

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:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>NETSHAPE TECHNOLOGIES, INC. 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>02/04/2007</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>02/04/2007</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>02/04/2007</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>PRECISION COMPONENTS GROUP</u> <u>8751 OLD ST ROAD 60</u> <u>SELLERSBURG, IN 47172</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>30-0018123</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>812-923-4057</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332900</u></td> </tr> <tr> <td style="height: 40px;"></td> </tr> </table>	2b Employer Identification Number (EIN) <u>30-0018123</u>	2c Sponsor's telephone number <u>812-923-4057</u>	2d Business code (see instructions) <u>332900</u>	
2b Employer Identification Number (EIN) <u>30-0018123</u>					
2c Sponsor's telephone number <u>812-923-4057</u>					
2d Business code (see instructions) <u>332900</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2011	SHARON ROBERTS
	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") PRECISION COMPONENTS GROUP 8751 OLD ST ROAD 60 SELLERSBURG, IN 47172	3b Administrator's EIN 30-0018123 3c Administrator's telephone number 812-923-4057
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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 NETSHAPE TECHNOLOGIES, INC.	4b EIN 30-0018123 4c PN 001	
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5 Total number of participants at the beginning of the plan year	5	505
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	497
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	78
d Subtotal. Add lines 6a , 6b , and 6c	6d	575
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	2
f Total. Add lines 6d and 6e	6f	577
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	358
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 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) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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SCHEDULE 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 NETSHAPE TECHNOLOGIES, INC. 401(K) PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 PRECISION COMPONENTS GROUP		D Employer Identification Number (EIN) 30-0018123

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)..... ☒ 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

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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 65 60	RECORDKEEPER	10206	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

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

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

(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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
MSIF MID CAP GRTH P - MORGAN STANLEY 13-3799749	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. 0.35%	
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
OPPHMR DEV MKTS A - OPPENHEIMERFUND P.O. BOX 5270 COLORADO, CO 80217	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. 0.45%	
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
PIMCO TOT RETURN ADM - BOSTON FINAN 04-2526037	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. 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.	
RDGWITH MID CAP VAL I - CITI FUND SE	0.40%	
31-1249295		
(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.	
TCW SM CAP GRTH N - US BANCORP FUND	0.50%	
39-0281260		
(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.	
TRP EQUITY INCOME - T ROWE PRICE IN	0.15%	
52-1184650		

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
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(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)
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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 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 NETSHAPE TECHNOLOGIES, INC. 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 PRECISION COMPONENTS GROUP	D Employer Identification Number (EIN) 30-0018123	

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)		
(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)	832887	821398
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	5544272	6153525
(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	6377159	6974923

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		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	6377159	6974923
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)	675617	
(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)		675617

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	156	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		156
(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)	138458	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		138458
(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)		
(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)		633413
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1447644

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	837610	
(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)		837610
f Corrective distributions (see instructions)	2f		2043
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	10227	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		10227
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		849880

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		597764
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: BKD. LLP

(2) EIN: 44-0160260

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.

For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>		
A Name of plan <u>NETSHAPE TECHNOLOGIES, INC. 401(K) 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>PRECISION COMPONENTS GROUP</u>	D Employer Identification Number (EIN) <u>30-0018123</u>	

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

1	<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): 04-6568107

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

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

3	
----------	--

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☐ No ☐ N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6

a Enter the minimum required contribution for this plan year	6a	
b Enter the amount contributed by the employer to the plan for this plan year	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c	

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

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

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

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

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

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

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

11

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

- 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): _____

NetShape Technologies, Inc. 401(k) Plan

EIN 30-0018123 PN 001

Accountants' Report and Financial Statements

December 31, 2010 and 2009



NetShape Technologies, Inc. 401(k) Plan
December 31, 2010 and 2009

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Independent Accountants' Report

Plan Administrator
NetShape Technologies, Inc. 401(k) Plan
Sellersburg, Indiana

We were engaged to audit the accompanying statements of net assets available for benefits of the NetShape Technologies, Inc. 401(k) Plan (Plan) as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended and the accompanying supplemental schedule. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* (ERISA), the Plan administrator instructed us not to perform, and we did not perform, auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the trustee is complete and accurate.

