# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

**2010**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

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

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

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

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

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

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
LAWSON INDUSTRIES INC 401K PLAN AND TRUST

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/2002

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

8501 NW 90TH STREET
MEDLEY, FL 33166

**2b** Employer Identification Number (EIN) 59-2727405

**2c** Sponsor's telephone number 305-696-8660

**2d** Business code (see instructions) 332900

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/12/2011 | MAYDOLE ARENCIBIA |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address (if same as plan sponsor, enter "Same")
LAWSON INDUSTRIES INC

8501 NW 90TH STREET
MEDLEY, FL 33166

**3b** Administrator's EIN
59-2727405

**3c** Administrator's telephone number
305-696-8660

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

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 168 |
| **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** | 90 |
| **b** | Retired or separated participants receiving benefits | **6b** | |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 34 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 124 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 124 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 78 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | |
| **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:
3H 3D 2K 2J 2G 2F 2E

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

**9b** Plan benefit arrangement (check all that apply)

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

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

**a Pension Schedules**

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

**b General Schedules**

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

# 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**

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

**A** Name of plan
LAWSON INDUSTRIES INC 401K PLAN AND TRUST

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500.
LAWSON INDUSTRIES, INC

**D** Employer Identification Number (EIN)
59-2727405

**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.

**1** Coverage Information:

**(a)** Name of insurance carrier
JOHN HANCOCK USA

| (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 | Policy or contract year (g) To |
|---|---|---|---|---|---|
| 01-0233346 | 65838 | 22856 | 90 | 01/01/2010 | 12/31/2010 |

**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 |
|---|---|
| 5661 | 15 |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid
BENEFITS OUTSOURCE, INC.
5599 S UNIVERSITY DRIVE SUITE 201
DAVIE, FL 33328

| (b) Amount of sales and base commissions paid | Fees and other commissions paid (c) Amount | Fees and other commissions paid (d) Purpose | (e) Organization code |
|---|---|---|---|
| | 15 | PLAN ADMINISTRATION | 5 |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid
MERRILL LYNCH
2611 EAST OAKLAND PARK BLVD
FORT LAUDERDALE, FL 33306

| (b) Amount of sales and base commissions paid | Fees and other commissions paid (c) Amount | Fees and other commissions paid (d) Purpose | (e) Organization code |
|---|---|---|---|
| 5661 | | | 7 |

**(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 | 60635 |
| 5 | Current value of plan's interest under this contract in separate accounts at year end | 5 | 1164941 |

**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 | 60017 |
| **c** | Additions: (1) Contributions deposited during the year | 7c(1) | | | |
| | (2) Dividends and credits | 7c(2) | | | |
| | (3) Interest credited during the year | 7c(3) | 1473 | | |
| | (4) Transferred from separate account | 7c(4) | | | |
| | (5) Other (specify below) | 7c(5) | 903 | | |
| | ▶ LOAN REPAYMENTS | | | | |
| | (6) Total additions | | | 7c(6) | 2376 |
| **d** | Total of balance and additions (add **b** and **c(6)**) | | | 7d | 62393 |
| **e** | Deductions: | | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | 7e(1) | 1014 | | |
| | (2) Administration charge made by carrier | 7e(2) | 744 | | |
| | (3) Transferred to separate account | 7e(3) | | | |
| | (4) Other (specify below) | 7e(4) | | | |
| | ▶ | | | | |
| | (5) Total deductions | | | 7e(5) | 1758 |
| **f** | Balance at the end of the current year (subtract **e(5)** from **d**) | | | 7f | 60635 |

## 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)** | |
| **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)** | |
| (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)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ 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) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2010**<br>**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
LAWSON INDUSTRIES INC 401K PLAN AND TRUST

