

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 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>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____
B This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	<input type="checkbox"/>
D Check box if filing under:	<input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

Part II	Basic Plan Information —enter all requested information	
1a Name of plan <u>KACI RETIREMENT SAVINGS PLAN</u> 2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>KATAYAMA AMERICAN COMPANY, INC.</u> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <u>6901 MIDLAND INDUSTRIAL DRIVE</u> <u>SHELBYVILLE, KY 40065</u> </div> <div style="width: 45%;"> <u>6901 MIDLAND INDUSTRIAL DRIVE</u> <u>SHELBYVILLE, KY 40065</u> </div> </div>	1b Three-digit plan number (PN) ▶	<u>001</u>
		1c Effective date of plan <u>10/01/1990</u>
		2b Employer Identification Number (EIN) <u>61-1151139</u>
		2c Sponsor's telephone number <u>502-844-2420</u>
		2d Business code (see instructions) <u>336300</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.	<u>10/11/2011</u>	<u>CLARK RHEA</u>
	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 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") KATAYAMA AMERICAN COMPANY, INC. 6901 MIDLAND INDUSTRIAL DRIVE SHELBYVILLE, KY 40065	3b Administrator's EIN 61-1151139 3c Administrator's telephone number 502-844-2420
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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	266
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	242
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	12
d Subtotal. Add lines 6a , 6b , and 6c	6d	254
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	254
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	228
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	3
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:
 2E 2F 2G 2J 2K 2T 3D

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) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> 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) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input checked="" type="checkbox"/> A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input checked="" type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)
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SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance 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. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan KACI RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500. KATAYAMA AMERICAN COMPANY, INC.		
D Employer Identification Number (EIN) 61-1151139		

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier PRINCIPAL LIFE INSURANCE COMPANY
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	518474	0	01/01/2010	10/22/2010

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
128	333

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid AMERIPRISE FINANCIAL SERVICES INC 875 AMERIPRISE FINANCIAL MINNEAPOLIS, MN 55474

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
128	0		3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid AMERIPRISE FINANCIAL SERVICES INC 70100 AXP FINANCIAL CTR MINNEAPOLIS, MN 55474
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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
0	333	PRORATED INCENTIVE, NOT DEDUCTED FROM PLAN	3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 0**5** Current value of plan's interest under this contract in separate accounts at year end **5** 0**6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☐ other ▶**b** Balance at the end of the previous year **7b****c** Additions: (1) Contributions deposited during the year **7c(1)**(2) Dividends and credits **7c(2)**(3) Interest credited during the year **7c(3)**(4) Transferred from separate account **7c(4)**(5) Other (specify below) **7c(5)**

▶

(6) Total additions **7c(6)** 0**d** Total of balance and additions (add **b** and **c(6)**). **7d** 0**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)**(2) Administration charge made by carrier **7e(2)**(3) Transferred to separate account **7e(3)**(4) Other (specify below) **7e(4)**

▶

(5) Total deductions **7e(5)** 0**f** Balance at the end of the current year (subtract **e(5)** from **d**) **7f** 0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	0
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	0
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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
		2010
		This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning **01/01/2010** and ending **12/31/2010**

A Name of plan KACI RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 KATAYAMA AMERICAN COMPANY, INC.	D Employer Identification Number (EIN) 61-1151139	

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
FIDELITY INV. INST. OPS. CO.
04-2647786

(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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
64 37 65 60	RECORDKEEPER	11775	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

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

AMERIPRISE FINANCIAL SERVICES INC

707 2ND AVE S
MINNEAPOLIS, MN 55402

(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	ADVISOR	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
AM CENT EQ INC A - AMERICAN CENTURY 44-0619208	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
DREYFUS S&P 500 INDX - DREYFUS TRAN 13-5673135	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
EV DIV BUILDER A - PNC GLOBAL INVES 04-2871943	0.25%	

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
IVK SMALL CAP VAL A - INVESCO TRIMA 98-0557567	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
OPPHMR DEV MKTS A - OPPENHEIMERFUND 13-2953455	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
PERKINS MID CP VAL S - JANUS SERVIC 43-1804048	0.25%	

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
PIM TOTAL RETURN A - BOSTON FINANCI 04-2526037	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERIPRISE FINANCIAL SERVICES INC	61	0
(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.	
FA FREEDOM 2005 A - FIDELITY DISTRI 04-2270522	\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERIPRISE FINANCIAL SERVICES INC	61	0
(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.	
FA FREEDOM 2010 A - FIDELITY DISTRI 04-2270522	\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%	

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
AMERIPRISE FINANCIAL SERVICES INC	61	0
(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.	
FA FREEDOM 2015 A - FIDELITY DISTRI	\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%	
04-2270522		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERIPRISE FINANCIAL SERVICES INC	61	0
(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.	
FA FREEDOM 2020 A - FIDELITY DISTRI	\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%	
04-2270522		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERIPRISE FINANCIAL SERVICES INC	61	0
(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.	
FA FREEDOM 2025 A - FIDELITY DISTRI	\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%	
04-2270522		