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

BKD, LLP

Evansville, Indiana
September 8, 2011
Federal Employer Identification Number: 44-0160260

NetShape Technologies, Inc. 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2010 and 2009

Assets

	<u>2010</u>	<u>2009</u>
Investments, At Fair Value	\$ 6,974,923	\$ 6,377,159

Liabilities

Excess Contributions Payable	<u>5,087</u>	<u>-</u>
Net Assets Available for Benefits	<u>\$ 6,969,836</u>	<u>\$ 6,377,159</u>

NetShape Technologies, Inc. 401(k) Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Investment Income		
Net appreciation in fair value of investments	\$ 633,413	\$ 1,181,947
Interest and dividends	<u>138,614</u>	<u>145,824</u>
Net investment income	<u>772,027</u>	<u>1,327,771</u>
Contributions		
Employer	-	202,552
Participants	670,530	701,356
Rollovers	<u>-</u>	<u>9,654</u>
	<u>670,530</u>	<u>913,562</u>
Total additions	<u>1,442,557</u>	<u>2,241,333</u>
Deductions		
Benefits paid to participants	839,653	1,234,083
Administrative expenses	<u>10,227</u>	<u>12,509</u>
Total deductions	<u>849,880</u>	<u>1,246,592</u>
Net Increase	592,677	994,741
Net Assets Available for Benefits, Beginning of Year	<u>6,377,159</u>	<u>5,382,418</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ 6,969,836</u></u>	<u><u>\$ 6,377,159</u></u>

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 1: Description of the Plan

The following description of the NetShape Technologies, Inc. 401(k) Plan (Plan) provides only general information. Participants should refer to the Plan Document and *Summary Plan Description* for a more complete description of the Plan's provisions, which are available from the Plan administrator, NetShape Technologies, Inc. (Company).

General

The Plan is a defined contribution plan sponsored by the Company for the benefit of eligible employees following the completion of three months of service. Related employers who also participate in the Plan include Sinterloy Corporation, Allegheny Clearfield Incorporated, Helsel, Inc., Hawk MIM, Inc. and NetShape Technologies, LLC. The Plan is subject to the provisions of the *Employee Retirement Income Security Act of 1974* (ERISA). Fidelity Management Trust Company is the trustee of the Plan and serves as Plan custodian.

Contributions

The Plan permits eligible employees through a salary deferral election to have the Company make annual contributions of up to 75 percent of eligible compensation. Employee rollover contributions are also permitted. Through May 31, 2009, the Company made safe-harbor matching contributions of 100 percent of employees' salary deferral amounts on the first three percent of employees' compensation and 50 percent of employees' salary deferral amounts on the next two percent of employees' compensation. Effective May 31, 2009, the Plan was amended to discontinue employer matching contributions.

Company profit-sharing contributions are discretionary as determined by the Company's board of directors. No discretionary profit-sharing contributions were made to the Plan in 2010 or 2009. Contributions are subject to certain limitations.

Participant Investment Account Options

Investment account options available include various funds. Each participant has the option of directing his or her contributions into any of the separate investment accounts and may change the allocation daily.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contribution and Plan earnings. Allocations are based on participant earnings or account balances, as defined. Administrative expenses are charged to specific participants' accounts, as applicable. The benefits to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Vesting

Participants are immediately vested in their voluntary and safe-harbor Company matching contributions, plus earnings thereon. Participants are fully vested in the Company's nonelective contributions, plus earnings thereon, after three years of service.

Payment of Benefits

Upon termination of service, an employee may elect to receive a lump-sum amount equal to the vested value of his account.

Plan Termination

Although it has not expressed an intention 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.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

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

Valuation of Investments and Income Recognition

Quoted market prices are used to value investments. Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year-end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Plan Tax Status

The Plan operates under a nonstandardized adoption agreement in connection with a prototype retirement plan document sponsored by Fidelity Management Trust Company. This prototype plan document has been filed with the appropriate agency. The Plan has not obtained or requested a determination letter. However, the Plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and that the Plan was qualified and the related trust was tax exempt as of the financial statement date. With a few exceptions, the Plan is no longer subject to U.S. federal, state, local or non-U.S. income tax examinations by tax authorities for years before 2007.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses may be paid by the Company or the Plan, at the Company's discretion.

Note 3: Investments

The following table presents the Plan's investments. Investments that represent five percent or more of total Plan assets are separately identified.

	2010	2009
Mutual funds		
Fidelity Freedom 2010 Fund	\$ 407,324	\$ 417,626
Fidelity Freedom 2015 Fund	452,610	452,952
Fidelity Freedom 2020 Fund	462,000	420,851
Fidelity Freedom 2025 Fund	513,901	429,560
Fidelity Freedom 2030 Fund	779,871	708,174
Fidelity Freedom 2035 Fund	908,611	810,737
Fidelity Freedom 2040 Fund	521,663	535,480
Fidelity Retirement Money Market Fund	821,398	832,887
Other mutual funds	2,107,545	1,768,892
	<u>\$ 6,974,923</u>	<u>\$ 6,377,159</u>

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

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

	2010	2009
Mutual funds	\$ 633,413	\$ 1,181,947

Interest and dividends realized on the Plan's investments for the years ended December 31, 2010 and 2009, were \$138,614 and \$145,824, respectively.

Note 4: Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association or relatives of such persons.

The Plan invests in certain funds of the Plan trustee. The Plan paid \$10,227 and \$12,509 of recordkeeping fees to the trustee during the years ended December 31, 2010 and 2009, respectively. The Company provides certain administrative services at no cost to the Plan.