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
LAWSON INDUSTRIES, INC

**D** Employer Identification Number (EIN)
59-2727405

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

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

JOHN HANCOCK LIFE INSURANCE COMPANY
PO BOX 600
BUFFALO, NY 14201-0600

01-0233346

**(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)

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

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

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

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

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

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

## Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

OMB No. 1210-0110

**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
LAWSON INDUSTRIES INC 401K PLAN AND TRUST

**B** Three-digit plan number (PN) ▶ 001

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
LAWSON INDUSTRIES, INC

**D** Employer Identification Number (EIN)
59-2727405

**Part I** **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VS CAP APP

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **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) |
|---|---|---|
| 01-0233346-000 | P | 8895 |

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **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) |
|---|---|---|
| 01-0233346-000 | P | 19050 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: US SML CAP

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **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) |
|---|---|---|
| 01-0233346-000 | P | 1316 |

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **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) |
|---|---|---|
| 01-0233346-000 | P | 45092 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VS MC ST

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **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) |
|---|---|---|
| 01-0233346-000 | P | 9 |

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **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) |
|---|---|---|
| 01-0233346-000 | P | 10 |

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **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) |
|---|---|---|
| 01-0233346-000 | P | 6 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VS IT VL

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3764 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VS SML VAL

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 163 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 747 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 90260 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1390 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: IDX 500

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5486 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3286 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 166576 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 26859 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: SM MD GROWTH

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 186 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 197 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 157932 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14229 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10192 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1403 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VAL & REST

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VS BLUE CHIP

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 17590 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: LG CAP VALUE

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2988 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7896 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 856 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3234 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 97 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 16158 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: TRP EQ INC

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 736 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1258 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: AMERICAN FUNDS AM BALANCED

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2254 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: 5 YR COMP

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12868 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: 3 YR COMP

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 47767 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12611 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 93873 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 310917 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 55234 |
|---|---|---|

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

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK

| **c** EIN-PN 01-0233346-000 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 64390 |
|---|---|---|

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**a** Plan name

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

**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
LAWSON INDUSTRIES INC 401K PLAN AND TRUST

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
LAWSON INDUSTRIES, INC

**D** Employer Identification Number (EIN)
59-2727405

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | 15559 | 17770 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 91467 | 90260 |
| **(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) | 42690 | 45092 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | 937183 | 1011819 |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | | |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | 60017 | 60635 |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 1146916 | 1225576 |
| | **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 through1j) | 1k | | |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 1146916 | 1225576 |

## Part II Income and Expense Statement

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

| | Income | | (a) Amount | (b) Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | | |
| | **(B)** Participants | 2a(1)(B) | | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | |
| **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) | 2420 | |
| | **(F)** Other | 2b(1)(F) | 1473 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 3893 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| | **(B)** Common stock | 2b(2)(B) | | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | |
| | **(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) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | 132972 |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 136865 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 44068 | |
| (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) | | 44068 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | 1612 |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | 12525 | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines 2i(1) through (4) | 2i(5) | | 12525 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 58205 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line 2j from line 2d | 2k | | 78660 |
| 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) [X] Disclaimer (4) [ ] Adverse

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

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

(1) Name: LEGACY PROFESSIONALS LLP (2) EIN: 32-0043599

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

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

## Part IV Compliance Questions

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

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | X | | 2838 |
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| **e** | Was this plan covered by a fidelity bond? | 4e | X | | 100000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | |

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

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

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

# LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

FINANCIAL STATEMENTS

DECEMBER 31, 2010

# LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

FINANCIAL STATEMENTS WITH SUPPLEMENTAL SCHEDULES

DECEMBER 31, 2010 AND 2009

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LEGACY
PROFESSIONALS LLP
CERTIFIED PUBLIC ACCOUNTANTS

## REPORT OF INDEPENDENT AUDITORS

To the Trustees of
Lawson Industries, Inc.
401(k) Plan and Trust

We were engaged to audit the accompanying financial statements of Lawson Industries, Inc. 401(k) Plan and Trust (the Plan) as of and for the years ended December 31, 2010 and 2009 and the supplemental schedules as of December 31, 2010 as listed in the accompanying table of contents. These financial statements and schedules 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's administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by John Hancock Life Insurance Company (U.S.A.), the Trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan's administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan's administrator has obtained certification from the Trustee that the information, as of and for the years ended December 31, 2010 and 2009, provided to the Plan's administrator is complete and accurate.

