,710
Employer	<u>516,268</u>	<u>452,050</u>
Net assets reflecting all investments at fair value	195,549,781	161,063,901
Adjustment from fair value to contract value for fully benefit responsive investment contracts in common collective trust	<u>(927,801)</u>	<u>611,411</u>
Net assets available for benefits	<u>\$ 194,621,980</u>	<u>\$ 161,675,312</u>

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

DRESSER, INC. RETIREMENT AND SAVINGS PLAN

PLAN 001

Statement of Changes in Net Assets Available For Benefits

For the Year Ended December 31, 2009

Additions to net assets attributed to	
Investment income	
Net appreciation of investments (contract value)	\$ 25,395,620
Interest and dividend income, investments	4,591,452
Interest income, loans to participants	289,241
Other income	7,585
Total investment income	<u>30,283,898</u>
Contributions	
Participants	12,977,845
Employer	6,244,995
Rollovers	575,154
Total contributions	<u>19,797,994</u>
Total additions	<u>50,081,892</u>
Deductions from net assets attributed to	
Benefits paid to participants	17,000,362
Administrative expenses	138,982
Total deductions	<u>17,139,344</u>
Net increase	32,942,548
Net assets available for benefits	
Beginning of year	161,675,312
Assets transferred in	4,768
Assets transferred out	(648)
End of year	<u>\$ 194,621,980</u>

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

DRESSER, INC. RETIREMENT AND SAVINGS PLAN

PLAN 001

NOTES TO FINANCIAL STATEMENTS

December 31, 2009 and 2008

1. DESCRIPTION OF THE PLAN

The following description of the Dresser, Inc. Retirement and Savings Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a salary deferral savings plan, which was adopted on April 10, 2001, contemporaneously with a leveraged recapitalization of Dresser, Inc., (the "Company") that affected the Company's spin-off from Halliburton Company. Dresser, Inc. established the Dresser, Inc. Retirement and Savings Plan to continue as a successor to a comparable plan offered to certain Halliburton employees prior to the spin-off. Dresser, Inc. employees are eligible to participate in the Plan upon their commencement date or the date they become an eligible employee of Dresser, Inc. The Plan was established in accordance with Section 401(a) of the Internal Revenue Code ("IRC") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Plan Administration

Vanguard Fiduciary Trust Company ("Trustee") is the trustee and record keeper of the Plan.

Contributions

Non-highly compensated employees, as defined by the Plan, may elect to defer up to 75 percent of eligible compensation, and highly compensated employees, as defined by the Plan, may elect to defer up to 15 percent of eligible compensation. Pretax contributions are limited by law up to the maximum contributions under Section 402(g) of the IRC.

Participants who have attained the age of 50 before the close of the plan year may make additional pretax "catch-up" contributions in accordance with Section 414(v) of the IRC. Participant catch-up contributions are eligible for employer matching contributions.

For each payroll period, the employer shall contribute to the Plan, as employer matching contributions, an amount which equals 100 percent of the sum of the tax deferred savings contributions and the after-tax savings contributions made by the participant to the extent that such sum is not in excess of 4 percent of the participant's compensation for the period. Additionally, for each plan year, the employer may contribute to the Plan, a discretionary employer profit sharing contribution.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's matching contribution and (b) plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant investment earnings or account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Investment Options

Participants may direct their contributions and any related earnings into any of the twenty-five investment funds or a combination of the twenty-five funds.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. The Company's contribution portion of their accounts plus actual earnings thereon is 100 percent vested upon the occurrence of any of the following events: completion of one year of service; attaining age 65; total disability while employed by the Company or death while employed by the Company. In addition, participants who were actively employed by Dresser, Inc. on April 10, 2001 became 100 percent vested in the Company's contribution portion of their accounts plus actual earnings thereon as of that date.

Loans to Participants

Participants or beneficiaries may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 (less the highest outstanding loan balance) or 50 percent of their account balance. The loans to participants are secured by the balance in the participant's account and they bear interest at a rate equal to the prime rate of interest as of the first day of each month in which the loan is approved, plus 1 percent. Loans to participants are required to be repaid within five years (primary residence loans may be extended further as determined at the time the loan is made) through payroll deductions.

