

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 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2007</u> and ending <u>12/31/2007</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 RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES OF CONTINENTAL AUTOMOTIVE INC. CERTAIN AFFILIATED CO.	1b Three-digit plan number (PN) ▶	001	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) CONTINENTAL AUTOMOTIVE, INC. 1830 MACMILLAN PARK DRIVE FORT MILL, SC 29707	1c Effective date of plan <u>10/30/1987</u>	2b Employer Identification Number (EIN) <u>51-0304065</u>	2c Sponsor's telephone number <u>704-583-3900</u>
	2d Business code (see instructions) <u>326200</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.	06/13/2011	ROB WILDER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	06/09/2011	RICK LEDSINGER
	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 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") CONTINENTAL AUTOMOTIVE, INC. 1830 MACMILLAN PARK DRIVE FORT MILL, SC 29707	3b Administrator's EIN 51-0304065 3c Administrator's telephone number 704-583-3900
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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	1663
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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	1152
b Retired or separated participants receiving benefits.....	6b	12
c Other retired or separated participants entitled to future benefits.....	6c	440
d Subtotal. Add lines 6a , 6b , and 6c	6d	1604
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	9
f Total. Add lines 6d and 6e	6f	1613
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	1511
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	56

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:
 2F 2G 2J 2K 2R 3F 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ 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)
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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
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2007 and ending 12/31/2007	
A Name of plan RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES OF CONTINENTAL AUTOMOTIVE INC. CERTAIN AFFILIATED CO.	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 CONTINENTAL AUTOMOTIVE, INC.	D Employer Identification Number (EIN) 51-0304065

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	254723
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)	21432917	23088888
(2) U.S. Government securities	1c(2)	20177	22271
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	421241	418637
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	2574	5515
(B) Common	1c(4)(B)	1069642	1233089
(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)	2208356	2391922
(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)	126461432	130034580
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	-1665	0

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	151614674	157449625

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	151614674	157449625
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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)	5184162	
(B) Participants	2a(1)(B)	5534841	
(C) Others (including rollovers)	2a(1)(C)	488188	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		11207191

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1111849	
(B) U.S. Government securities	2b(1)(B)	397	
(C) Corporate debt instruments	2b(1)(C)	19424	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	163967	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1295637
(2) Dividends: (A) Preferred stock	2b(2)(A)	124	
(B) Common stock	2b(2)(B)	24245	
(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)		24369
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	2926705	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	2863214	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		63491

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	15797	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		15797
(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)		14549512
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		27155997

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	21275568	
(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)		21275568
f Corrective distributions (see instructions)	2f		333
g Certain deemed distributions of participant loans (see instructions).....	2g		29131
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)	16014	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		16014
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		21321046

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		5834951
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ 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: GREER & WALKER, LLP

(2) EIN: 56-1434747

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

**SCHEDULE 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.

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

Official Use Only

OMB No. 1210-0110

2007

**This Form is Open to
Public Inspection.**

For calendar plan year 2007 or fiscal plan year beginning _____, and ending _____,

A Name of plan RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES OF	B Three-digit plan number ► 001
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C Plan sponsor's name as shown on line 2a of Form 5500 CONTINENTAL AUTOMOTIVE, INC.	D Employer Identification Number 51-0304065
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Part I Service Provider Information (see instructions)

1 Enter the total dollar amount of compensation paid by the plan to all persons, other than those listed below, who received compensation during the plan year:	1	0
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2 On the first item below list the contract administrator, if any, as defined in the instructions. On the other items, list service providers in descending order of the compensation they received for the services rendered during the plan year. List only the top 40. 103-12 IEs should enter N/A in (c) and (d).

(a) Name		(b) Employer identification number (see instructions)	(c) Official plan position	
			Contract administrator	
(d) Relationship to employer, employee organization, or person known to be a party-in-interest	(e) Gross salary or allowances paid by plan		(f) Fees and commissions paid by plan	(g) Nature of service code(s) (see instructions)
				12

(a) Name		(b) Employer identification number (see instructions)	(c) Official plan position	
FIDELITY INV. INST. OPS. CO.		04-2647786	RECORDKEEPER	
(d) Relationship to employer, employee organization, or person known to be a party-in-interest	(e) Gross salary or allowances paid by plan	(f) Fees and commissions paid by plan	(g) Nature of service code(s) (see instructions)	
RECORDKEEPER		16014	24	

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**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 sections 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.**

Official Use Only

OMB No. 1210-0110

2007

**This Form is Open to
Public Inspection.**

For calendar year 2007 or fiscal plan year beginning _____, and ending _____,

A Name of plan RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES OF	B Three-digit plan number 001
C Plan sponsor's name as shown on line 2a of Form 5500 CONTINENTAL AUTOMOTIVE, INC.	D Employer Identification Number 51-0304065

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.	1	\$	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits). 04-6568107			
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.			
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3		

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 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(c)(8) or ERISA section 302(c)(8)? ☐ Yes ☐ No ☐ N/A
If the plan is a defined benefit plan, go to line 7.