As described in Note 1, these financial statements were prepared using the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Because of the significance of the information that we did not audit, we are unable to express, and do not express, an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by John Hancock Life Insurance Company (U.S.A.), 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.

Legacy Professionals LLP

October 7, 2011



222 Indianapolis Boulevard | Suite 103 | Schererville, IN 46375 | 219-836-1065 | 219-836-2012 Fax | www.legacycpas.com

# LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
## MODIFIED CASH BASIS

DECEMBER 31, 2010 AND 2009

| ASSETS | 2010 | 2009 |
|---|---|---|
| INVESTMENTS - at fair value | | |
| Insurance contract pooled separate accounts | $ 1,011,819 | $ 937,183 |
| Guaranteed investment accounts | 60,990 | 61,340 |
| Money market fund | 90,260 | 91,467 |
| Total investments | 1,163,069 | 1,089,990 |
| NOTES RECEIVABLE FROM PARTICIPANTS | 45,092 | 42,690 |
| CASH | 17,770 | 15,559 |
| NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE | 1,225,931 | 1,148,239 |
| ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT | (355) | (1,323) |
| NET ASSETS AVAILABLE FOR BENEFITS | $ 1,225,576 | $ 1,146,916 |

See accompanying notes to financial statements.

## LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

### STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
### MODIFIED CASH BASIS

YEARS ENDED DECEMBER 31, 2010 AND 2009

| | 2010 | 2009 |
|---|---|---|
| ADDITIONS | | |
| Investment income | | |
| Net appreciation in fair value of investments | $ 132,972 | $ 214,055 |
| Interest and dividends | 1,473 | 2,208 |
| Total investment income | 134,445 | 216,263 |
| Interest income on notes receivable from participants | 2,420 | 4,918 |
| Contributions | | |
| Participant | - | 16,124 |
| Employer | - | 5,990 |
| Total contributions | - | 22,114 |
| Total additions | 136,865 | 243,295 |
| DEDUCTIONS | | |
| Distributions | 44,068 | 77,564 |
| Corrective distributions | - | 19,877 |
| Deemed distributions of loans | 1,612 | 57,145 |
| Administrative expenses | 12,525 | 11,979 |
| Total deductions | 58,205 | 166,565 |
| NET INCREASE | 78,660 | 76,730 |
| NET ASSETS AVAILABLE FOR BENEFITS | | |
| Beginning of year | 1,146,916 | 1,070,186 |
| End of year | $ 1,225,576 | $ 1,146,916 |

See accompanying notes to financial statements.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Method of Accounting** - The financial statements are prepared on the modified cash basis of accounting. Except for assets and liabilities which arise from cash transactions and net appreciation (depreciation) on investments, revenue is recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred.

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

**New Accounting Pronouncements** - In January 2010, the Financial Accounting Standards Board (FASB) issued new accounting guidance that enhanced disclosure requirements for fair value measurements. This update requires enhanced disclosures about the valuation techniques and inputs used for fair value measurements using Level 2 and Level 3 inputs. It also requires disclosure of the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements, and a description of the reasons for such transfers. The new guidance was effective for period beginning after December 15, 2009. The adoption of this guidance did not have a material impact on the Plan's financial statements.

In September 2010, FASB issued guidance concerning the reporting of loans to participants by defined contribution pension plans effective for periods ending after December 15, 2010. The new guidance requires that participant loans be classified as notes receivable rather than a plan investment and measured at unpaid principal balance plus accrued but unpaid interest rather than fair value. The guidance was adopted retrospectively and did not have a material impact on the Plan's financial statements.

**Investments** - The investments of the Plan are reported at fair value. The fair value of a financial instrument is the amount 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 (the exit price).

Purchases and sales of investments are recorded on a trade date basis.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**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 document.

**Plan Administration** - The Plan is maintained under a trust agreement. John Hancock Life Insurance Company (U.S.A.) manages the Plan's operations and administration and has custody of the Plan's assets. Benefits Outsource handles preparation of tax filings and tax compliance.