Payment of Benefits

The participant or beneficiary may elect to receive a distribution upon retirement, termination, disability, or death. Any distribution provided by the Plan is paid by the Trustee directly to the participant or in the form of a direct rollover, to another qualified plan, or an Individual Retirement Account. Prior to August 15, 2001, all distributions were made in lump-sum amounts or in periodic installments, as elected by the participant, up to the value of the funds allocated to the account of the participant. Effective August 15, 2001, all distributions are made in lump sum amounts up to the value of the funds allocated to the account for the participant. The participant may elect to receive an in-service withdrawal upon attaining the age of 59 ½ or in the event of financial hardship. Special rules apply to a withdrawal due to financial hardship.

Forfeited Accounts

In the event a participant's employment is terminated because of reason other than death, disability or retirement, all rights to unvested employer contributions made on behalf of the participant shall be forfeited and revert to the Company. Forfeitures can be used to pay expenses of the Plan or to reduce employer contributions. At December 31, 2009 and 2008, forfeited non-vested accounts total \$45,668 and \$58,381, respectively. Amounts forfeited for the year ended December 31, 2009 total \$44,640. A portion of forfeitures was used to pay expenses of the Plan, but no forfeitures were used to offset employer contributions for the year ended December 31, 2009.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies, which conform with accounting principle generally accepted in the United States of America, have been used consistently in the preparation of the Plan's financial statements.

Basis of Accounting

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

Use of Estimates

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

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 11 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. Loans to participants are valued at cost, which approximates fair value.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Payment of Benefits

Benefit payments are recorded when paid.

Operating Expenses

Certain administrative expenses of the Plan are paid directly to the Trustee by the Company. The Plan is not liable to the Company for expenses paid on its behalf.

Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, management has reviewed subsequent events through October 8, 2010 the date the financial statements were available to be issued and no subsequent events were identified.

Investment in The Vanguard Retirement Savings Trust ("VRST")

The VRST is a collective investment trust established on July 1, 2001, under Section 404 of the Pennsylvania Banking Code. The Trust provides for the collective investment of assets of tax-exempt pension and profit-sharing plans, primarily in a pool of investment contracts that are issued by insurance companies and commercial banks and in contracts that are backed by high-quality bonds, bond trusts, and bond mutual funds that are selected by the Trustee. The issuers' ability to meet these obligations may be affected by economic developments in their respective companies and industries.

The average yields were approximately 3.29 percent and 4.59 percent for the years ended 2009 and 2008, respectively. The overall average credit quality of the VRST's investment are Aa1 as rated by Moody's Investors Service and AA+ as rated by Standard and Poor's Corporation as of December 31, 2009. Additional disclosures as required by the Financial Accounting Standards Board Staff Position related to VRST's schedule of investments, sensitivity analysis, performance, and other criteria are included in the footnotes of VRST's audited financial statements which can be found on the Trustee's website and obtained through the Plan's sponsor.

Financial Accounting Standards Board Update

In September 2010 the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans* (the "Update"). The amendments in the Update should be applied retrospectively to all prior periods presented, effective for fiscal years ending after December 15, 2010, with early adoption permitted. The Update requires loans to participants, currently classified as investments, to be classified as notes receivable from participants and segregated from plan investments. The Plan's management has decided not to adopt the Update as of December 31, 2009 and as of the date of these financial statements has not assessed completely how the Update will affect the Plan.

3. INFORMATION CERTIFIED BY VANGUARD

The following investments and earnings thereon were certified to by the trustee of the Plan's investment assets to be complete and accurate as of and for the years ended December 31, 2009 and 2008. Investments marked with an "*" represent 5 percent or more of net assets at December 31, 2009 and 2008.