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
AMERIPRISE FINANCIAL SERVICES INC	61	0
(d) Enter name and EIN (address) of source of indirect compensation FA FREEDOM 2030 A - FIDELITY DISTRI 04-2270522		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. $\$1M- < \$4M = 1.00\%$ $\$4M- < \$25M = 0.50\%$ $\$25M+ = 0.25\%$		
(a) Enter service provider name as it appears on line 2 AMERIPRISE FINANCIAL SERVICES INC		
(b) Service Codes (see instructions) 61		
(c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation FA FREEDOM 2035 A - FIDELITY DISTRI 04-2270522		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. $\$1M- < \$4M = 1.00\%$ $\$4M- < \$25M = 0.50\%$ $\$25M+ = 0.25\%$		
(a) Enter service provider name as it appears on line 2 AMERIPRISE FINANCIAL SERVICES INC		
(b) Service Codes (see instructions) 61		
(c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation FA FREEDOM 2040 A - FIDELITY DISTRI 04-2270522		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. $\$1M- < \$4M = 1.00\%$ $\$4M- < \$25M = 0.50\%$ $\$25M+ = 0.25\%$		

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
AMERIPRISE FINANCIAL SERVICES INC	61	0
(d) Enter name and EIN (address) of source of indirect compensation FA FREEDOM 2045 A - FIDELITY DISTRI 04-2270522		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. $\$1M-\<\$4M=1.00\%$ $\$4M-\<\$25M=0.50\%$ $\$25M+=0.25\%$		
(a) Enter service provider name as it appears on line 2 AMERIPRISE FINANCIAL SERVICES INC		
(b) Service Codes (see instructions) 61		
(c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation FA FREEDOM 2050 A - FIDELITY DISTRI 04-2270522		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. $\$1M-\<\$4M=1.00\%$ $\$4M-\<\$25M=0.50\%$ $\$25M+=0.25\%$		
(a) Enter service provider name as it appears on line 2 AMERIPRISE FINANCIAL SERVICES INC		
(b) Service Codes (see instructions) 61		
(c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation FA INTL DISCOVERY A - FIDELITY DIST		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. $\$1M-\<\$4M=1.00\%$ $\$4M-\<\$25M=0.50\%$ $\$25M+=0.25\%$		

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
AMERIPRISE FINANCIAL SERVICES INC	61	0
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>FA MID CAP II A - FIDELITY DISTRIBU</p> <p>04-2270522</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>AMERIPRISE FINANCIAL SERVICES INC</p>		
<p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">61</p>		
<p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>FA NEW INSIGHTS A - FIDELITY DISTRI</p> <p>04-2270522</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>AMERIPRISE FINANCIAL SERVICES INC</p>		
<p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">61</p>		
<p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>FA SMALL CAP A - FIDELITY DISTRIBUT</p> <p>04-2270522</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%</p>		

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
AMERIPRISE FINANCIAL SERVICES INC	61	0
(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.	
FA STRAT INCOME A - FIDELITY DISTRI 04-2270522	\$1M-<\$4M=1.00% \$4M-<\$25M=0.50% \$25M+=0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERIPRISE FINANCIAL SERVICES INC	61	0
(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.	
OPPHMR DEV MKTS A - OPPENHEIMERFUND 13-2953455	\$5M+=0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>KACI RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>KATAYAMA AMERICAN COMPANY, INC.</u>	D Employer Identification Number (EIN) <u>61-1151139</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL SMALLCAP SEP ACCT-R2</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-014</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN SMCAO VALUE SEP ACCT-R2</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-031</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LGCAP GROWTH SEP ACCT-R2</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-018</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP GROWTH SEP ACCT-R2</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-021</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN U.S. PROPERTY SEP ACCT-R2</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-027</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP S&P 400 IDX SA-R2</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-023</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LIFETIME 2050 SEP ACCT-R2</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-079</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		

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

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN BOND AND MORTGAGE SA-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-005	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP GROWTH I SA-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-070	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME STRAT INC SA-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-080	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN DIVERSIFIED INTL SA-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-015	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2010 SEP ACCT-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-075	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN PREF SECS SEP ACCT-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-087	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP S&P 500 INDEX SA-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-016	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2020 SEP ACCT-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-076	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL STABLE VALUE SGNTURE		
b Name of sponsor of entity listed in (a): UNION BOND & TRUST COMPANY		
c EIN-PN 93-6274328-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP VALUE I SA-R2		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-043	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: **PRIN LIFETIME 2030 SEP ACCT-R2**
PRINCIPAL LIFE INSURANCE COMPANY

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

c EIN-PN 42-0127290-077	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: **PRIN SMALLCAP GROWTH III SA-R2**
PRINCIPAL LIFE INSURANCE COMPANY

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

c EIN-PN 42-0127290-097	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: **PRIN SMCAP S&P 600 INDEX SA-R2**
PRINCIPAL LIFE INSURANCE COMPANY

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

c EIN-PN 42-0127290-028	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: **PRIN LIFETIME 2040 SEP ACCT-R2**
PRINCIPAL LIFE INSURANCE COMPANY

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

c EIN-PN 42-0127290-078	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: **PRIN LARGECAP VALUE I SA-R2**
PRINCIPAL LIFE INSURANCE COMPANY

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

c EIN-PN 42-0127290-098	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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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)
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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)
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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)
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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)
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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)
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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) 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 01/01/2010 and ending 12/31/2010		
A Name of plan KACI RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 KATAYAMA AMERICAN COMPANY, INC.	D Employer Identification Number (EIN) 61-1151139	

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		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	2077
(2) Participant contributions	1b(2)	0	4857
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	12619
(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)	571122	651285
(9) Value of interest in common/collective trusts.....	1c(9)	266163	0
(10) Value of interest in pooled separate accounts.....	1c(10)	5068820	0
(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)	0	5856861
(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	5906105	6527699