**Administrative Expenses** - The Plan sponsor provides and pays certain expenses of maintaining the Plan without charge or reimbursement.

**Estimates** - The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

**Subsequent Events** - Subsequent events have been evaluated through October 7, 2011, which is the date the financial statements were available to be issued.

## NOTE 2. DESCRIPTION OF THE PLAN

Lawson Industries, Inc. 401(k) Plan and Trust was established January 1, 2002, and has been adopted by two related companies collectively referred to herein as the "Companies": Lawson Industries, Inc. and Sunco Plastics, Inc. The Plan was established to provide employees of the Companies with the opportunity to save for retirement on a tax-deferred basis. The Plan is financed by contributions from the participants and voluntary contributions by the Companies, and by net earnings of the investments of the Plan. The Plan is a defined contribution plan covering all nonunion employees who have at least one year of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Participants may elect to voluntarily defer up to 18 percent of their pretax annual base compensation, subject to certain limitations. Rollovers from another employer's qualified retirement plan are accepted. The Companies, at their discretion, may match the participant's elective deferral contributions not to exceed five percent of the participant's compensation. Additional profit sharing contributions are made at the option of the Companies.

Each participant's account is credited with the participant's contribution and any employer matching contribution. Plan earnings or losses are allocated on a daily basis. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Contributions to the Plan are invested as directed by the participant into various investment options. Participants must evaluate their own investment goals and objectives and choose the investments best suited to achieve their goals and objectives.

## NOTE 2. DESCRIPTION OF THE PLAN (CONTINUED)

Poor investment performance by the investment accounts selected by the participants may cause their vested balances to be lower than the amounts contributed to the Plan on their behalf.

Participants are immediately vested in their voluntary compensation deferrals plus actual earnings thereon. Participants become 20 percent vested in the Companies' contributions plus actual earnings thereon after 2 years of service with an additional 20 percent for each year thereafter, achieving 100 percent vesting after 6 years of service. Participants' accounts become fully vested upon retirement, permanent disability or death. Forfeited nonvested accounts are used to reduce administrative expenses of the Plan first and any excess will reduce future employer contributions.

The Plan provides for loans to the participants. The maximum loan is the lower of $50,000 or 50 percent of a participant's vested account balance. There is a minimum loan amount of $500. Five years is the maximum length of the loan, unless it qualifies as a home loan, which may be for a reasonable period of time in excess of 5 years. The balance of the loans outstanding at December 31, 2010 and 2009 were $45,092 and $42,690 with interest rates ranging approximately from 5 to 6 percent.

Participants should refer to the summary plan description for more information.

Effective February 2009, the Companies suspended contributions to the Plan. This decision was made in direct response to the then current business conditions. During 2010, the Companies did not reinstate contributions. Such suspension will remain in effect indefinitely or until lifted by the Companies.

## NOTE 3. PLAN TERMINATION

Although it has not expressed any intent to do so, the Companies as the Plan sponsor have the right to terminate the Plan subject to the provisions set forth in ERISA.

More than 20% of the Plan's participants were terminated due to downsizing efforts made by the Companies in 2008 and 2009. This resulted in a partial termination of the Plan, and all affected participants became fully vested in their benefits regardless of whether they met the vesting requirements of the Plan.

## NOTE 4. TAX STATUS

The Internal Revenue Service has issued a determination letter indicating that the Plan (a prototype plan), as designed, is a qualified plan under Internal Revenue Code Section 401(a). Management believes that the Plan, as designed, is being operated in accordance with applicable regulations and, therefore, is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code.

The Plan files Form 5500, *Annual Return/Report of Employee Benefit Plan*, which is subject to examination by the Internal Revenue Service until the applicable statue of limitations expires.