Note 5: Plan Amendments

Effective May 31, 2009, the Plan was amended to remove the safe-harbor employer matching provision from the Plan and to discontinue future employer matching contributions.

Effective January 3, 2011, the Plan was amended to implement an automatic deferral feature whereby a participant is treated as electing to defer two percent of eligible compensation unless the participant made an affirmative election otherwise.

Effective July 1, 2011, the Plan was amended and restated under a volume submitter Plan arrangement. The significant provisions of the Plan remained unchanged as a result of this amendment and restatement other than reinstating a discretionary employer matching contribution feature of the Plan.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 6: Fair Value of Plan Assets and Liabilities

ASC Topic 820, *Fair Value Measurements* (Topic 820), defines fair value as 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. Topic 820 also specifies a fair value hierarchy which requires a plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy.

Investments

Where quoted market prices are available in an active market, investments are classified within Level 1 of the valuation hierarchy. Level 1 investments include mutual funds. If quoted market prices are not available, then fair values are estimated by a third-party pricing service using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The Plan holds no investments classified within Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Plan holds no investments classified within Level 3 of the valuation hierarchy.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

The following tables present the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

		2010			
		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fair Value					
Mutual funds					
Small/Mid cap					
U.S. equities	\$ 705,361	\$ 705,361	\$ -	\$ -	
Large cap U.S. equities	\$ 306,406	\$ 306,406	\$ -	\$ -	
International equities	\$ 376,930	\$ 376,930	\$ -	\$ -	
Fixed income	\$ 184,935	\$ 184,935	\$ -	\$ -	
Money market	\$ 821,398	\$ 821,398	\$ -	\$ -	
Multi-asset/other	\$ 4,579,893	\$ 4,579,893	\$ -	\$ -	

		2009			
		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fair Value					
Mutual funds					
Small/Mid cap					
U.S. equities	\$ 509,519	\$ 509,519	\$ -	\$ -	
Large cap U.S. equities	\$ 280,552	\$ 280,552	\$ -	\$ -	
International equities	\$ 346,977	\$ 346,977	\$ -	\$ -	
Fixed income	\$ 154,839	\$ 154,839	\$ -	\$ -	
Money market	\$ 832,887	\$ 832,887	\$ -	\$ -	
Multi-asset/other	\$ 4,252,385	\$ 4,252,385	\$ -	\$ -	

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 7: Reconciliation of Financial Statements to Form 5500

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

	2010	2009
Net assets available for benefits per the financial statements	\$ 6,969,836	\$ 6,377,159
Excess contributions payable not reported in Form 5500	5,087	-
Net assets available for benefits per Form 5500	<u>\$ 6,974,923</u>	<u>\$ 6,377,159</u>

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

	2010	2009
Net increase in net assets available for benefits per the financial statements	\$ 592,677	\$ 994,741
Change in excess contributions payable not reported in Form 5500	5,087	-
Net increase in net assets available for benefits per Form 5500	<u>\$ 597,764</u>	<u>\$ 994,741</u>

Note 8: Significant Estimates and Concentrations

Current Economic Conditions

The current protracted economic decline continues to present employee benefit plans with difficult circumstances and challenges which, in some cases, have resulted in large declines in the fair value of investments. The financial statements have been prepared using values and information currently available to the Plan.

Given the volatility of current economic conditions, the values of assets recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values that could negatively impact the Plan.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 9: Risks and Uncertainties

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

Note 10: Subsequent Events

Subsequent events have been evaluated through September 8, 2011, which is the date the financials statements were available to be issued.

Supplemental Schedule

NetShape Technologies, Inc. 401(k) Plan

EIN 30-0018123 PN 001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2010

Identity of Issuer	Description of Investment	Current Value
Mutual funds		
*Fidelity Value Fund	3,268 shares	\$ 224,492
*Fidelity Leveraged Co. Stock Fund	8,382 shares	238,212
*Fidelity Balanced Fund	15,419 shares	281,095
*Fidelity International Discovery Fund	9,390 shares	310,233
*Fidelity Capital Appreciation Fund	2,678 shares	67,858
*Fidelity Disciplined Equity Fund	3,451 shares	77,758
*Fidelity Stock Selector Small Cap	4,748 shares	87,880
*Fidelity Freedom Income Fund	1,117 shares	12,597
Spartan International Index Fund	1,896 shares	66,697
*Fidelity Retirement Money Market Fund	821,398 shares	821,398
*Fidelity Spartan 500 Index	1,260 shares	56,037
*Fidelity Large Cap Value Fund	9,958 shares	104,753
*Fidelity Mid Cap Growth Fund	4,712 shares	58,623
*Fidelity Total Bond Fund	17,251 shares	184,935
*Fidelity Small Cap Value Fund	6,160 shares	96,155
*Fidelity Freedom 2000 Fund	778 shares	9,284
*Fidelity Freedom 2005 Fund	2,671 shares	28,870
*Fidelity Freedom 2010 Fund	29,972 shares	407,324
*Fidelity Freedom 2015 Fund	39,913 shares	452,610
*Fidelity Freedom 2020 Fund	33,503 shares	462,000
*Fidelity Freedom 2025 Fund	44,609 shares	513,901
*Fidelity Freedom 2030 Fund	56,636 shares	779,871
*Fidelity Freedom 2035 Fund	79,216 shares	908,611
*Fidelity Freedom 2040 Fund	65,126 shares	521,663
*Fidelity Freedom 2045 Fund	9,721 shares	92,254
*Fidelity Freedom 2050 Fund	11,707 shares	109,812
		<u>\$ 6,974,923</u>

