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
KIMBERLITE CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2003

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

3621 W. BEECHWOOD AVENUE
FRESNO, CA 93711-0648

2b Employer Identification Number (EIN) 77-0444505

2c Sponsor's telephone number 559-264-9730

2d Business code (see instructions) 561600

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.	10/15/2010	THOMAS PATTERSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
KIMBERLITE CORPORATION

3621 W. BEECHWOOD AVENUE
FRESNO, CA 93711-0648

3b Administrator's EIN
77-0444505

3c Administrator's telephone number
559-264-9730

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**	157
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**	134
b	Retired or separated participants receiving benefits	**6b**	2
c	Other retired or separated participants entitled to future benefits	**6c**	4
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	140
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	140
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	140
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	22
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:
2P

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

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
KIMBERLITE CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KIMBERLITE CORPORATION

D Employer Identification Number (EIN)
77-0444505

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	2380	2438
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)		
(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)	18209395	18708274
	(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	18211775	18710712
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i	11977431	10780436
j	Other liabilities	1j	328	
k	Total liabilities (add all amounts in lines 1g through1j)	1k	11977759	10780436
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	6234016	7930276

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)	1230304	
	(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)		1230304
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)	508354	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		508354
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c	Other income	2c		610277
d	Total income. Add all **income** amounts in column (b) and enter total	2d		2348935
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	59528	
	(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)		59528
f	Corrective distributions (see instructions)	2f		
g	Certain deemed distributions of participant loans (see instructions)	2g		
h	Interest expense	2h		593147
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)		
	(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		652675
	Net Income and Reconciliation			
k	Net income (loss). Subtract line 2j from line 2d	2k		1696260
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: FINCH,OCHELTREE,ROWLANDS,SHOOPMAN L **(2)** EIN: 77-0183229

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

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

Part IV Compliance Questions

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

During the plan year:

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

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
KIMBERLITE CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KIMBERLITE CORPORATION

D Employer Identification Number (EIN)
77-0444505

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** 9902

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): 20-1456687

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial Statements

Kimberlite Corporation
Employee Stock Ownership Plan

December 31, 2009 and 2008
and for the years then ended

Kimberlite Corporation

Employee Stock Ownership Plan

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December 31, 2009

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INDEPENDENT AUDITOR'S REPORT

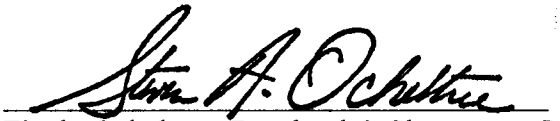
To the Trustees of
Kimberlite Corporation
Employee Stock Ownership Plan
Fresno, California

We were engaged to audit the Financial Statements of Kimberlite Corporation Employee Stock Ownership Plan as of December 31, 2009 and 2008, and for the year ended December 31, 2009. 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Kimberlite Corporation Employee Stock Ownership Plan as of December 31, 2009 and 2008, and the changes in its net assets available for benefits for the year ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of Kimberlite Corporation Employee Stock Ownership Plan are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are 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. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Finch, Ocheltree, Rowland & Shoopman, LLP
Certified Public Accountants

Fresno, California
October 5, 2010

Kimberlite Corporation Employee Stock Ownership Plan
Statement of Net Assets Available for Benefits

	December 31,					
	2009			2008		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
Assets:						
Investment in Kimberlite Corporation common stock, at fair value (notes E and F)	$ 9,275,541	$ 9,432,733	$ 18,708,274	$ 7,797,089	$ 10,412,306	$ 18,209,395
Cash	2,438	0	2,438	2,380	0	2,380
Total assets	$ 9,277,979	$ 9,432,733	$ 18,710,712	$ 7,799,469	$ 10,412,306	$ 18,211,775
Liabilities:						
Loan payable (note G)	0	10,780,436	10,780,436	0	11,977,431	11,977,431
Miscellaneous	0	0	0	328	0	328
Total liabilities	0	10,780,436	10,780,436	328	11,977,431	11,977,759
Net assets available (deficit) for plan benefits	$ 9,277,979	$ (1,347,703)	$ 7,930,276	$ 7,799,141	$ (1,565,125)	$ 6,234,016

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

Kimberlite Corporation Employee Stock Ownership Plan
Statement of Changes in Net Assets Available for Benefits

	December 31, 2009		
	Allocated	Unallocated	Total
Investment Income			
Net unrealized appreciation in fair value of investments	$ 291,372	$ 216,982	$ 508,354
S-Corporation distribution	50,000	560,277	610,277
Employer contributions	0	1,230,304	1,230,304
Allocation of 35,996 shares of common stock of Kimberlite Corporation, at fair value	1,196,994	0	1,196,994
Total Income	1,538,366	2,007,563	3,545,929
Interest expense	0	593,147	593,147
Distribution to participants	59,528	0	59,528
Allocation of 35,996 shares of common stock of Kimberlite Corporation, at fair value	0	1,196,994	1,196,994
Total deductions	59,528	1,790,141	1,849,669
Net increase	1,478,838	217,422	1,696,260
Net assets (deficit) available for benefits: Beginning Of Year	7,799,141	(1,565,125)	6,234,016
End Of Year	$ 9,277,979	$ (1,347,703)	$ 7,930,276

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

A. Plan Description and Basis of Presentation

The following brief description of the Kimberlite Corporation Employee Stock Ownership Plan is provided for general information purposes only. Participants should refer to the plan agreement for more information.