## NOTE 5. INVESTMENTS

The following summary presents the aggregate fair value for each of the Plan's investment categories. Individual investments that represent 5% or more of the Plan's net assets available for benefits are separately identified.

| | 2010 | 2009 |
|---|---|---|
| Insurance contract pooled separate accounts: | | |
| Oppenheimer Developing Market | $ 166,576 | $ 361 * |
| John Hancock II | | |
| Lifestyle Conservative Fund | 64,390 | 68,495 |
| Lifestyle Balanced Fund | 310,917 | 432,637 |
| Lifestyle Growth Fund | 93,873 | 96,249 |
| JPM Mid Cap Value Fund | 157,932 | 129,717 |
| Others | 218,131 | 209,724 |
| Guaranteed investment accounts | 60,990 | 61,340 |
| Money market fund: | | |
| Manulife Money Market Fund | 90,260 | 91,467 |
| Total | $ 1,163,069 | $ 1,089,990 |

* not a 5% holding

Net appreciation of the Plan's investments including investments bought, sold, and held during the year of $132,972 and $214,055 for 2010 and 2009, respectively is entirely due to insurance contract pooled separate accounts.

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

## NOTE 6. FAIR VALUE MEASUREMENTS

The Plan prepares its financial statements on the modified cash basis of accounting. Because one of the modifications to the cash basis that the Plan has made is to carry its investments at fair value, the *Fair Value Measurements and Disclosures* Topic of the FASB Accounting Standards Codification, which established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, has been implemented by the Plan. 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 are described below:

Basis of Fair Value Measurement

| | |
|---|---|
| Level 1 | Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities |
| Level 2 | Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly |
| Level 3 | Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable |

The methods used to measure fair value may produce an amount 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.

NOTE 6. FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth, by level within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2010 and 2009. As required, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. At December 31, 2010 and 2009, the Plan held no assets at fair value classified within Level 3.

| | | Fair Value Measurements at Year End Using | | |
|---|---|---|---|---|
| | Total | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| December 31, 2010: | | | | |
| Insurance contract pooled separated accounts | | | | |
| Lifestyle funds | $ 537,025 | $ - | $ 537,025 | $ - |
| Mid cap value | 157,932 | - | 157,932 | - |
| Others | 316,862 | - | 316,862 | - |
| Guaranteed investment accounts | 60,990 | - | 60,990 | - |
| Money market fund | 90,260 | - | 90,260 | - |
| Total | $ 1,163,069 | $ - | $ 1,163,069 | $ - |
| December 31, 2009: | | | | |
| Insurance contract pooled separated accounts | | | | |
| Lifestyle funds | $ 669,473 | $ - | $ 669,473 | $ - |
| Mid cap value | 129,717 | - | 129,717 | - |
| Others | 137,993 | - | 137,993 | - |
| Guaranteed investment accounts | 61,340 | - | 61,340 | - |
| Money market fund | 91,467 | - | 91,467 | - |
| Total | $ 1,089,990 | $ - | $ 1,089,990 | $ - |

## NOTE 6. FAIR VALUE MEASUREMENTS (CONTINUED)

The fair values of insurance contract pooled separate accounts are determined by reference to the accounts' underlying assets, which are principally marketable equity and fixed income securities. Units held in the insurance contract pooled separate accounts and guaranteed investment accounts are valued at the unit value as reported by the investment manager as of December 31, 2010 and 2009. Redemptions are available on a daily basis without notice.

The money market fund is valued at cost which approximates fair value.

## NOTE 7. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan included in the Plan's financial statements that was prepared or derived from information provided by John Hancock Life Insurance Company (U.S.A.). The Plan has obtained certification from John Hancock Life Insurance Company (U.S.A.) that such information is complete and accurate for the years ended December 31, 2010 and 2009.

| | 2010 | 2009 |
|---|---|---|
| Statement of Net Assets Available for Benefits: | | |
| Insurance contract pooled separate accounts | $ 1,011,819 | $ 937,183 |
| Guaranteed investment accounts at contract value | $ 60,635 | $ 60,017 |
| Guaranteed investment accounts at fair value | $ 60,990 | $ 61,340 |
| Money market fund | $ 90,260 | $ 91,467 |
| Statement of Changes in Net Assets Available for Benefits: | | |
| Net appreciation in fair value of investments | $ 132,972 | $ 214,055 |
| Interest and dividends | $ 1,473 | $ 2,208 |

