Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
CHARLES MACHINE WORKS, INC. AMENDED AND RESTATED ESOP PLAN AND TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 06/25/1985

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

P.O. BOX 66
PERRY, OK 73077-0066

2b Employer Identification Number (EIN) 73-0660844

2c Sponsor's telephone number 580-336-4402

2d Business code (see instructions) 333100

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.	10/17/2011	DEE WILLIAMS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2011	ANGELA DRAKE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
DEE WILLIAMS HUMAN RESOURCES MANAGER

P.O. BOX 66
PERRY, OK 73077

3b Administrator's EIN
73-1347454

3c Administrator's telephone number
580-336-4402

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

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	1240
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**	1023
b	Retired or separated participants receiving benefits	**6b**	168
c	Other retired or separated participants entitled to future benefits	**6c**	7
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1198
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	
f	Total. Add lines **6d** and **6e**	**6f**	1198
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2A 2B 2O

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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	**B** Three-digit plan number (PN) ▶	
CHARLES MACHINE WORKS, INC. AMENDED AND RESTATED ESOP PLAN AND TRUST		001
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
CHARLES MACHINE WORKS, INC.	73-0660844	

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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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)

SMITH BARNEY

13-2919773

(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?
21	NONE	51699	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [X]

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

MCCREADY & KEENE

35-0500670

(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?
24	NONE	53775	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [X]

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

GRANT THORNTON LLP

36-6055558

(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?
10	NONE	14915	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [X]

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE G (Form 5500)	Financial Transaction Schedules	OMB No. 1210-0110
Department of Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	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.**	**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:
CHARLES MACHINE WORKS, INC. AMENDED AND RESTATED ESOP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CHARLES MACHINE WORKS, INC.

D Employer Identification Number (EIN):
73-0660844

Part I Schedule of Loans or Fixed Income Obligations in Default or Classified as Uncollectible

Complete as many entries as needed to report all loans or fixed income obligations in default or classified as uncollectible. Check box (a) if obligor is known to be a party in interest. Attach Overdue Loan Explanation for each loan listed. See Instructions.

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

Part II Schedule of Leases in Default or Classified as Uncollectible

Complete as many entries as needed to report all leases in default or classified as uncollectible. Check box (a) if lessor or lessee is known to be a party in interest. Attach Overdue Lease Explanation for each lease listed. (See instructions)

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

Part III Nonexempt Transactions

Complete as many entries as needed to report all nonexempt transactions. **Caution:** If a nonexempt prohibited transaction occurred with respect to a disqualified person, file Form 5330 with the IRS to pay the excise tax on the transaction.

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price
THE CHARLES MACHINE WORKS, INC.	EMPLOYER OF PLAN EMPLOYEES	LOAN FROM PLAN SPONSOR	

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction
				1300000	

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

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
CHARLES MACHINE WORKS, INC. AMENDED AND RESTATED ESOP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CHARLES MACHINE WORKS, INC.

D Employer Identification Number (EIN)
73-0660844

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	1137708	363135
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	2471408
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	351012	442473
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	1705376	1021629
(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)	25172634	29136231
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	32494347	38228960
	(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	60861077	71663836
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j	1360849	1734420
k	Total liabilities (add all amounts in lines 1g through1j)	1k	1360849	1734420
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	59500228	69929416

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	2471408	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2471408
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	123732	
	(F) Other	2b(1)(F)	74577	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		198309
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	1027938	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		1027938
	(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)	9454335	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		9454335
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		13151990
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2571737	
(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)		2571737
f Corrective distributions (see instructions)	2f		
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)	151065	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		151065
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2722802
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		10429188
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [X] Unqualified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

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

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

(1) Name: GRANT THORNTON LLP (2) EIN: 36-6055558

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d	X		1300000
e	Was this plan covered by a fidelity bond?	4e	X		5000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

Financial Statements, Supplemental Schedules and Report of Independent Certified Public Accountants