	December 31, 2009	December 31, 2008
	Fair Value	Fair Value
Vanguard Retirement Savings Trust **	* \$ 46,390,073	* \$ 45,970,759
Vanguard Windsor II Fund Investor Shares	* 25,682,165	* 22,146,100
Vanguard 500 Index Fund Investor Shares	* 21,384,350	* 16,296,553
Vanguard Wellington Fund Investor Shares	* 18,378,596	* 15,408,557
Vanguard Total Bond Market Index Fund	* 18,243,254	* 18,034,411
Other investments	59,241,035	38,541,538
Loans to participants	4,392,937	4,800,634
Total investments, as certified	193,712,410	161,198,552
Adjustment from contract value to fair value	927,801	(611,411)
Total investments, at fair value	\$ 194,640,211	\$ 160,587,141
Earnings on related investments:		
Net appreciation of investments as certified	\$ 25,395,620	
Interest and dividends	\$ 4,591,452	
Interest on loans to participants	\$ 289,241	
Other income	\$ 7,585	

4. NET CHANGE IN CONTRACT VALUE

During 2009, the Plan's Vanguard investments (including investments sold and held during the year) appreciated in value as follows:

Realized gain	\$ 1,181,312
Unrealized gain	24,214,308
Total net appreciation of investments as certified **	\$ 25,395,620

** Trustee certified at contract value

5. ASSETS TRANSFERRED IN AND OUT

The transfers in to and out of the Plan in 2009 are the result of participants transferring between the Dresser, Inc. Retirement and Savings Plan, Plan 001 and the Dresser, Inc. Savings Plan, Plan 005.

6. RELATED PARTY TRANSACTIONS

Certain plan investments are shares of mutual funds managed by an affiliate of the Trustee. The Trustee acts as a trustee for only these investments as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services amounted to \$93,658 for the year ended December 31, 2009.

7. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the plan document to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants would become 100 percent vested in their employer contributions.

8. TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated January 27, 2003, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter, the Plan's sponsor and trustee believe the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

9. RISK AND UNCERTAINTIES

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

10. INACTIVE PARTICIPANTS WITH ACCOUNT BALANCES

At December 31, 2009 and 2008, the market value of the accounts held by participants who have separated from employment with the plan sponsor total \$46,150,350 and \$34,294,392, respectively. For the year ended December 31, 2009, no participants requested distributions that had not been paid.

11. FAIR VALUE MEASUREMENT

FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical

assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

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

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

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

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

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

Investments in registered investment companies: Valued at quoted market prices in an active market which represent the net asset value of shares held by the Plan at year-end.

Investments in common collective trusts: Valued at the proportional share of the net asset value of the underlying investments at year-end.

Loans to participants: Valued at amortized cost, which approximates fair value.

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

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

Assets at Fair Value as of December 31, 2009				
	Level 1	Level 2	Level 3	Total
Investments in registered investment companies	\$ 142,929,400	\$ -	\$ -	\$ 142,929,400
Investments in common collective trust:				
Investments	5,850,345	41,439,754	-	47,290,099
Wrap contracts	-	13,339	14,436	27,775
Loans to participants	-	-	4,392,937	4,392,937
Total assets at fair value	<u>\$ 148,779,745</u>	<u>\$ 41,453,093</u>	<u>\$ 4,407,373</u>	<u>\$ 194,640,211</u>

Assets at Fair Value as of December 31, 2008				
	Level 1	Level 2	Level 3	Total
Investments in registered investment companies	\$ 110,427,159	\$ -	\$ -	\$ 110,427,159
Investments in common collective trust:				
Investments	4,770,298	40,565,490	-	45,335,788
Wrap contracts	-	23,560	-	23,560
Loans to participants	-	-	4,800,634	4,800,634
Total assets at fair value	<u>\$ 115,197,457</u>	<u>\$ 40,589,050</u>	<u>\$ 4,800,634</u>	<u>\$ 160,587,141</u>