*Party-in-interest

NetShape Technologies, Inc. 401(k) Plan

EIN 30-0018123 PN 001

Accountants' Report and Financial Statements

December 31, 2010 and 2009



NetShape Technologies, Inc. 401(k) Plan
December 31, 2010 and 2009

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Independent Accountants' Report

Plan Administrator
NetShape Technologies, Inc. 401(k) Plan
Sellersburg, Indiana

We were engaged to audit the accompanying statements of net assets available for benefits of the NetShape Technologies, Inc. 401(k) Plan (Plan) as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended and the accompanying supplemental schedule. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* (ERISA), the Plan administrator instructed us not to perform, and we did not perform, auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the trustee is complete and accurate.

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

BKD, LLP

Evansville, Indiana
September 8, 2011
Federal Employer Identification Number: 44-0160260

NetShape Technologies, Inc. 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2010 and 2009

Assets

	<u>2010</u>	<u>2009</u>
Investments, At Fair Value	\$ 6,974,923	\$ 6,377,159

Liabilities

Excess Contributions Payable	<u>5,087</u>	<u>-</u>
Net Assets Available for Benefits	<u>\$ 6,969,836</u>	<u>\$ 6,377,159</u>

NetShape Technologies, Inc. 401(k) Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Investment Income		
Net appreciation in fair value of investments	\$ 633,413	\$ 1,181,947
Interest and dividends	<u>138,614</u>	<u>145,824</u>
Net investment income	<u>772,027</u>	<u>1,327,771</u>
Contributions		
Employer	-	202,552
Participants	670,530	701,356
Rollovers	<u>-</u>	<u>9,654</u>
	<u>670,530</u>	<u>913,562</u>
Total additions	<u>1,442,557</u>	<u>2,241,333</u>
Deductions		
Benefits paid to participants	839,653	1,234,083
Administrative expenses	<u>10,227</u>	<u>12,509</u>
Total deductions	<u>849,880</u>	<u>1,246,592</u>
Net Increase	592,677	994,741
Net Assets Available for Benefits, Beginning of Year	<u>6,377,159</u>	<u>5,382,418</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ 6,969,836</u></u>	<u><u>\$ 6,377,159</u></u>

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 1: Description of the Plan

The following description of the NetShape Technologies, Inc. 401(k) Plan (Plan) provides only general information. Participants should refer to the Plan Document and *Summary Plan Description* for a more complete description of the Plan's provisions, which are available from the Plan administrator, NetShape Technologies, Inc. (Company).

General

The Plan is a defined contribution plan sponsored by the Company for the benefit of eligible employees following the completion of three months of service. Related employers who also participate in the Plan include Sinterloy Corporation, Allegheny Clearfield Incorporated, Helsel, Inc., Hawk MIM, Inc. and NetShape Technologies, LLC. The Plan is subject to the provisions of the *Employee Retirement Income Security Act of 1974* (ERISA). Fidelity Management Trust Company is the trustee of the Plan and serves as Plan custodian.

Contributions

The Plan permits eligible employees through a salary deferral election to have the Company make annual contributions of up to 75 percent of eligible compensation. Employee rollover contributions are also permitted. Through May 31, 2009, the Company made safe-harbor matching contributions of 100 percent of employees' salary deferral amounts on the first three percent of employees' compensation and 50 percent of employees' salary deferral amounts on the next two percent of employees' compensation. Effective May 31, 2009, the Plan was amended to discontinue employer matching contributions.

Company profit-sharing contributions are discretionary as determined by the Company's board of directors. No discretionary profit-sharing contributions were made to the Plan in 2010 or 2009. Contributions are subject to certain limitations.

Participant Investment Account Options

Investment account options available include various funds. Each participant has the option of directing his or her contributions into any of the separate investment accounts and may change the allocation daily.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contribution and Plan earnings. Allocations are based on participant earnings or account balances, as defined. Administrative expenses are charged to specific participants' accounts, as applicable. The benefits to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Vesting

Participants are immediately vested in their voluntary and safe-harbor Company matching contributions, plus earnings thereon. Participants are fully vested in the Company's nonelective contributions, plus earnings thereon, after three years of service.