## NOTE 8. GUARANTEED INVESTMENT ACCOUNTS

The Plan has entered into a benefit-responsive investment contract with John Hancock Life Insurance Company (U.S.A.) who maintains the contributions in a separate account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is included in the statement of net assets available for benefits at fair value as determined using the market approach. The adjustment from fair value to contract value for the investment contract is based on the contract value as reported to the Plan by John Hancock Life Insurance Company (U.S.A.). Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. The Plan may ordinarily direct the withdrawal or transfer of all or a portion of its investment at contract value.

The contract value of the guaranteed investment accounts at December 31, 2010 and 2009 was $60,635 and $60,017 respectively. The crediting interest rate at December 31, 2010 and 2009 was 5.73% and 3.40%, respectively. The average composite yield rate at December 31, 2010 and 2009 was 2.08% and 4.90%, respectively.

## NOTE 8. GUARANTEED INVESTMENT ACCOUNTS (CONTINUED)

Certain events, such as the premature termination of the contract by the Plan or the termination of the Plan, would limit the Plan's ability to transact at contract value with John Hancock Life Insurance Company (U.S.A.). The Plan administrator believes the occurrence of such events that would also limit the Plan's ability to transact at contract value with Plan participants is not probable.

The guaranteed investment accounts contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

## NOTE 9. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by John Hancock Life Insurance Company (U.S.A.), the Trustee as defined by the Plan, and therefore, these transactions qualify as party-in-interest transactions.

# SUPPLEMENTAL SCHEDULES

LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

IRS Plan Number: 001
Plan Year End: 12/31/10

**SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR**
**FORM 5500, SCHEDULE H ITEM 4I**

EIN: 59-2727405

| (a) | (b) Identity of Issue | (c) Description of Investment | (d) Cost** | (e) Current Value |
|---|---|---|---|---|
| * | 500 Index | Pooled Fund | | $ 5,486 |
| * | All Cap Value | Pooled Fund | | 6 |
| * | American Balanced | Pooled Fund | | 2,254 |
| * | BlackRock Large Value | Pooled Fund | | 2,988 |
| * | Blue Chip Growth | Pooled Fund | | 17,590 |
| * | Capital Appreciation | Pooled Fund | | 8,895 |
| * | Columbia Value & Restructuring | Pooled Fund | | 8 |
| * | Davis New York Venture | Pooled Fund | | 97 |
| * | DFA US Small Cap | Pooled Fund | | 1,316 |
| * | Domini Social Equity | Pooled Fund | | 7,896 |
| * | Vanguard Energy | Pooled Fund | | 19,050 |
| * | Franklin Balance Sheet | Pooled Fund | | 197 |
| * | Franklin Small-Mid Growth | Pooled Fund | | 186 |
| * | Growth Fund of America | Pooled Fund | | 1,403 |
| * | International Equity Index | Pooled Fund | | 747 |
| * | International Value | Pooled Fund | | 3,764 |
| * | Investment Company of America | Pooled Fund | | 16,159 |
| | John Hancock II | | | |
| * | Lifestyle Aggressive | Pooled Fund | | 12,611 |
| * | Lifestyle Balanced | Pooled Fund | | 310,917 |
| * | Lifestyle Conservative | Pooled Fund | | 64,390 |
| * | Lifestyle Growth | Pooled Fund | | 93,873 |
| * | Lifestyle Moderate | Pooled Fund | | 55,234 |
| | John Hancock Life Insurance Co. | | | |
| * | 3 Year Compound | Guaranteed Investment Account | | 47,767 |
| * | 5 Year Compound | Guaranteed Investment Account | | 12,868 |
| * | JPM Mid Cap Value | Pooled Fund | | 157,932 |
| * | MFS Utilities | Pooled Fund | | 11 |
| * | Manulife Money Market Fund | Money Market Fund | | 90,260 |
| * | Mid Cap Index | Pooled Fund | | 1,390 |
| * | Mid Cap Stock | Pooled Fund | | 9 |

* Represents a party-in-interest
** Cost information is not required for participant-directed investments and, therefore, is not included.

LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

IRS Plan Number: 001
Plan Year End: 12/31/10

**SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR**
**FORM 5500, SCHEDULE H ITEM 4I**

EIN: 59-2727405

| (a) | (b) Identity of Issue | (c) Description of Investment | (d) Cost** | (e) Current Value |
|---|---|---|---|---|
| * | Oppenheimer Developing Market | Pooled Fund | | $ 166,576 |
| * | Oppenheimer Global | Pooled Fund | | 14,229 |
| * | Optimized All Cap Fund | Pooled Fund | | 10 |
| * | Real Estate Securities | Pooled Fund | | 856 |
| * | Short Term Federal | Pooled Fund | | 3,234 |
| * | Small Cap Value | Pooled Fund | | 163 |
| * | T. Rowe Price Equity Incorporated | Pooled Fund | | 736 |
| * | T. Rowe Price Health Science | Pooled Fund | | 26,859 |
| * | T. Rowe Price Science & Technology | Pooled Fund | | 3,286 |
| * | Templeton World | Pooled Fund | | 10,192 |
| * | Total Stock Market Index | Pooled Fund | | 11 |
| * | Washington Mutual Investors | Pooled Fund | | 1,258 |
| | | | | 1,162,714 |
| * | Participant loans | Interest rates 5.00% - 6.00% | | 45,092 |
| | Total investments per Form 5500 | | | $ 1,207,806 |

* Represents a party-in-interest
** Cost information is not required for participant-directed investments and, therefore, is not included.

# LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

## SCHEDULE H, LINE 4A, SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

## DECEMBER 31, 2010

| Participant Contributions Transferred Late to Plan | Total that Constitute NonExempt Prohibited Transactions $ 2,838 | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| Check here if Late Participant Loan Repayments are included: X | Contributions Not Corrected | Contributions Corrected Outside VFCP $ 2,838 | Contributions Pending Correction in VFCP | |

**Schedule H, Line 4a, Schedule of Delinquent Participant Contributions**

December 31, 2010

| Participant Contributions Transferred Late to Plan | Total that Constitute NonExempt Prohibited Transactions $ 2,838 | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| Check here if Late Participant Loan Repayments are included: X | Contributions Not Corrected $ - | Contributions Corrected Outside VFCP $ 2,838 | Contributions Pending Correction in VFCP $ - | |

**Statement 1**
**Schedule H, Page 2, Line 2b(1)(F)**
**Other Interest**
LAWSON INDUSTRIES, INC. 401(k) PLAN AND TRUST 59-2727405 001

| | |
|---|---|
| Total Interest Earned on Guaranteed Acct | $ 1,473. |
| Total | $ 1,473. |

**Statement 2**
**Schedule H, Page 4, Line 4i**
**Schedule Of Assets (Held At End Of Year)**
LAWSON INDUSTRIES, INC. 401(k) PLAN AND TRUST 59-2727405 001