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

Level 3 Assets		
Year Ended December 31, 2009		
	Loans to participants	Wrap contracts
Balance, beginning of year	\$ 4,800,634	\$ -
Realized gains/(losses)	-	-
Purchases, sales, issuances and settlements (net)	(407,697)	14,436
Balance, end of year	<u>\$ 4,392,937</u>	<u>\$ 14,436</u>

12. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	2009	2008
Net assets available for benefits per financial statements	\$ 194,621,980	\$ 161,675,312
Plus		
Adjustment from fair value to contract value for fully benefit responsive investment contract	927,801	
Less		
Adjustment from fair value to contract value for fully benefit responsive investment contract	-	(611,411)
Net assets available for benefits per Form 5500	<u>\$ 195,549,781</u>	<u>\$ 161,063,901</u>

For the year ended December 31, 2009, there is a difference between the total increase reported in the Statement of Changes in Net Assets Available for Benefits, on the financial statements, and the Form 5500. The difference is comprised of the following:

Net increase in net assets available for benefits per financial statements	\$ 32,942,548
Plus	
Adjustment from fair value to contract value for fully benefit responsive investment contract	927,801
Reversal of 2008 adjustment from fair value to contract value for fully benefit responsive investment contract	<u>611,411</u>
Net increase in net assets available for benefits per Form 5500	<u><u>\$ 34,481,760</u></u>

**Supplemental Information Included with Schedule H
of Internal Revenue Service Form 5500
As of and For the Year Ended December 31, 2009**

DRESSER, INC. RETIREMENT AND SAVINGS PLAN
PLAN NUMBER:
001
EIN:
75-2795365
Schedule of Assets Held for Investment Purposes At End of Year 2009
Attachment for Schedule H, Part IV, Question 4(i)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower lessor, or similar party	Description of investments including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value
*	Vanguard Retirement Savings Trust	Common/Collective Trust	\$ -	\$ 46,390,073
*	Vanguard Windsor II Fund Inv	Registered Investment Company	-	25,682,165
*	Vanguard Total Bond Mkt Index	Registered Investment Company	-	18,243,254
*	Vanguard 500 Index Inv	Registered Investment Company	-	21,384,350
*	Vanguard Wellington Inv	Registered Investment Company	-	18,378,596
*	Vanguard Total Int'l Stock Idx	Registered Investment Company	-	8,301,558
*	Vanguard Explorer Fund	Registered Investment Company	-	6,612,538
*	Vanguard Int'l Growth Fund	Registered Investment Company	-	7,874,704
*	Vanguard Sm-Cap Index Inv	Registered Investment Company	-	6,145,509
*	Davis New York Venture	Registered Investment Company	-	4,114,847
*	Vanguard Target Retirement 2015	Registered Investment Company	-	4,474,178
*	Vanguard U.S. Growth	Registered Investment Company	-	4,197,776
*	Vanguard Balanced Ix Inv	Registered Investment Company	-	3,291,805
*	Vanguard Target Retirement 2025	Registered Investment Company	-	2,861,091
*	Vanguard Morgan Growth Inv	Registered Investment Company	-	2,714,388
*	Vanguard Target Retirement 2035	Registered Investment Company	-	2,875,027
*	Vanguard Target Retirement 2045	Registered Investment Company	-	1,599,846
*	Vanguard Target Retirement Inc	Registered Investment Company	-	700,736
*	Vanguard Target Retirement 2020	Registered Investment Company	-	1,021,299
*	Vanguard Target Retirement 2050	Registered Investment Company	-	283,580
*	Vanguard Target Retirement 2005	Registered Investment Company	-	278,594
*	Vanguard Target Retirement 2030	Registered Investment Company	-	898,616
*	Vanguard Target Retirement 2010	Registered Investment Company	-	554,218
*	Vanguard Target Retirement 2040	Registered Investment Company	-	394,425
*	Vanguard Prime Money Mkt	Registered Investment Company	-	46,300
*	Loans to participants	4.25% - 9.50%	-	4,392,937
Total assets held for investment purposes			\$ -	\$ 193,712,410