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 ► Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule B and do not complete the remainder of this schedule.

6a 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 7 and 8 and complete line 9.

7 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

8 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. (See instructions.) ☐ Increase ☐ Decrease ☐ No

Part IV Coverage (See instructions.)

9 Check the box for the test this plan used to satisfy the coverage requirements . . . ☐ the ratio percentage test ☒ average benefit test

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500. v10.1 Schedule R (Form 5500) 2007





**RETIREMENT SAVINGS PLAN
FOR SALARIED EMPLOYEES
OF CONTINENTAL AUTOMOTIVE, INC.
AND CERTAIN AFFILIATED COMPANIES**

Financial Statements and Supplemental
Schedule for the Years Ended
December 31, 2007 and 2006
and Independent Auditors' Report

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SUPPLEMENTAL SCHEDULE:	
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NOTE: The accompanying financial statements have been prepared for the purpose of filing DOL Form 5500. Supplemental schedules required by Section 2520 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, other than the one listed above, are omitted because of the absence of the conditions under which they are required.

INDEPENDENT AUDITORS' REPORT

Continental Automotive, Inc. and Certain Affiliated Companies:

We were engaged to audit the financial statements and supplemental schedule of the Retirement Savings Plan for Salaried Employees of Continental Automotive, Inc. and Certain Affiliated Companies (the "Plan") as of December 31, 2007 and 2006 and for the years then ended, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the Trustee as of December 31, 2007 and 2006 and for the years then ended that the information provided to the Plan administrator by the Trustee is complete and accurate.

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

Greer & Walker, LLP

October 2, 2008

TRUSTED BUSINESS ADVISORS

**RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES OF
CONTINENTAL AUTOMOTIVE, INC. AND CERTAIN AFFILIATED COMPANIES**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
ASSETS:		
Investments, at fair value	\$ 157,449,625	\$ 151,614,674
Receivables:		
Participants' contributions	194,987	197,097
Employer's contributions	<u>198,854</u>	<u>202,060</u>
Total receivables	<u>393,841</u>	<u>399,157</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 157,843,466</u>	<u>\$ 152,013,831</u>

See notes to financial statements and independent auditors' report.

**RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES OF
CONTINENTAL AUTOMOTIVE, INC. AND CERTAIN AFFILIATED COMPANIES**

**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ADDITIONS:		
Additions to net assets attributed to:		
Investment income:		
Net investment income	\$ 6,613,094	\$ 8,285,917
Interest and dividend income	9,335,712	7,951,244
Total investment income	<u>15,948,806</u>	<u>16,237,161</u>
Contributions:		
Participants	5,532,731	6,335,820
Employer	5,180,956	6,246,170
Rollovers	488,188	350,645
Total contributions	<u>11,201,875</u>	<u>12,932,635</u>
Total additions	<u>27,150,681</u>	<u>29,169,796</u>
DEDUCTIONS:		
Deductions from net assets attributed to:		
Benefits paid to participants	21,305,032	30,082,217
Fees and commissions	16,014	19,329
Total deductions	<u>21,321,046</u>	<u>30,101,546</u>
INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS	5,829,635	(931,750)
TRANSFER OF ASSETS	-	61,588
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>152,013,831</u>	<u>152,883,993</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u>\$ 157,843,466</u>	<u>\$ 152,013,831</u>

See notes to financial statements and independent auditors' report.

RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES OF CONTINENTAL AUTOMOTIVE, INC. AND CERTAIN AFFILIATED COMPANIES

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

1. DESCRIPTION OF PLAN

The following description of the Retirement Savings Plan for Salaried Employees of Continental Automotive, Inc. and Certain Affiliated Companies (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General - The Plan is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The plan covers all salaried employees of Continental Tire North America, Inc. (“CTNA”) and Contitech North America, Inc. (“Contitech”). CNTA is a subsidiary of the plan sponsor, Continental Automotive, Inc. (the “Company”) Contitech is an affiliate of the Company. The Plan covers all such employees who have met certain eligibility requirements as specified in the Plan document.