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	5906105	6527699
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	88908	
(B) Participants	2a(1)(B)	234563	
(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)		323471
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)	33128	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		33128
(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)	125640	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		125640
(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)		

		(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)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		1141
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		264457
(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)		302747
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1050584

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	360260	
(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)		360260
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		56947
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)	11783	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		11783
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		428990

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		621594
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: MOUNTJOY CHILTON MEDLEY LLP

(2) EIN: 27-1235638

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 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 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>KACI 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>KATAYAMA AMERICAN COMPANY, INC.</u>	D Employer Identification Number (EIN) <u>61-1151139</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u> <u>42-0127290</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)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

Part III	Amendments
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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.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
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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.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
11 a Does the ESOP hold any preferred stock?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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.)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

Schedule R (Form 5500) 2010
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): _____

KACI Retirement Savings Plan

Financial Statements

December 31, 2010 and 2009

KACI Retirement Savings Plan

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Mountjoy
Chilton
Medley

Independent Auditor's Report on Financial Statements

To the Plan Administrator
KACI Retirement Savings Plan

We were engaged to audit the financial statements of the KACI Retirement Savings Plan (the "Plan") as of December 31, 2010 and 2009, and for the year ended December 31, 2010, and the supplemental schedule as of December 31, 2010, 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 C, which was certified by Fidelity Management Trust Company and Principal Life Insurance Company, the trustee and custodian, respectively, 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 Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2010, and for the period April 1, 2010 through December 31, 2010, and that Principal Life Insurance Company held the Plan's investment assets and executed investment transactions as of December 31, 2009, and for the period January 1, 2010 through March 31, 2010. The Plan administrator has obtained certification from the trustee and custodian, respectively, as of December 31, 2010 and 2009 and for the year ended December 31, 2010, that the information provided to the Plan administrator by the trustee and custodian 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 and custodian, 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.

Mountjoy Chilton Medley LLP

Louisville, Kentucky
October 4, 2011

KACI Retirement Savings Plan
Statements of Net Assets Available for Benefits
December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Assets		
Investments, at fair value	\$ 5,869,480	\$ 5,334,984
Receivables:		
Participant contributions	4,857	-
Employer contributions	2,077	-
Notes receivable from participants	<u>818,148</u>	<u>666,190</u>
	<u>825,082</u>	<u>666,190</u>
Net assets available for benefits at fair value	6,694,562	6,001,174
Adjustment from fair value to contract value for fully benefit responsive investment contracts	<u>-</u>	<u>(1,787)</u>
Net Assets Available For Benefits	<u><u>\$ 6,694,562</u></u>	<u><u>\$ 5,999,387</u></u>

See accompanying notes.

KACI Retirement Savings Plan
Statement of Changes in Net Assets Available for Benefits
Year ended December 31, 2010

Additions to Net Assets Attributed to:

Investment income:	
Net appreciation in fair value of investments	\$ 570,132
Interest and dividends	<u>125,640</u>
	695,772
 Interest income on notes receivable from participants	 47,975
 Contributions:	
Employer	88,908
Participant	<u>234,563</u>
	<u>323,471</u>
 Total additions	 1,067,218

Deductions to Net Assets Attributed to:

Benefits paid to participants	360,260
Administrative fees	<u>11,783</u>
 Total deductions	 <u>372,043</u>
 Net increase	 695,175

Net Assets Available for Benefits:

Beginning of year	<u>5,999,387</u>
 End of year	 <u><u>\$ 6,694,562</u></u>

See accompanying notes.

KACI Retirement Savings Plan
Notes to Financial Statements
December 31, 2010 and 2009

Note A – Description of Plan

The following description of the KACI Retirement 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.

1. General: The Plan is a defined contribution plan covering substantially all employees of Katayama American Company, Inc. and subsidiaries (the “Company”) who have completed six months of service and are age eighteen or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended.
2. Contributions: Participants may elect to defer the maximum compensation permissible under the Internal Revenue Code (“IRC”), in the form of contributions to the Plan. The Company may make a discretionary matching contribution to each participant based on their elective deferrals which is limited to 2% of compensation. For the 2010 Plan year, the Company match was 100% of a participant’s elective deferrals not exceeding 2% of compensation. In addition, the Company may elect to make a discretionary contribution for non-highly compensated employees, which is based on compensation. There was no discretionary contribution for the 2010 Plan year.
3. Participant Accounts: Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution and an allocation of the Company's matching and discretionary contributions, if any, and Plan earnings and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.
4. Vesting: Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
1	20%
2	40
3	60
4	80
5	100

5. Investments Options: Upon enrollment in the Plan, participants may direct the investment of their accounts into various investment options offered by the Plan. They may change their investment options among those investments provided at quarterly entry dates during the Plan year.
6. Notes Receivable from Participants: Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance. Generally, the term of the loan may not exceed five years. However, if the loan is for the purchase of a participant’s principal residence, the Plan administrator may permit a longer term. The loans are secured by the balance in the participant's account and bear interest at rates commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest is repaid ratably through payroll deductions. For loans outstanding at December 31, 2010 the interest rates ranged from 4.25% to 10.25%.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note A – Plan Description (Continued)

7. Payment of Benefits: Upon termination of service or attaining normal retirement age, a participant may elect to receive a lump sum amount equal to the value of the participant's vested interest in his or her account. In-service and hardship withdrawals are also allowed as defined in the Plan agreement.
8. Forfeited Accounts: The non-vested portion of former participants' accounts may be used to pay administrative expenses of the Plan or to reduce the amount of future employer contributions. Forfeited accounts totaled \$682 and \$1,656 at December 31, 2010 and 2009, respectively. During the Plan year ended December 31, 2010, forfeitures totaling \$8,813 were used to reduce the amount of employer matching contributions.