Kimberlite Corporation (company) established the Kimberlite Corporation Employee Stock Ownership Plan (plan) effective as of January 1, 2003. The plan is designed to comply with Section 4975(e) (7) and the regulations thereunder of the Internal Revenue Code of 1986 (code) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The plan purchased company common stock using the proceeds of a bank borrowing (note G). As the plan makes payments of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the code.

The borrowing is collateralized by the unallocated shares of common stock. The lender has no rights against shares of common stock once they are allocated under the ESOP. Accordingly, the financial statements of the plan as of December 31, 2009 and 2008 and for the years ended December 31, 2009 present separately the assets and liabilities and changes therein pertaining to:

a. the accounts of employees with vested unvested rights in allocated common stock (allocated) and
b. common stock not yet allocated to employees (unallocated)

1. *Eligibility*

Employees of the company are eligible to participate in the plan after one hour of service with the company. Leased employees, employees who are non-resident aliens, or employees covered by a collective bargaining agreement will not be eligible to participate in the plan.

2. *Payment of Benefits*

Terminated employees who have not yet reached retirement age may not receive distributions while an acquisition loan is outstanding.

Distributions of Accounts will be made in substantially equal annual installments over a period of five years. However, each installment will be in an amount at least equal to the lesser of $5,000 or the remaining balance in the Account, even if this results in distributions in a period of less than five years. Distributions will be made either in the form of cash or in the form of Company stock that is subject to a requirement that it be immediately repurchased by the Company, for its fair market value as determined by an independent appraiser.

A. Plan Description and Basis of Presentation (Continued)

3. Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account on major issues, including merger, consolidation, recapitalization, reclassification, liquidation, dissolution or sale of substantially all the assets. Participants do not have voting rights on all other issues.

4. Plan Amendment and Termination

The Company reserves the right to amend or terminate the plan at any time, subject to plan provisions.

If the plan is terminated, all assets held by the Trustee under the Trust will be fully vested and applied to provide benefits for affected Participants and their Beneficiaries. The Trustee shall pay all liabilities and expenses of the trust fund and sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loan. Benefits under the Plan are not eligible for insurance by the Pension Benefit Guaranty Corporation ("PBGC").

5. Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation.

For purposes of the plan, "compensation" is defined as total W-2 compensation paid during the plan year to that participant, up to $245,000 (for the 2009 plan year and adjusted annually for inflation), plus the amount deferred into a Section 125 cafeteria plan, transportation fringe benefit program, or 401(k) plan that does not appear on the employee's W-2.

6. Vesting

Since its inception in 2003, the plan has had a three-year "cliff" vesting schedule, whereby participants are not vested until they have participated in the plan for three plan years, at which point they are fully (100%) vested.

A. Plan Description and Basis of Presentation (Continued)

7. Participant Accounts and Forfeitures

Employer contributions and plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the plan year. Forfeitures of terminated non-vested account balances allocated to remaining participants at December 31, 2009 and 2008 totaled $13,621 and $17,018, respectively. Plan earnings are allocated to each participant's account based on the ratio of the participant's beginning of the year account balance to all participants' beginning of the year account balances.

If a participant's employment with the company ends for any reason, he or she will forfeit unvested contributions previously made to his or her account. Such forfeitures are subsequently allocated among the accounts of the remaining participants in exactly the same manner as the plan contributions for that year.

8. Investment Options

Employer contributions that are used to repay the acquisition loan shall be invested in company stock through the release of financed shares and the crediting of such shares to participants' accounts. If the acquisition loan is not outstanding, the administrator may direct the trustee to invest the employer contributions in company stock.

9. Acquisition Loans

Company stock purchased with borrowed funds is not immediately allocated among participants' accounts. Instead, it is initially placed in a separate account called the "loan suspense account." Shares in the loan suspense account may be pledged to the lender to repay the ESOP's indebtedness. Dividends on these shares may be used to make principal and interest payments. As the acquisition loan is repaid, shares are released from the loan suspense account and allocated among the participants' company stock accounts in the same manner as if they had been contributed to the ESOP by the company in the year of the allocation

B. Summary of Significant Accounting Policies

1. Basis of Accounting

The financial statements of the plan are prepared on the accrual basis of accounting.

B. Summary of Significant Accounting Policies (Continued)

2. *Use of Estimates*

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

3. *Investment Valuation and Income Recognition*

   The shares of company common stock are valued at estimated fair value. See note F for discussion of fair value measurements.