Plan Contributions - Participants may contribute up to 25% of their annual eligible compensation (before- and/or after-tax), up to a maximum of \$15,500 and \$15,000 in 2007 and 2006, respectively, subject to certain discrimination tests prescribed by the Internal Revenue Code.

The Company matches participant contributions in an amount equal to 100% of the first 4% and 50% of the next 2% of compensation, contributed as regular employee before-tax contributions to the Plan.

The Company also makes a retirement accumulation benefit contribution for employees hired prior to November 1, 2004, based upon such employee’s age plus years of service. An employee’s retirement accumulation benefit contribution is based upon the service points established for eligible employee as of May 1, 2005. An employee’s service points as calculated represented the total of the employee’s age plus the number of years of service for vesting completed by May 1, 2005.

Participant Accounts - Each participant’s account is credited with the participant’s contributions, allocations of the Company’s matching contributions and Plan gains or losses. Allocations of earnings and losses for each fund are based on the ratio of weighted average participant account balances to the total weighted average of all participant account balances. The benefit to which a participant is entitled is the vested benefit that can be provided from the participant’s accounts.

Investment Options - Upon enrollment in the Plan, a participant directs the investment of their contributions and Company contributions into various investment options offered by the Plan. Participants may direct their contributions into one or more core mutual funds, a money market fund and a self-directed brokerage account option that allows contributions in common stock, mutual funds, corporate debt, and cash and money market funds.

Vesting - Participants are immediately vested in their voluntary employee contributions and matching employer contributions in addition to actual earnings thereon. The RAB is subject to a three year cliff vesting schedule for contributions made after January 1, 2007.

Distributions - Distributions from the Plan may be made upon proper application by a participant for retirement, proven financial hardship, death (in which case the payment is made to the beneficiary), or employment termination, as specified in the Plan agreement.

Participant Loans - The Plan permits participants to borrow a minimum of \$1,000 up to 50% of their vested account balance not to exceed \$50,000. The Plan does not permit concurrent loans. The loans are secured by the balance in the participant's account and bear fixed interest at rates that range from 5.25% to 9.25%, which are commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest are paid ratably through payroll deductions. As of December 31, 2007 and 2006, the Plan had loans receivable from participants with principal balances totaling \$2,391,922 and \$2,208,356, respectively, which are included with investments in the accompanying statements of net assets available for benefits.

Participant Investment Rollovers - Participants are allowed to transfer or rollover funds into the Plan from other qualified plans.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, except that benefits paid to plan participants are recorded on a cash basis.

Use of Accounting 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 certain assets, liabilities and disclosures. Accordingly, the actual amounts could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year in which such adjustments are determined.

Investment Valuation and Income Recognition - Investments are stated at fair value, which has been provided by and certified by the Trustee. Purchases and sales of investments are recorded on a trade date basis. Interest income is accrued as it is earned and dividends are recorded as of the ex-dividend date.

Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of net appreciation in fair value of investments.

The change in net unrealized appreciation/depreciation of investments held from the beginning of the Plan year to the end of the Plan year is included with realized gains/losses as net investment income/loss reported in the accompanying statements of changes in net assets available for benefits.

Contributions - Contributions from employees are recorded as they are withheld from the participant's wages. Contributions from the Company are recorded in the period in which the related participant contributions are due.

Distributions - Distributions are recorded when paid.

3. INVESTMENTS (UNAUDITED)

The Plan's investment assets are held in trust and administered by Fidelity Management Trust Company (the "Trustee"). All investment information disclosed in the accompanying financial statements and supplemental schedule, including investments held and net investment income/loss and interest and dividends, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Trustee.

The fair value of investments that represented 5% or more of the Plan's net assets available for benefits as of December 31, 2007 and 2006 is as follows:

	<u>2007</u>	<u>2006</u>
Fidelity Contrafund	\$ 29,941,647	\$ 26,876,676
Neuberger & Berman Partners Trust Fund	\$ 22,816,428	\$ 24,198,981
Fidelity Retirement Government Money Mkt Portfolio Fund	\$ 22,412,020	\$ 20,861,309
Spartan U.S. Equity Index Portfolio Fund	\$ 17,509,024	\$ 19,624,565
Fidelity Investments Puritan Fund	\$ 10,184,421	\$ 11,668,881
Fidelity Investments Diversified International Fund	\$ 12,538,486	\$ 10,726,938
PIMCO Total Return Fund	\$ 9,132,872	\$ 8,432,491
Neuberger & Berman Genesis Trust	\$ 8,031,493	*

* - Does not represent 5% for respective year

4. TRANSACTIONS WITH PARTIES-IN-INTEREST

Certain Plan investments are shares of mutual funds managed by Fidelity Investments, Inc., an affiliate of Fidelity. Fidelity is the Trustee as defined by the Plan, and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund. Certain administrative fees related to the administration of the Plan were paid by the Plan. Certain other third party administrator fees were paid by the Company on behalf of the Plan. These transactions qualify as party-in-interest transactions.

5. TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated October 27, 2005, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. The Plan Sponsor (Continental Automotive, Inc.) believes that the Plan is designed, and operated, in compliance with the applicable requirements of the Internal Revenue Code and therefore is a qualified plan with a related tax-exempt trust.

6. PLAN TERMINATION

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

7. RISKS AND UNCERTAINTIES

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

8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31:

	<u>2007</u>	<u>2006</u>
Net assets available for benefits per the accompanying financial statements	\$ 157,843,466	\$ 152,013,831
Less: Contributions receivable	<u>(393,841)</u>	<u>(399,157)</u>
Net assets available for benefits per Form 5500	<u>\$ 157,449,625</u>	<u>\$ 151,614,674</u>

The following is a reconciliation of the change in net assets per the financial statements to Form 5500 for the year ended December 31:

	<u>2007</u>	<u>2006</u>
Change in net assets per the financial statements	\$ 5,829,635	\$ (931,750)
Contributions receivable, beginning of year	399,157	493,431
Contributions receivable, end of year	<u>(393,841)</u>	<u>(399,157)</u>
Changes in net assets per Form 5500	<u>\$ 5,834,951</u>	<u>\$ (837,476)</u>

**RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES OF
CONTINENTAL AUTOMOTIVE, INC. AND CERTAIN AFFILIATED COMPANIES**

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

AS OF DECEMBER 31, 2007

EIN: 51-0304065 - PLAN NUMBER: 001

(a)	(b)	(c)	(e)
Party-in-interest	Identity of issuer, borrower, lessor or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current Value
*	Fidelity Management Trust Company:		
	Fidelity Contrafund	Mutual fund	\$ 29,941,647
	Neuberger & Berman Partners Trust Fund	Mutual fund	22,816,428
	Fidelity Investments Retirement Government Money Market	Mutual fund	22,412,020
	Spartan U.S. Equity Index Portfolio Fund	Mutual fund	17,509,024
	Fidelity Investments Diversified International Fund	Mutual fund	12,538,486
	Fidelity Investments Puritan Fund	Mutual fund	10,184,421
	PIMCO Total Return Fund	Mutual fund	9,132,872
	Neuberger & Berman Genesis Trust Fund	Mutual fund	8,031,493
	Fidelity Investments Low Price Stock Fund	Mutual fund	5,080,631
	Alliance Mid Cap Fund	Mutual fund	3,361,224
	Spartan International Index Fund	Mutual fund	2,701,863
	Fidelity US Bond Index Fund	Mutual fund	1,367,977
	Goldman Sachs Mid Cap Value Fund	Mutual fund	1,347,161
	Fidelity Freedom 2010 Fund	Mutual fund	1,233,403
	Fidelity Freedom 2015 Fund	Mutual fund	973,525
	Fidelity Freedom 2020 Fund	Mutual fund	794,952
	Fidelity Freedom 2025 Fund	Mutual fund	477,452
	Fidelity Freedom 2040 Fund	Mutual fund	444,872
	Fidelity Freedom 2030 Fund	Mutual fund	194,746
	Fidelity Freedom 2035 Fund	Mutual fund	179,927
	Fidelity Freedom 2005 Fund	Mutual fund	86,505
	Fidelity Freedom Income Fund	Mutual fund	72,731
	Fidelity Freedom 2000 Fund	Mutual fund	1,494
	Brokerage link:		
	Mutual funds		
	Common stock	Self-directed investments	1,536,913
	Cash and money market	Self-directed investments	1,233,089
	Corporate debt	Self-directed investments	837,699
	Certificates of deposit	Self-directed investments	440,908
	Units	Self-directed investments	93,893
	Preferred Stock	Self-directed investments	24,832
	Participant loans	Self-directed investments	5,515
*		Interest rates ranging from 5.25% to 9.50%	2,391,922
			<u>\$ 157,449,625</u>

*Party-in-interest transaction, not a prohibited transaction.

See independent auditors' report.