Payment of Benefits

Upon termination of service, an employee may elect to receive a lump-sum amount equal to the vested value of his account.

Plan Termination

Although it has not expressed an intention 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.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

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

Valuation of Investments and Income Recognition

Quoted market prices are used to value investments. Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year-end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Plan Tax Status

The Plan operates under a nonstandardized adoption agreement in connection with a prototype retirement plan document sponsored by Fidelity Management Trust Company. This prototype plan document has been filed with the appropriate agency. The Plan has not obtained or requested a determination letter. However, the Plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and that the Plan was qualified and the related trust was tax exempt as of the financial statement date. With a few exceptions, the Plan is no longer subject to U.S. federal, state, local or non-U.S. income tax examinations by tax authorities for years before 2007.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses may be paid by the Company or the Plan, at the Company's discretion.

Note 3: Investments

The following table presents the Plan's investments. Investments that represent five percent or more of total Plan assets are separately identified.

	2010	2009
Mutual funds		
Fidelity Freedom 2010 Fund	\$ 407,324	\$ 417,626
Fidelity Freedom 2015 Fund	452,610	452,952
Fidelity Freedom 2020 Fund	462,000	420,851
Fidelity Freedom 2025 Fund	513,901	429,560
Fidelity Freedom 2030 Fund	779,871	708,174
Fidelity Freedom 2035 Fund	908,611	810,737
Fidelity Freedom 2040 Fund	521,663	535,480
Fidelity Retirement Money Market Fund	821,398	832,887
Other mutual funds	2,107,545	1,768,892
	<u>\$ 6,974,923</u>	<u>\$ 6,377,159</u>

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

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

	2010	2009
Mutual funds	\$ 633,413	\$ 1,181,947

Interest and dividends realized on the Plan's investments for the years ended December 31, 2010 and 2009, were \$138,614 and \$145,824, respectively.

Note 4: Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association or relatives of such persons.

The Plan invests in certain funds of the Plan trustee. The Plan paid \$10,227 and \$12,509 of recordkeeping fees to the trustee during the years ended December 31, 2010 and 2009, respectively. The Company provides certain administrative services at no cost to the Plan.

Note 5: Plan Amendments

Effective May 31, 2009, the Plan was amended to remove the safe-harbor employer matching provision from the Plan and to discontinue future employer matching contributions.

Effective January 3, 2011, the Plan was amended to implement an automatic deferral feature whereby a participant is treated as electing to defer two percent of eligible compensation unless the participant made an affirmative election otherwise.

Effective July 1, 2011, the Plan was amended and restated under a volume submitter Plan arrangement. The significant provisions of the Plan remained unchanged as a result of this amendment and restatement other than reinstating a discretionary employer matching contribution feature of the Plan.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 6: Fair Value of Plan Assets and Liabilities

ASC Topic 820, *Fair Value Measurements* (Topic 820), defines fair value as 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. Topic 820 also specifies a fair value hierarchy which requires a plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy.

Investments

Where quoted market prices are available in an active market, investments are classified within Level 1 of the valuation hierarchy. Level 1 investments include mutual funds. If quoted market prices are not available, then fair values are estimated by a third-party pricing service using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The Plan holds no investments classified within Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Plan holds no investments classified within Level 3 of the valuation hierarchy.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

The following tables present the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

		2010			
		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fair Value					
Mutual funds					
Small/Mid cap					
U.S. equities	\$ 705,361	\$ 705,361	\$ -	\$ -	
Large cap U.S. equities	\$ 306,406	\$ 306,406	\$ -	\$ -	
International equities	\$ 376,930	\$ 376,930	\$ -	\$ -	
Fixed income	\$ 184,935	\$ 184,935	\$ -	\$ -	
Money market	\$ 821,398	\$ 821,398	\$ -	\$ -	
Multi-asset/other	\$ 4,579,893	\$ 4,579,893	\$ -	\$ -	

		2009			
		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fair Value					
Mutual funds					
Small/Mid cap					
U.S. equities	\$ 509,519	\$ 509,519	\$ -	\$ -	
Large cap U.S. equities	\$ 280,552	\$ 280,552	\$ -	\$ -	
International equities	\$ 346,977	\$ 346,977	\$ -	\$ -	
Fixed income	\$ 154,839	\$ 154,839	\$ -	\$ -	
Money market	\$ 832,887	\$ 832,887	\$ -	\$ -	
Multi-asset/other	\$ 4,252,385	\$ 4,252,385	\$ -	\$ -	

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 7: Reconciliation of Financial Statements to Form 5500

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

	2010	2009
Net assets available for benefits per the financial statements	\$ 6,969,836	\$ 6,377,159
Excess contributions payable not reported in Form 5500	5,087	-
Net assets available for benefits per Form 5500	<u>\$ 6,974,923</u>	<u>\$ 6,377,159</u>

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

	2010	2009
Net increase in net assets available for benefits per the financial statements	\$ 592,677	\$ 994,741
Change in excess contributions payable not reported in Form 5500	5,087	-
Net increase in net assets available for benefits per Form 5500	<u>\$ 597,764</u>	<u>\$ 994,741</u>

Note 8: Significant Estimates and Concentrations

Current Economic Conditions

The current protracted economic decline continues to present employee benefit plans with difficult circumstances and challenges which, in some cases, have resulted in large declines in the fair value of investments. The financial statements have been prepared using values and information currently available to the Plan.