Note B – Significant Accounting Policies

1. Basis of Accounting: The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").
2. Recent Accounting Pronouncements: In January 2010, the Financial Accounting Standards Board ("FASB") issued guidance which expands the required disclosures about fair value measurements. In particular, this guidance requires (i) separate disclosure of the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements along with the reasons for such transfers, (ii) information about purchases, sales, issuances and settlements to be presented separately in the reconciliation for Level 3 fair value measurements, (iii) fair value measurement disclosures for each class of assets and liabilities and (iv) disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements for fair value measurements that fall in either Level 2 or Level 3. This guidance is effective for periods beginning after December 15, 2009 except for (ii) above which is effective for fiscal years beginning after December 15, 2010. The Plan has adopted this guidance, except for (ii) above, for the 2010 Plan year with no material impact on the Plan's financial statements.

In September 2010, the FASB issued guidance requiring participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. This guidance is effective for fiscal years ending after December 15, 2010, with early adoption permitted. The Plan has adopted this guidance for the 2010 Plan year reclassifying participant loans as noted.

3. Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.
4. Investment Valuation and Income Recognition: The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 Plan year.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note B – Significant Accounting Policies (Continued)

The Plan's investment options as of December 31, 2009 and through March 31, 2010 included a stable value fund with Principal, which is a benefit-responsive investment contract, held in a common collective trust fund. The stable value fund invested in conventional and synthetic guaranteed investment contracts (GICs) issued by life insurance companies, banks and other financial institutions with excess cash invested in cash equivalents. The stable value fund allowed for earnings stability regardless of the volatility of the financial markets and was recorded in the accompanying financial statements at fair value. Fair value represents quoted market prices for synthetic GICs, while the fair value of conventional GICs is determined using a discounted cash flow methodology where the individual contract cash flows are discounted at the prevailing interpolated yield curve rate as of December 31, 2009. In 2009, the crediting and market interest rate for the stable value fund averaged 2.6% and 2.2%, respectively.

As described in the FASB Accounting Standards Codification ("ASC") for *Reporting of Fully Benefit Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans*, 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. As required by the FASB Staff Position ("FSP"), the Statement of Net Assets Available for Benefits at December 31, 2009 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.

5. Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan agreement.
6. Payments of Benefits: Benefits are recorded when paid.
7. Administrative Expenses: Administrative expenses of the Plan are paid by the Company or Plan participants, as defined in the Plan agreement.
8. Risks and Uncertainties: The Plan invests in various investment securities. Investment securities, in general, 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 such changes could materially affect participants' account balances and the amounts reported in the financial statements.
9. Subsequent Events: Subsequent events for the Plan have been considered through the date of the Independent Auditor's Report which represents the date the financial statements were available to be issued.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note C – Information Certified by the Plan’s Trustee and Custodian

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company and Principal Life Insurance Company, the trustee and custodian of the Plan, respectively, have certified to the completeness and accuracy of all investments and notes receivable from participants information reflected on the accompanying Statements of Net Assets Available for Benefits as of December 31, 2010 and 2009, the Schedule of Assets (Held at End of Year) at December 31, 2010, and the related investment income and interest income on notes receivable from participants reflected in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2010.

Note D – Investments

The following table presents investments that represent 5% or more of the Plan’s net assets available for benefits as of December 31, 2010:

Mutual funds (at fair value):

Fidelity Freedom 2035 A	\$ 1,187,164
Fidelity Freedom 2030 A	1,165,083
Fidelity Freedom 2020 A	1,018,304
Fidelity Freedom 2040 A	656,703
Fidelity Freedom 2025 A	521,946
Fidelity Freedom 2015 A	387,657
Fidelity Freedom 2045 A	345,805
Fidelity Freedom 2010 A	355,493

The following table presents investments that represent 5% or more of the Plan’s net assets available for benefits as of December 31, 2009:

Pooled separate accounts (at fair value):

Principal Lifetime 2030	\$ 832,301
CCI Large Cap Growth	506,583
Principal Lifetime 2020	488,024
UBS/TS&W Large Cap Value I	477,962
Principal Diversified International	443,162
Principal Lifetime 2040	423,894
Principal Bond and Mortgage	400,530

For the Plan year ended December 31, 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

Mutual funds	\$ 311,220
Common/collective trust	1,142
Pooled separate accounts	257,770
	<u>\$ 570,132</u>

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note E – Fair Value Measurements

FASB 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: Quoted market prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which the transaction for the asset or liability occurs with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data, such as quoted prices for similar assets or liabilities or model-derived valuations.
- Level 3: Unobservable inputs that are not corroborated by market data. These inputs reflect a company's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

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.

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, 2010 and 2009.

Mutual Funds and Money Market Fund: Valued at the net asset value ("NAV") of shares held by the Plan at year end. The NAV is based on the value of the underlying investment assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Pooled Separate Accounts: Valued at the NAV of units held by the Plan at year end provided by the issuer of the fund. The NAV is quoted on a private market that is not active; however, the unit price is based on the value of the underlying investment assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding.