* Party-in-interest

DRESSER, INC. RETIREMENT AND SAVINGS PLAN

PLAN NUMBER: 001
EIN: 75-2795365

Schedule of Reportable Transactions At End of Year 2009
Attachment for Schedule H, Line 4j

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset (include interest rate and maturity in the case of a loan)	Purchase Price	Selling Price	Historical Cost of Asset	Current Value of Asset on Transaction Date	Historical Gain (Loss)
The Vanguard Group	Vanguard 500 Index Inv	\$ 4,337,879			\$ 4,937,879	
The Vanguard Group	Vanguard 500 Index Inv		\$ 4,036,118	\$ 4,761,608	\$ 4,036,118	\$ (725,491)
The Vanguard Group	Vanguard Total Bd Mkt Indx Inv	\$ 5,473,886			\$ 5,473,886	
The Vanguard Group	Vanguard Total Bd Mkt Indx Inv		\$ 5,563,283	\$ 5,481,221	\$ 5,563,283	\$ 82,062
The Vanguard Group	Vanguard Retire Savings Trust	\$ 11,689,227			\$ 25,087,368	
The Vanguard Group	Vanguard Retire Savings Trust		\$ 11,269,912	\$ 11,269,912	\$ 11,269,912	\$ -

DRESSER, INC. RETIREMENT AND SAVINGS PLAN
PLAN NUMBER:
001
EIN:
75-2795365
Schedule of Assets Held for Investment Purposes At End of Year 2009
Attachment for Schedule H, Part IV, Question 4(i)

(a)	(b)	(c)	(d)	(e)
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*	Vanguard Wellington Inv	Registered Investment Company	-	18,378,596
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*	Vanguard Explorer Fund	Registered Investment Company	-	6,612,538
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*	Vanguard Sm-Cap Index Inv	Registered Investment Company	-	6,145,509
*	Davis New York Venture	Registered Investment Company	-	4,114,847
*	Vanguard Target Retirement 2015	Registered Investment Company	-	4,474,178
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*	Vanguard Target Retirement Inc	Registered Investment Company	-	700,736
*	Vanguard Target Retirement 2020	Registered Investment Company	-	1,021,299
*	Vanguard Target Retirement 2050	Registered Investment Company	-	283,580
*	Vanguard Target Retirement 2005	Registered Investment Company	-	278,594
*	Vanguard Target Retirement 2030	Registered Investment Company	-	898,616
*	Vanguard Target Retirement 2010	Registered Investment Company	-	554,218
*	Vanguard Target Retirement 2040	Registered Investment Company	-	394,425
*	Vanguard Prime Money Mkt	Registered Investment Company	-	46,300
*	Loans to participants	4.25% - 9.50%	-	4,392,937
Total assets held for investment purposes			\$ -	\$ 193,712,410

* Party-in-interest

DRESSER, INC. RETIREMENT AND SAVINGS PLAN

PLAN NUMBER: 001
EIN: 75-2795365

Schedule of Reportable Transactions At End of Year 2009
Attachment for Schedule H, Line 4j

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset (include interest rate and maturity in the case of a loan)	Purchase Price	Selling Price	Historical Cost of Asset	Current Value of Asset on Transaction Date	Historical Gain (Loss)
The Vanguard Group	Vanguard 500 Index Inv	\$ 4,337,879			\$ 4,937,879	
The Vanguard Group	Vanguard 500 Index Inv		\$ 4,036,118	\$ 4,761,608	\$ 4,036,118	\$ (725,491)
The Vanguard Group	Vanguard Total Bd Mkt Indx Inv	\$ 5,473,886			\$ 5,473,886	
The Vanguard Group	Vanguard Total Bd Mkt Indx Inv		\$ 5,563,283	\$ 5,481,221	\$ 5,563,283	\$ 82,062
The Vanguard Group	Vanguard Retire Savings Trust	\$ 11,689,227			\$ 25,087,368	
The Vanguard Group	Vanguard Retire Savings Trust		\$ 11,269,912	\$ 11,269,912	\$ 11,269,912	\$ -