Given the volatility of current economic conditions, the values of assets recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values that could negatively impact the Plan.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 9: Risks and Uncertainties

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

Note 10: Subsequent Events

Subsequent events have been evaluated through September 8, 2011, which is the date the financials statements were available to be issued.

Supplemental Schedule

NetShape Technologies, Inc. 401(k) Plan

EIN 30-0018123 PN 001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2010

Identity of Issuer	Description of Investment	Current Value
Mutual funds		
*Fidelity Value Fund	3,268 shares	\$ 224,492
*Fidelity Leveraged Co. Stock Fund	8,382 shares	238,212
*Fidelity Balanced Fund	15,419 shares	281,095
*Fidelity International Discovery Fund	9,390 shares	310,233
*Fidelity Capital Appreciation Fund	2,678 shares	67,858
*Fidelity Disciplined Equity Fund	3,451 shares	77,758
*Fidelity Stock Selector Small Cap	4,748 shares	87,880
*Fidelity Freedom Income Fund	1,117 shares	12,597
Spartan International Index Fund	1,896 shares	66,697
*Fidelity Retirement Money Market Fund	821,398 shares	821,398
*Fidelity Spartan 500 Index	1,260 shares	56,037
*Fidelity Large Cap Value Fund	9,958 shares	104,753
*Fidelity Mid Cap Growth Fund	4,712 shares	58,623
*Fidelity Total Bond Fund	17,251 shares	184,935
*Fidelity Small Cap Value Fund	6,160 shares	96,155
*Fidelity Freedom 2000 Fund	778 shares	9,284
*Fidelity Freedom 2005 Fund	2,671 shares	28,870
*Fidelity Freedom 2010 Fund	29,972 shares	407,324
*Fidelity Freedom 2015 Fund	39,913 shares	452,610
*Fidelity Freedom 2020 Fund	33,503 shares	462,000
*Fidelity Freedom 2025 Fund	44,609 shares	513,901
*Fidelity Freedom 2030 Fund	56,636 shares	779,871
*Fidelity Freedom 2035 Fund	79,216 shares	908,611
*Fidelity Freedom 2040 Fund	65,126 shares	521,663
*Fidelity Freedom 2045 Fund	9,721 shares	92,254
*Fidelity Freedom 2050 Fund	11,707 shares	109,812
		<u>\$ 6,974,923</u>

*Party-in-interest

NetShape Technologies, Inc. 401(k) Plan

EIN 30-0018123 PN 001

Accountants' Report and Financial Statements

December 31, 2010 and 2009



NetShape Technologies, Inc. 401(k) Plan

December 31, 2010 and 2009

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Independent Accountants' Report

Plan Administrator
NetShape Technologies, Inc. 401(k) Plan
Sellersburg, Indiana

We were engaged to audit the accompanying statements of net assets available for benefits of the NetShape Technologies, Inc. 401(k) Plan (Plan) as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended and the accompanying supplemental schedule. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* (ERISA), the Plan administrator instructed us not to perform, and we did not perform, auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the trustee is complete and accurate.

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

BKD, LLP

Evansville, Indiana
September 8, 2011
Federal Employer Identification Number: 44-0160260

NetShape Technologies, Inc. 401(k) Plan

Statements of Net Assets Available for Benefits

December 31, 2010 and 2009

Assets

	<u>2010</u>	<u>2009</u>
Investments, At Fair Value	\$ 6,974,923	\$ 6,377,159

Liabilities

Excess Contributions Payable	<u>5,087</u>	<u>-</u>
Net Assets Available for Benefits	<u>\$ 6,969,836</u>	<u>\$ 6,377,159</u>

NetShape Technologies, Inc. 401(k) Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Investment Income		
Net appreciation in fair value of investments	\$ 633,413	\$ 1,181,947
Interest and dividends	<u>138,614</u>	<u>145,824</u>
Net investment income	<u>772,027</u>	<u>1,327,771</u>
Contributions		
Employer	-	202,552
Participants	670,530	701,356
Rollovers	<u>-</u>	<u>9,654</u>
	<u>670,530</u>	<u>913,562</u>
Total additions	<u>1,442,557</u>	<u>2,241,333</u>
Deductions		
Benefits paid to participants	839,653	1,234,083
Administrative expenses	<u>10,227</u>	<u>12,509</u>
Total deductions	<u>849,880</u>	<u>1,246,592</u>
Net Increase	592,677	994,741
Net Assets Available for Benefits, Beginning of Year	<u>6,377,159</u>	<u>5,382,418</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ 6,969,836</u></u>	<u><u>\$ 6,377,159</u></u>

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 1: Description of the Plan

The following description of the NetShape Technologies, Inc. 401(k) Plan (Plan) provides only general information. Participants should refer to the Plan Document and *Summary Plan Description* for a more complete description of the Plan's provisions, which are available from the Plan administrator, NetShape Technologies, Inc. (Company).