One investment option within the pooled separate accounts is a commercial real estate fund which invests mainly in commercial real estate and includes mortgage loans which are secured by the associated properties. These underlying real estate investments are valued using valuation techniques that have both observable and unobservable level inputs and therefore are classified as a Level 3 investment.

Common/Collective Trust: Valued at the NAV of units held by the Plan at year end provided by the issuer of the fund. The NAV is quoted on a private market that is not active; however, the unit price is based on the value of the underlying investment assets owned by the fund, minus its liabilities, and then divided by the number of units outstanding.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note E – Fair Value Measurements (Continued)

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.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Mid/Large Cap	\$ 5,757,050	\$ -	\$ -	\$ 5,757,050
Fixed Income	36,546	-	-	36,546
International	33,881	-	-	33,881
Small Cap	29,384	-	-	29,384
Money market fund	12,619	-	-	12,619
Total investments at fair value	<u>\$ 5,869,480</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,869,480</u>

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

	Level 1	Level 2	Level 3	Total
Pooled separate accounts:				
Balanced	\$ -	\$ 2,096,117	\$ -	\$ 2,096,117
Large Value	-	477,962	-	477,962
Large Growth	-	506,583	-	506,583
Large Blend	-	287,365	-	287,365
Mid Cap Blend	-	133,986	-	133,986
Mid Cap Growth	-	108,296	-	108,296
Mid Cap Value	-	119,123	-	119,123
Small Blend	-	86,656	-	86,656
Small Growth	-	39,503	-	39,503
Small Value	-	46,114	-	46,114
International Equity	-	579,791	-	579,791
Fixed Income	-	466,030	121,295	587,325
Common/Collective Trust	-	266,163	-	266,163
Total investments at fair value	<u>\$ -</u>	<u>\$ 5,213,689</u>	<u>\$ 121,295</u>	<u>\$ 5,334,984</u>

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note E – Fair Value Measurements (Continued)

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, 2010:

Balance, beginning of year	\$ 121,295
Realized and unrealized gains, net	5,631
Purchases, sales, issuances and settlements, net	<u>(126,926)</u>
Balance, end of year	<u>\$ -</u>

Net realized and unrealized gains are reported in net appreciation in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

Note F – Related Party Transactions

Certain professional fees for the administration and audit of the Plan were paid by the Company and certain administrative services are provided by the Company at no cost to the Plan.

Certain Plan investments at December 31, 2010 and 2009 were invested in mutual funds and pooled separate accounts managed by Fidelity Management Trust Company ("Fidelity") and Principal Life Insurance Company, respectively. Fidelity Management Trust Company and Principal Life Insurance Company ("Principal") are the trustee and custodian of the Plan, respectively, and, therefore, these transactions qualify as party-in-interest. In 2010, the Plan paid administrative fees of \$11,783 to Fidelity.

Note G – Income Tax Status

The Internal Revenue Service ruled on March 31, 2008 that the Volume Submitter Plan Document (the volume submitter plan of Fidelity Management Trust Company upon which the Plan is based) qualifies under Section 401(a) of the IRC and the related trust is, therefore, not subject to tax under present income tax law. The Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan has been amended since receiving the opinion letter. However, the Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2007.

Note H – 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 100% vested in their accounts.

Note I – Change in Providers

Effective April 1, 2010, the Plan engaged Fidelity as trustee and custodian of the Plan replacing Principal. Plan assets totaling \$5,616,946 were subsequently transferred from Principal to Fidelity.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note J – Reconciliation of Financial Statements to Form 5500

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

	<u>2010</u>	<u>2009</u>
Net assets available for benefits per Form 5500	\$ 6,527,699	\$ 5,906,105
Deemed distributions of participant loans, including interest	166,863	95,069
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>-</u>	<u>(1,787)</u>
Net assets available for benefits per the financial statements	<u>\$ 6,694,562</u>	<u>\$ 5,999,387</u>

The following is a reconciliation of net income per the Form 5500 to net increase per the financial statements for the Plan year ended December 31, 2010:

Net income per the form 5500	\$ 621,594
Change in deemed distributions of participant loans, including interest	71,794
Change in adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>1,787</u>
Net increase per the financial statements	<u>\$ 695,175</u>

Supplemental Schedule

KACI Retirement Savings Plan
Schedule of Assets (Held at End of Year)
Form 5500, Schedule H, Part IV, Item 4(i)
EIN: 61-1151139 Plan No: 001
December 31, 2010

(a)	(b) Identity of Issue, Borrower Lessor of Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral	(e) Current Value
	Mutual Funds:		
	Dreyfus	Dreyfus S&P 500 Index	\$ 16,968
	American Century	Equity Income	7,075
	Pimco	Total Return	6,372
	Oppenheimer	Diversified Markets	23,858
	Invesco Van Kampen	Small Cap Value	17,388
	Eaton Vance	Dividend Builder	10,503
	Perkins	Mid Cap Value	10,775
*	Fidelity	Stratified Income	6,456
*	Fidelity	Small Cap	11,996
*	Fidelity	Fidelity Freedom 2010 A	355,493
*	Fidelity	Fidelity Freedom 2020 A	1,018,304
*	Fidelity	Fidelity Freedom 2030 A	1,165,083
*	Fidelity	Fidelity Freedom 2040 A	656,703
*	Fidelity	Freedom Income	825
*	Fidelity	New Insights	35,494
*	Fidelity	Fidelity Freedom 2005 A	22,894
*	Fidelity	Fidelity Freedom 2015 A	387,657
*	Fidelity	Fidelity Freedom 2025 A	521,946
*	Fidelity	Fidelity Freedom 2035 A	1,187,164
*	Fidelity	Mid Cap II	17,855
*	Fidelity	International Discovery	10,023
*	Fidelity	Fidelity Freedom 2045 A	345,805
*	Fidelity	Fidelity Freedom 2050 A	20,224
	Money Market Fund:		
*	Fidelity	Prime Fund	12,619
*	Notes receivable from participants	Interest rates 4.25%-10.25%, various maturities through 2020	818,148
			<u>\$ 6,687,628</u>

* denotes party-in-interest

Historical cost (column d) not required due to participant-directed Plan.