The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust

December 31, 2010 and 2009

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Audit • Tax • Advisory

Grant Thornton LLP
2431 E. 61st Street
Suite 500
Tulsa, OK 74136-1208

T 918.877.0800
F 918 877.0805
www.GrantThornton.com

Report of Independent Certified Public Accountants

Trustees
The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust

We have audited the accompanying statements of net assets available for plan benefits of The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust as of December 31, 2010 and 2009, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2010. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the net assets available for plan benefits of The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust as of December 31, 2010 and 2009, and the changes in net assets available for plan benefits for the year ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets (held at end of year), statements of net assets available for plan benefits by account as of December 31, 2010 and 2009 and statement of changes in net assets available for plan benefits by account for the year ended December 31, 2010 are presented for the purpose of additional analysis and are not a required part of the basic financial statements, required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 but is supplementary information. These supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Grant Thornton LLP
U.S. member firm of Grant Thornton International Ltd

As discussed in Note B, the Plan adopted new accounting guidance as of December 31, 2010 related to the accounting for loans to participants.

Grant Thornton LLP

Tulsa, Oklahoma
October 17, 2011

The Charles Machine Works, Inc.
Employee Stock Ownership Plan and Trust

Statements of net assets available for plan benefits

December 31, 2010 and 2009

	2010	2009
ASSETS:		
Investments, at fair value-		
Cash and cash equivalents	$ 363,135	$ 1,137,708
Investment in Company common stock	38,228,960	32,494,347
Mutual funds	29,136,231	25,172,634
Total investments	67,728,326	58,804,689
Receivables-		
Employer contributions receivable	2,471,408	-
Notes receivable from participants	1,021,629	1,705,376
Dividends receivable	434,420	-
Accrued interest	8,053	13,317
Due from stock account	-	337,695
Total receivables	3,935,510	2,056,388
Total assets	71,663,836	60,861,077
LIABILITIES:		
Due to trust account	-	347,619
Due to Plan sponsor	1,300,000	1,000,000
Other payables	-	13,230
Dividends payable	434,420	-
Net assets available for plan benefits	$ 69,929,416	$ 59,500,228

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

The Charles Machine Works, Inc.
Employee Stock Ownership Plan and Trust

Statement of changes in net assets available for plan benefits

For the year ended December 31, 2010

ADDITIONS:	
Additions to net assets attributed to-	
Investment income:	
Interest	$ 74,577
Dividends	1,027,938
Net appreciation in fair value of investments	9,454,335
Total investment income	10,556,850
Less: investment expenses	64,699
Net investment income	10,492,151
Interest income on notes receivable from participants	123,732
Employer contributions	2,471,408
Total additions	13,087,291
DEDUCTIONS:	
Deductions to net assets attributed to-	
Benefits paid to participants	2,419,083
Diversification elections paid to participants	152,654
Administrative expenses	86,366
Total deductions	2,658,103
INCREASE IN NET ASSETS AVAILABLE FOR PLAN BENEFITS	10,429,188
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of year	59,500,228
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of year	$ 69,929,416

The accompanying notes are an integral part of this financial statement.

The Charles Machine Works, Inc.
Employee Stock Ownership Plan and Trust

Notes to financial statements

December 31, 2010 and 2009

A - DESCRIPTION OF PLAN

The following description of The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of Plan provisions.

1. General

The Plan is an employee stock ownership and profit sharing plan covering employees of The Charles Machine Works, Inc. (the Company or the Employer), who have attained the age of 18 and have 90 days of continuous employment or have completed one year of service, which is equivalent to 1,000 hours in a Plan year. Employees of the Company's affiliates or subsidiaries and leased employees are not eligible to participate in the Plan. Employees may begin participating in the Plan on the first day of the month after the employee meets the eligibility requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

2. Contributions

The Plan is divided into two accounts: the trust account and the stock account. The Company may make discretionary profit sharing and discretionary stock contributions to the Plan. The Company's profit sharing contributions are made to the Plan and are credited to each participant's individual trust account. The Company's stock contributions are made to the stock account and are used to acquire stock of the Company, which is credited to the participant's individual stock account. Only participants who complete a year of service and are employed on the last day of the Plan year receive an allocation of Employer contributions. Employees are not allowed to make contributions to the Plan. The Company announced a profit sharing contribution of $2,471,408 during 2010 which was paid to the Plan during 2011. During 2010 and 2009, the Company did not contribute profit sharing or stock contributions to the Plan.