General

The Plan is a defined contribution plan sponsored by the Company for the benefit of eligible employees following the completion of three months of service. Related employers who also participate in the Plan include Sinterloy Corporation, Allegheny Clearfield Incorporated, Helsel, Inc., Hawk MIM, Inc. and NetShape Technologies, LLC. The Plan is subject to the provisions of the *Employee Retirement Income Security Act of 1974* (ERISA). Fidelity Management Trust Company is the trustee of the Plan and serves as Plan custodian.

Contributions

The Plan permits eligible employees through a salary deferral election to have the Company make annual contributions of up to 75 percent of eligible compensation. Employee rollover contributions are also permitted. Through May 31, 2009, the Company made safe-harbor matching contributions of 100 percent of employees' salary deferral amounts on the first three percent of employees' compensation and 50 percent of employees' salary deferral amounts on the next two percent of employees' compensation. Effective May 31, 2009, the Plan was amended to discontinue employer matching contributions.

Company profit-sharing contributions are discretionary as determined by the Company's board of directors. No discretionary profit-sharing contributions were made to the Plan in 2010 or 2009. Contributions are subject to certain limitations.

Participant Investment Account Options

Investment account options available include various funds. Each participant has the option of directing his or her contributions into any of the separate investment accounts and may change the allocation daily.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contribution and Plan earnings. Allocations are based on participant earnings or account balances, as defined. Administrative expenses are charged to specific participants' accounts, as applicable. The benefits to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Vesting

Participants are immediately vested in their voluntary and safe-harbor Company matching contributions, plus earnings thereon. Participants are fully vested in the Company's nonelective contributions, plus earnings thereon, after three years of service.

Payment of Benefits

Upon termination of service, an employee may elect to receive a lump-sum amount equal to the vested value of his account.

Plan Termination

Although it has not expressed an intention 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.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

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

Valuation of Investments and Income Recognition

Quoted market prices are used to value investments. Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year-end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Plan Tax Status

The Plan operates under a nonstandardized adoption agreement in connection with a prototype retirement plan document sponsored by Fidelity Management Trust Company. This prototype plan document has been filed with the appropriate agency. The Plan has not obtained or requested a determination letter. However, the Plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and that the Plan was qualified and the related trust was tax exempt as of the financial statement date. With a few exceptions, the Plan is no longer subject to U.S. federal, state, local or non-U.S. income tax examinations by tax authorities for years before 2007.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses may be paid by the Company or the Plan, at the Company's discretion.

Note 3: Investments

The following table presents the Plan's investments. Investments that represent five percent or more of total Plan assets are separately identified.

	2010	2009
Mutual funds		
Fidelity Freedom 2010 Fund	\$ 407,324	\$ 417,626
Fidelity Freedom 2015 Fund	452,610	452,952
Fidelity Freedom 2020 Fund	462,000	420,851
Fidelity Freedom 2025 Fund	513,901	429,560
Fidelity Freedom 2030 Fund	779,871	708,174
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Other mutual funds	2,107,545	1,768,892
	<u>\$ 6,974,923</u>	<u>\$ 6,377,159</u>

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

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

	2010	2009
Mutual funds	\$ 633,413	\$ 1,181,947

Interest and dividends realized on the Plan's investments for the years ended December 31, 2010 and 2009, were \$138,614 and \$145,824, respectively.

Note 4: Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association or relatives of such persons.

The Plan invests in certain funds of the Plan trustee. The Plan paid \$10,227 and \$12,509 of recordkeeping fees to the trustee during the years ended December 31, 2010 and 2009, respectively. The Company provides certain administrative services at no cost to the Plan.

Note 5: Plan Amendments

Effective May 31, 2009, the Plan was amended to remove the safe-harbor employer matching provision from the Plan and to discontinue future employer matching contributions.

Effective January 3, 2011, the Plan was amended to implement an automatic deferral feature whereby a participant is treated as electing to defer two percent of eligible compensation unless the participant made an affirmative election otherwise.

Effective July 1, 2011, the Plan was amended and restated under a volume submitter Plan arrangement. The significant provisions of the Plan remained unchanged as a result of this amendment and restatement other than reinstating a discretionary employer matching contribution feature of the Plan.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 6: Fair Value of Plan Assets and Liabilities

ASC Topic 820, *Fair Value Measurements* (Topic 820), defines fair value as 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. Topic 820 also specifies a fair value hierarchy which requires a plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy.