KACI Retirement Savings Plan

Financial Statements

December 31, 2010 and 2009

KACI Retirement Savings Plan

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Mountjoy
Chilton
Medley

Independent Auditor's Report on Financial Statements

To the Plan Administrator
KACI Retirement Savings Plan

We were engaged to audit the financial statements of the KACI Retirement Savings Plan (the "Plan") as of December 31, 2010 and 2009, and for the year ended December 31, 2010, and the supplemental schedule as of December 31, 2010, 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 C, which was certified by Fidelity Management Trust Company and Principal Life Insurance Company, the trustee and custodian, respectively, 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 Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions as of December 31, 2010, and for the period April 1, 2010 through December 31, 2010, and that Principal Life Insurance Company held the Plan's investment assets and executed investment transactions as of December 31, 2009, and for the period January 1, 2010 through March 31, 2010. The Plan administrator has obtained certification from the trustee and custodian, respectively, as of December 31, 2010 and 2009 and for the year ended December 31, 2010, that the information provided to the Plan administrator by the trustee and custodian 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 and custodian, 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.

Mountjoy Chilton Medley LLP

Louisville, Kentucky
October 4, 2011

KACI Retirement Savings Plan
Statements of Net Assets Available for Benefits
December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Assets		
Investments, at fair value	\$ 5,869,480	\$ 5,334,984
Receivables:		
Participant contributions	4,857	-
Employer contributions	2,077	-
Notes receivable from participants	<u>818,148</u>	<u>666,190</u>
	<u>825,082</u>	<u>666,190</u>
Net assets available for benefits at fair value	6,694,562	6,001,174
Adjustment from fair value to contract value for fully benefit responsive investment contracts	<u>-</u>	<u>(1,787)</u>
Net Assets Available For Benefits	<u><u>\$ 6,694,562</u></u>	<u><u>\$ 5,999,387</u></u>

See accompanying notes.

KACI Retirement Savings Plan
Statement of Changes in Net Assets Available for Benefits
Year ended December 31, 2010

Additions to Net Assets Attributed to:

Investment income:	
Net appreciation in fair value of investments	\$ 570,132
Interest and dividends	<u>125,640</u>
	695,772
 Interest income on notes receivable from participants	 47,975
 Contributions:	
Employer	88,908
Participant	<u>234,563</u>
	<u>323,471</u>
 Total additions	 1,067,218

Deductions to Net Assets Attributed to:

Benefits paid to participants	360,260
Administrative fees	<u>11,783</u>
 Total deductions	 <u>372,043</u>
 Net increase	 695,175

Net Assets Available for Benefits:

Beginning of year	<u>5,999,387</u>
 End of year	 <u><u>\$ 6,694,562</u></u>

See accompanying notes.

KACI Retirement Savings Plan
Notes to Financial Statements
December 31, 2010 and 2009

Note A – Description of Plan

The following description of the KACI Retirement 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.

1. General: The Plan is a defined contribution plan covering substantially all employees of Katayama American Company, Inc. and subsidiaries (the “Company”) who have completed six months of service and are age eighteen or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended.
2. Contributions: Participants may elect to defer the maximum compensation permissible under the Internal Revenue Code (“IRC”), in the form of contributions to the Plan. The Company may make a discretionary matching contribution to each participant based on their elective deferrals which is limited to 2% of compensation. For the 2010 Plan year, the Company match was 100% of a participant’s elective deferrals not exceeding 2% of compensation. In addition, the Company may elect to make a discretionary contribution for non-highly compensated employees, which is based on compensation. There was no discretionary contribution for the 2010 Plan year.
3. Participant Accounts: Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution and an allocation of the Company's matching and discretionary contributions, if any, and Plan earnings and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.
4. Vesting: Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
1	20%
2	40
3	60
4	80
5	100

5. Investments Options: Upon enrollment in the Plan, participants may direct the investment of their accounts into various investment options offered by the Plan. They may change their investment options among those investments provided at quarterly entry dates during the Plan year.
6. Notes Receivable from Participants: Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance. Generally, the term of the loan may not exceed five years. However, if the loan is for the purchase of a participant’s principal residence, the Plan administrator may permit a longer term. The loans are secured by the balance in the participant's account and bear interest at rates commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest is repaid ratably through payroll deductions. For loans outstanding at December 31, 2010 the interest rates ranged from 4.25% to 10.25%.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note A – Plan Description (Continued)

7. Payment of Benefits: Upon termination of service or attaining normal retirement age, a participant may elect to receive a lump sum amount equal to the value of the participant's vested interest in his or her account. In-service and hardship withdrawals are also allowed as defined in the Plan agreement.
8. Forfeited Accounts: The non-vested portion of former participants' accounts may be used to pay administrative expenses of the Plan or to reduce the amount of future employer contributions. Forfeited accounts totaled \$682 and \$1,656 at December 31, 2010 and 2009, respectively. During the Plan year ended December 31, 2010, forfeitures totaling \$8,813 were used to reduce the amount of employer matching contributions.