   The common shares of the Company are valued by an outside valuation firm each year. Many factors are considered in arriving at fair market value. In general, the value is determined using a number of valuation methods, including Discounted Cash Flow, Guideline Public Company, Merged and Acquired, and the Industry Specific M & A valuation methods. Results of each method are weighted by the valuation firm and combined to arrive at a valuation. A five percent discount for lack of marketability is included.

4. *Payment of Benefits*

   Distributions of benefits to plan participants are recorded when paid.

5. *Operating Expenses*

   All expenses of maintaining the plan are paid by the company.

6. *Subsequent Events*

   The plan has evaluated subsequent events through October 5, 2010, the date the financial statements were available to be issued.

7. *Concentration of Credit Risk*

   Financial Accounting Standards Board Statement No. 105 requires disclosure in the financial statements relating to concentrations of credit risk and financial instruments with off-balance-sheet risk. Financial instruments that potentially subject the plan to concentrations of credit risk consist principally of investments, which are subject to market fluctuations.

C. Tax Status

The Internal Revenue Service has determined and informed the company by a letter dated August 5, 2005, that the plan is qualified and the trust established under the plan is tax-exempt, under the appropriate sections of the code.

D. Administration of Plan Assets

The plan's assets consist of Kimberlite Corporation common stock.

Company contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants. The Trustee also administers the payment of interest and principal on the loan, which is reimbursed to the Trustee through contributions as determined by the company.

Certain administrative functions are performed by officers or employees of the company. No such officer or employee receives compensation from the plan. Administrative expenses for the Trustee's fees are paid directly by the company.

E. Investments

The plan's investments, at December 31, consist of the following:

	2009		2008	
	Allocated	Unallocated	Allocated	Unallocated
Kimberlite Corporation common stock:				
Number of shares	262,764	267,215	227,056	303,212
Cost	$ 9,438,483	$ 9,603,654	$ 8,155,852	$ 10,891,375
Fair value	$ 9,275,541	$ 9,432,733	$ 7,797,089	$ 10,412,306

F. Fair Value Measurement

Financial Accounting Standards Board (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 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

F. Fair Value Measurement (Continued)

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

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

The fair value of the sponsor company common stock held by the plan is valued at fair value based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables and estimated fair value of company assets and liabilities.

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 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.

F. Fair Value Measurement (Continued)

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

	Assets at Fair Value as of December 31,			
	2009		2008	
	Level 3	Total	Level 3	Total
Investment in Kimberlite Corporation common stock	$ 18,708,274	$ 18,708,274	$ 18,209,395	$ 18,209,395
Total assets at fair value	**$ 18,708,274**	**$ 18,708,274**	**$ 18,209,395**	**$ 18,209,395**

Level 3 Gains and Losses
The following table 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
	Investment in Kimberlite Corporation Common Stock
Balance, beginning of year	$ 18,209,395
Unrealized gains relating to allocated shares	291,372
Unrealized gains relating to assets still held in suspense at the reporting date	216,982
Purchases	50,053
Benefit payments	(59,528)
Balance, end of year	**$ 18,708,274**
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	$ 508,354

G. Loan Payable

In 2004, the plan entered into a $19,138,940 term loan agreement with the company. The proceeds of the loan were used to purchase the company's common stock. Unallocated shares are collateral for the loan. Unallocated shares were 267,215 and 303,212 in 2009 and 2008, respectively. The agreement provides for the loan to be repaid in equal

G. Loan Payable (Continued)

monthly installments in the amount of $99,750 plus interest with the final payment due December 2018. The loan bears interest at a rate of 5.12% annually.

The scheduled amortization of the loan for the next five years and thereafter is as follows:

Years Ending December 31,	Amount
2010	$ 1,196,994
2011	1,196,994
2012	1,196,994
2013	1,196,994
2014 & Thereafter	5,992,460
Total Long-Term Debt	$ 10,780,436

H. Employer Contributions

The company is obligated to make contributions in cash to the plan which, when aggregated with the plan's dividends and interest earnings, equal the amount necessary to enable the plan to make its regularly scheduled payments of principal and interest due on its term loan.

I. Risks and Uncertainties

The plan consists of employer-related securities. These investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with any 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 statement of net assets available for benefits.

J. Related Party Transactions

1. Plan Sponsor

The company paid $3,500 in 2009 on behalf of the plan for audit services required under the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Kimberlite Corporation Employee Stock Ownership Plan
Plan Sponsor EIN – 77-0444505
Plan Number - 002
Form 5500 Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

(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
	Cash	Cash	$2,438	$2,438
*	Kimberlite Corporation	529,979 Shares of Kimberlite Corporation Common Stock	19,042,137	18,708,274
		Totals	$19,044,575	$18,710,712

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

Plan Name KIMBERLITE CORPORATION EMPLOYEE STOCK OWNERSHIP PLAN **EIN:** 77-0444505
Plan Sponsor's Name KIMBERLITE CORPORATION **PN:** 002

(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
	KIMBERLITE CORPORATION	529,979 sHARES OF COMPANY STOCK KIMBERLITE CORP. COMMON STOCK	19,042,137	18,708,274