| Party In Interest | Identification | Description | Cost | Current Amount |
|---|---|---|---|---|
| | Loan Account | | | $ 45,092. |
| | 3 Year Comp | Pooled Fund | | 47,767. |
| | 5 Year Comp | Pooled Fund | | 12,868. |
| | AF Growth | Pooled Fund | | 1,403. |
| | AF ICA | Pooled Fund | | 16,158. |
| | AF WashMut | Pooled Fund | | 1,258. |
| | Amer Fds Am Bal | Pooled Fund | | 2,254. |
| | Balance Sheet | Pooled Fund | | 197. |
| | Cash Account | Pooled Fund | | 17,770. |
| | Develop Mkt | Pooled Fund | | 166,576. |
| | Domini Soc | Pooled Fund | | 7,896. |
| | Energy | Pooled Fund | | 19,050. |
| | Global | Pooled Fund | | 14,229. |
| | Health Sci | Pooled Fund | | 26,859. |
| | IDX 500 | Pooled Fund | | 5,486. |
| | IDX Int'l | Pooled Fund | | 747. |
| | IDX Mid | Pooled Fund | | 1,390. |
| | IDX Total | Pooled Fund | | 11. |
| | JPM McValu | Pooled Fund | | 157,932. |
| | LG Cap Val | Pooled Fund | | 2,988. |
| | LS Aggressive | Pooled Fund | | 12,611. |
| | LS Balanced | Pooled Fund | | 310,917. |
| | LS Conserve | Pooled Fund | | 64,390. |
| | LS Growth | Pooled Fund | | 93,873. |
| | LS Moderate | Pooled Fund | | 55,234. |
| | Money | Pooled Fund | | 90,260. |
| | New York Venture | Pooled Fund | | 97. |
| | Opt Allcp | Pooled Fund | | 10. |
| | Sci Tech | Pooled Fund | | 3,286. |
| | Short Term Fed | Pooled Fund | | 3,234. |
| | SM-MD Growth | Pooled Fund | | 186. |
| | T. Rowe Pr Eq In | Pooled Fund | | 736. |
| | US Small Cap | Pooled Fund | | 1,316. |
| | Utilities | Pooled Fund | | 11. |
| | Val & Rest | Pooled Fund | | 9. |
| | VS ALCPVALU | Pooled Fund | | 6. |
| | VS Blue Chip | Pooled Fund | | 17,590. |
| | VS Cap App | Pooled Fund | | 8,895. |
| | VS IT VL | Pooled Fund | | 3,764. |
| | VS MC St | Pooled Fund | | 9. |
| | VS Rests | Pooled Fund | | 856. |
| | VS Sml Val | Pooled Fund | | 163. |
| | World | Pooled Fund | | 10,192. |

Form **5558**
(Rev January 2008)
Department of the Treasury
Internal Revenue Service

# Application for Extension of Time To File Certain Employee Plan Returns

► For Privacy Act and Paperwork Reduction Act Notice, see instructions.

OMB No. 1545-0212

**File With IRS Only**

## Part I Identification

**A** Name of filer, plan administrator, or plan sponsor (see instructions)
LAWSON INDUSTRIES, INC.

Number, street, and room or suite number (If a P.O. box, see instructions)
8501 N.W. 90TH STREET

City or town, state, and ZIP code
MEDLEY, FL 33166

**B** Filer's Identifying Number (see instructions).
[X] Employer identification number (EIN)
► 59-2727405
[ ] Social security number (SSN)
►

| C | Plan name | Plan number | Plan year ending MM | DD | YYYY |
|---|---|---|---|---|---|
| 1 | LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST | 001 | 12 | 31 | 10 |
| 2 | | | | | |
| 3 | | | | | |

## Part II Extension of Time to File Form 5500 or Form 5500-EZ *(see instructions)*

1 I request an extension of time until 10/17/2011 to file Form 5500 or Form 5500-EZ.

The application **is automatically approved** to the date shown on line 1 (above) if: **(a)** the Form 5558 is filed on or before the normal due date of Form 5500 or 5500-EZ for which this extension is requested, and **(b)** the date on line 1 is no more than 2-1/2 months after the normal due date.

**You must attach a copy of this Form 5558 to each Form 5500 and 5500-EZ filed after the due date for the plans listed in C above.**

**Note:** A signature is not required if you are requesting an extension to file Form 5500 or Form 5500-EZ.

## Part III Extension of Time to File Form 5330 *(see instructions)*

2 I request an extension of time until _____ to file Form 5330.
You may be approved for up to a six (6) month extension to file Form 5330, after the normal due date of Form 5330.

a Enter the Code section(s) imposing the tax ► a

b Enter the payment amount attached ► b

c For excise taxes under section 4980 or 4980F of the Code, enter the reversion/amentment date ► c

3 **State in detail why you need the extension**

Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made on this form are true, correct, and complete, and that I am authorized to prepare this application.

**Signature** ► Jackson Obarogie **Date** ► 6/22/11