Note B – Significant Accounting Policies

1. Basis of Accounting: The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").
2. Recent Accounting Pronouncements: In January 2010, the Financial Accounting Standards Board ("FASB") issued guidance which expands the required disclosures about fair value measurements. In particular, this guidance requires (i) separate disclosure of the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements along with the reasons for such transfers, (ii) information about purchases, sales, issuances and settlements to be presented separately in the reconciliation for Level 3 fair value measurements, (iii) fair value measurement disclosures for each class of assets and liabilities and (iv) disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements for fair value measurements that fall in either Level 2 or Level 3. This guidance is effective for periods beginning after December 15, 2009 except for (ii) above which is effective for fiscal years beginning after December 15, 2010. The Plan has adopted this guidance, except for (ii) above, for the 2010 Plan year with no material impact on the Plan's financial statements.

In September 2010, the FASB issued guidance requiring participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. This guidance is effective for fiscal years ending after December 15, 2010, with early adoption permitted. The Plan has adopted this guidance for the 2010 Plan year reclassifying participant loans as noted.

3. Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.
4. Investment Valuation and Income Recognition: The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 Plan year.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note B – Significant Accounting Policies (Continued)

The Plan's investment options as of December 31, 2009 and through March 31, 2010 included a stable value fund with Principal, which is a benefit-responsive investment contract, held in a common collective trust fund. The stable value fund invested in conventional and synthetic guaranteed investment contracts (GICs) issued by life insurance companies, banks and other financial institutions with excess cash invested in cash equivalents. The stable value fund allowed for earnings stability regardless of the volatility of the financial markets and was recorded in the accompanying financial statements at fair value. Fair value represents quoted market prices for synthetic GICs, while the fair value of conventional GICs is determined using a discounted cash flow methodology where the individual contract cash flows are discounted at the prevailing interpolated yield curve rate as of December 31, 2009. In 2009, the crediting and market interest rate for the stable value fund averaged 2.6% and 2.2%, respectively.

As described in the FASB Accounting Standards Codification ("ASC") for *Reporting of Fully Benefit Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans*, 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. As required by the FASB Staff Position ("FSP"), the Statement of Net Assets Available for Benefits at December 31, 2009 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.

5. Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan agreement.
6. Payments of Benefits: Benefits are recorded when paid.
7. Administrative Expenses: Administrative expenses of the Plan are paid by the Company or Plan participants, as defined in the Plan agreement.
8. Risks and Uncertainties: The Plan invests in various investment securities. Investment securities, in general, 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 such changes could materially affect participants' account balances and the amounts reported in the financial statements.
9. Subsequent Events: Subsequent events for the Plan have been considered through the date of the Independent Auditor's Report which represents the date the financial statements were available to be issued.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note C – Information Certified by the Plan’s Trustee and Custodian

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company and Principal Life Insurance Company, the trustee and custodian of the Plan, respectively, have certified to the completeness and accuracy of all investments and notes receivable from participants information reflected on the accompanying Statements of Net Assets Available for Benefits as of December 31, 2010 and 2009, the Schedule of Assets (Held at End of Year) at December 31, 2010, and the related investment income and interest income on notes receivable from participants reflected in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2010.

Note D – Investments

The following table presents investments that represent 5% or more of the Plan’s net assets available for benefits as of December 31, 2010:

Mutual funds (at fair value):

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Principal Bond and Mortgage	400,530

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Mutual funds	\$ 311,220
Common/collective trust	1,142
Pooled separate accounts	257,770
	<u>\$ 570,132</u>

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note E – Fair Value Measurements

FASB 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: Quoted market prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which the transaction for the asset or liability occurs with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data, such as quoted prices for similar assets or liabilities or model-derived valuations.
- Level 3: Unobservable inputs that are not corroborated by market data. These inputs reflect a company's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

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.

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, 2010 and 2009.

Mutual Funds and Money Market Fund: Valued at the net asset value ("NAV") of shares held by the Plan at year end. The NAV is based on the value of the underlying investment assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Pooled Separate Accounts: Valued at the NAV of units held by the Plan at year end provided by the issuer of the fund. The NAV is quoted on a private market that is not active; however, the unit price is based on the value of the underlying investment assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding.

One investment option within the pooled separate accounts is a commercial real estate fund which invests mainly in commercial real estate and includes mortgage loans which are secured by the associated properties. These underlying real estate investments are valued using valuation techniques that have both observable and unobservable level inputs and therefore are classified as a Level 3 investment.