Investments

Where quoted market prices are available in an active market, investments are classified within Level 1 of the valuation hierarchy. Level 1 investments include mutual funds. If quoted market prices are not available, then fair values are estimated by a third-party pricing service using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The Plan holds no investments classified within Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Plan holds no investments classified within Level 3 of the valuation hierarchy.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

The following tables present the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

		2010			
		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fair Value					
Mutual funds					
Small/Mid cap					
U.S. equities	\$ 705,361	\$ 705,361	\$ -	\$ -	
Large cap U.S. equities	\$ 306,406	\$ 306,406	\$ -	\$ -	
International equities	\$ 376,930	\$ 376,930	\$ -	\$ -	
Fixed income	\$ 184,935	\$ 184,935	\$ -	\$ -	
Money market	\$ 821,398	\$ 821,398	\$ -	\$ -	
Multi-asset/other	\$ 4,579,893	\$ 4,579,893	\$ -	\$ -	

		2009			
		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fair Value					
Mutual funds					
Small/Mid cap					
U.S. equities	\$ 509,519	\$ 509,519	\$ -	\$ -	
Large cap U.S. equities	\$ 280,552	\$ 280,552	\$ -	\$ -	
International equities	\$ 346,977	\$ 346,977	\$ -	\$ -	
Fixed income	\$ 154,839	\$ 154,839	\$ -	\$ -	
Money market	\$ 832,887	\$ 832,887	\$ -	\$ -	
Multi-asset/other	\$ 4,252,385	\$ 4,252,385	\$ -	\$ -	

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 7: Reconciliation of Financial Statements to Form 5500

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

	2010	2009
Net assets available for benefits per the financial statements	\$ 6,969,836	\$ 6,377,159
Excess contributions payable not reported in Form 5500	5,087	-
Net assets available for benefits per Form 5500	<u>\$ 6,974,923</u>	<u>\$ 6,377,159</u>

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

	2010	2009
Net increase in net assets available for benefits per the financial statements	\$ 592,677	\$ 994,741
Change in excess contributions payable not reported in Form 5500	5,087	-
Net increase in net assets available for benefits per Form 5500	<u>\$ 597,764</u>	<u>\$ 994,741</u>

Note 8: Significant Estimates and Concentrations

Current Economic Conditions

The current protracted economic decline continues to present employee benefit plans with difficult circumstances and challenges which, in some cases, have resulted in large declines in the fair value of investments. The financial statements have been prepared using values and information currently available to the Plan.

Given the volatility of current economic conditions, the values of assets recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values that could negatively impact the Plan.

NetShape Technologies, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2010 and 2009

Note 9: Risks and Uncertainties

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

Note 10: Subsequent Events

Subsequent events have been evaluated through September 8, 2011, which is the date the financials statements were available to be issued.

Supplemental Schedule

NetShape Technologies, Inc. 401(k) Plan

EIN 30-0018123 PN 001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2010

Identity of Issuer	Description of Investment	Current Value
Mutual funds		
*Fidelity Value Fund	3,268 shares	\$ 224,492
*Fidelity Leveraged Co. Stock Fund	8,382 shares	238,212
*Fidelity Balanced Fund	15,419 shares	281,095
*Fidelity International Discovery Fund	9,390 shares	310,233
*Fidelity Capital Appreciation Fund	2,678 shares	67,858
*Fidelity Disciplined Equity Fund	3,451 shares	77,758
*Fidelity Stock Selector Small Cap	4,748 shares	87,880
*Fidelity Freedom Income Fund	1,117 shares	12,597
Spartan International Index Fund	1,896 shares	66,697
*Fidelity Retirement Money Market Fund	821,398 shares	821,398
*Fidelity Spartan 500 Index	1,260 shares	56,037
*Fidelity Large Cap Value Fund	9,958 shares	104,753
*Fidelity Mid Cap Growth Fund	4,712 shares	58,623
*Fidelity Total Bond Fund	17,251 shares	184,935
*Fidelity Small Cap Value Fund	6,160 shares	96,155
*Fidelity Freedom 2000 Fund	778 shares	9,284
*Fidelity Freedom 2005 Fund	2,671 shares	28,870
*Fidelity Freedom 2010 Fund	29,972 shares	407,324
*Fidelity Freedom 2015 Fund	39,913 shares	452,610
*Fidelity Freedom 2020 Fund	33,503 shares	462,000
*Fidelity Freedom 2025 Fund	44,609 shares	513,901
*Fidelity Freedom 2030 Fund	56,636 shares	779,871
*Fidelity Freedom 2035 Fund	79,216 shares	908,611
*Fidelity Freedom 2040 Fund	65,126 shares	521,663
*Fidelity Freedom 2045 Fund	9,721 shares	92,254
*Fidelity Freedom 2050 Fund	11,707 shares	109,812
		<u>\$ 6,974,923</u>

*Party-in-interest