Common/Collective Trust: Valued at the NAV of units held by the Plan at year end provided by the issuer of the fund. The NAV is quoted on a private market that is not active; however, the unit price is based on the value of the underlying investment assets owned by the fund, minus its liabilities, and then divided by the number of units outstanding.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note E – Fair Value Measurements (Continued)

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.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Mid/Large Cap	\$ 5,757,050	\$ -	\$ -	\$ 5,757,050
Fixed Income	36,546	-	-	36,546
International	33,881	-	-	33,881
Small Cap	29,384	-	-	29,384
Money market fund	12,619	-	-	12,619
Total investments at fair value	<u>\$ 5,869,480</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,869,480</u>

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

	Level 1	Level 2	Level 3	Total
Pooled separate accounts:				
Balanced	\$ -	\$ 2,096,117	\$ -	\$ 2,096,117
Large Value	-	477,962	-	477,962
Large Growth	-	506,583	-	506,583
Large Blend	-	287,365	-	287,365
Mid Cap Blend	-	133,986	-	133,986
Mid Cap Growth	-	108,296	-	108,296
Mid Cap Value	-	119,123	-	119,123
Small Blend	-	86,656	-	86,656
Small Growth	-	39,503	-	39,503
Small Value	-	46,114	-	46,114
International Equity	-	579,791	-	579,791
Fixed Income	-	466,030	121,295	587,325
Common/Collective Trust	-	266,163	-	266,163
Total investments at fair value	<u>\$ -</u>	<u>\$ 5,213,689</u>	<u>\$ 121,295</u>	<u>\$ 5,334,984</u>

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note E – Fair Value Measurements (Continued)

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, 2010:

Balance, beginning of year	\$ 121,295
Realized and unrealized gains, net	5,631
Purchases, sales, issuances and settlements, net	<u>(126,926)</u>
Balance, end of year	<u>\$ -</u>

Net realized and unrealized gains are reported in net appreciation in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

Note F – Related Party Transactions

Certain professional fees for the administration and audit of the Plan were paid by the Company and certain administrative services are provided by the Company at no cost to the Plan.

Certain Plan investments at December 31, 2010 and 2009 were invested in mutual funds and pooled separate accounts managed by Fidelity Management Trust Company ("Fidelity") and Principal Life Insurance Company, respectively. Fidelity Management Trust Company and Principal Life Insurance Company ("Principal") are the trustee and custodian of the Plan, respectively, and, therefore, these transactions qualify as party-in-interest. In 2010, the Plan paid administrative fees of \$11,783 to Fidelity.

Note G – Income Tax Status

The Internal Revenue Service ruled on March 31, 2008 that the Volume Submitter Plan Document (the volume submitter plan of Fidelity Management Trust Company upon which the Plan is based) qualifies under Section 401(a) of the IRC and the related trust is, therefore, not subject to tax under present income tax law. The Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan has been amended since receiving the opinion letter. However, the Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2007.

Note H – 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 100% vested in their accounts.

Note I – Change in Providers

Effective April 1, 2010, the Plan engaged Fidelity as trustee and custodian of the Plan replacing Principal. Plan assets totaling \$5,616,946 were subsequently transferred from Principal to Fidelity.

KACI Retirement Savings Plan
Notes to Financial Statements (Continued)
December 31, 2010 and 2009

Note J – Reconciliation of Financial Statements to Form 5500

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

	<u>2010</u>	<u>2009</u>
Net assets available for benefits per Form 5500	\$ 6,527,699	\$ 5,906,105
Deemed distributions of participant loans, including interest	166,863	95,069
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>-</u>	<u>(1,787)</u>
Net assets available for benefits per the financial statements	<u>\$ 6,694,562</u>	<u>\$ 5,999,387</u>

The following is a reconciliation of net income per the Form 5500 to net increase per the financial statements for the Plan year ended December 31, 2010:

Net income per the form 5500	\$ 621,594
Change in deemed distributions of participant loans, including interest	71,794
Change in adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>1,787</u>
Net increase per the financial statements	<u>\$ 695,175</u>

Supplemental Schedule

KACI Retirement Savings Plan
Schedule of Assets (Held at End of Year)
Form 5500, Schedule H, Part IV, Item 4(i)
EIN: 61-1151139 Plan No: 001
December 31, 2010

(a)	(b) Identity of Issue, Borrower Lessor of Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral	(e) Current Value
	Mutual Funds:		
	Dreyfus	Dreyfus S&P 500 Index	\$ 16,968
	American Century	Equity Income	7,075
	Pimco	Total Return	6,372
	Oppenheimer	Diversified Markets	23,858
	Invesco Van Kampen	Small Cap Value	17,388
	Eaton Vance	Dividend Builder	10,503
	Perkins	Mid Cap Value	10,775
*	Fidelity	Stratified Income	6,456
*	Fidelity	Small Cap	11,996
*	Fidelity	Fidelity Freedom 2010 A	355,493
*	Fidelity	Fidelity Freedom 2020 A	1,018,304
*	Fidelity	Fidelity Freedom 2030 A	1,165,083
*	Fidelity	Fidelity Freedom 2040 A	656,703
*	Fidelity	Freedom Income	825
*	Fidelity	New Insights	35,494
*	Fidelity	Fidelity Freedom 2005 A	22,894
*	Fidelity	Fidelity Freedom 2015 A	387,657
*	Fidelity	Fidelity Freedom 2025 A	521,946
*	Fidelity	Fidelity Freedom 2035 A	1,187,164
*	Fidelity	Mid Cap II	17,855
*	Fidelity	International Discovery	10,023
*	Fidelity	Fidelity Freedom 2045 A	345,805
*	Fidelity	Fidelity Freedom 2050 A	20,224
	Money Market Fund:		
*	Fidelity	Prime Fund	12,619
*	Notes receivable from participants	Interest rates 4.25%-10.25%, various maturities through 2020	818,148
			<u>\$ 6,687,628</u>

* denotes party-in-interest

Historical cost (column d) not required due to participant-directed Plan.