3. Participant Account - Trust Account

Each participant's trust account is credited with an allocation of (a) the Company's profit sharing contributions and (b) Plan earnings and losses thereon. The Company's contributions are allocated based on the ratio that each participant's compensation bears to the total compensation of all participants. Plan earnings and losses are allocated based on the ratio of the average daily balance of each participant's trust account to the total average daily balance of all participants' trust accounts.

4. Participant Account - Stock Account

Each participant's stock account may be credited with an allocation of (a) the Company's stock contributions, (b) dividends received on Company stock (which are passed through the Plan and paid out to participants in a cash distribution) and (c) Plan earnings and losses thereon. The Company's contributions are allocated based on the ratio that each participant's compensation bears to the total compensation of all participants. Plan earnings and losses and dividends received on Company stock are allocated to participants based on the ratio of the average daily balance of each participant's stock account to the total average daily balance of all participants' stock accounts.

5. Vesting

Participants are fully vested in their individual trust and stock account balances in the Plan at all times.

6. Payment of Benefits

The benefit to which a participant is entitled is that which can be provided from the participant's accounts. Upon termination of service, if the participant's account balance is not more than $5,000 but is in excess of $1,000 and the participant has not elected a form of distribution, the Plan administrator shall distribute the amount into an individual retirement account. If the participant's account balance is in excess of $5,000, a participant will receive a lump sum payment of his or her account balances. If the participant's account balance is $1,000 or less, the Plan administrator will send a check to the participant's current address, but if the Plan administrator does not have a current address, the amount will be distributed to an individual retirement account. Distributions of a participant's stock account are made in Company stock, with cash issued for the value of any fractional shares held by the participant.

Under the provisions of the Plan, the Company has the right of first refusal to purchase any and all shares of Company stock that have been distributed under the terms of the Plan as long as the shares are not publicly traded. The Company may assign this right to the trustees of the Plan.

7. Put Option

Under Federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash. Therefore, if a participant receives all or a portion of a distribution in the form of Company stock, the participant may, within the 60 days following the distribution or the 60 days following the participant's notification of the fair market value of the stock as of the end of the Plan year, require the Company or the Plan trustees to purchase such shares at the fair market value of the shares as of the most recent valuation date, as defined in the Plan agreement. If the stock distribution was a distribution of the participant's entire account balances, the Company can pay for the purchase, with interest, in five equal annual installments. Otherwise, the Company must pay for the purchase within 30 days after the participant exercises the put option.

8. Notes Receivable from Participants

Prior to January 1, 2009, participants could borrow up to 50% of their account balance and the notes had to be repaid within five years. Effective January 1, 2009, the Plan was amended to discontinue participant notes. The interest rates on notes outstanding at December 31, 2010 and 2009 range from 7.0% to 10.25%. Principal and interest is paid ratably through payroll deductions, which are made at least monthly.

9. Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account. Participants generally assign voting rights associated with shares of Company stock held by the Plan to the majority shareholder of the Company.

10. Diversification

Diversification is offered to participants close to retirement so they may have the opportunity to move part of the value of their investment in Company stock into investments that are more diversified. Participants that have attained the age of 55 and have completed ten years of service may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of their stock account balance attributed to Company stock acquired on or after January 1, 1987, less any shares previously diversified. In the sixth year, the percentage increases to 50%. Participants may elect to diversify by taking a distribution of this amount or by rolling the amounts over to another qualified plan.

B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are presented on the accrual basis of accounting.

2. Use of Estimates

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

3. Investment Valuation and Income Recognition

Investments in mutual funds are valued at fair value, which is determined by quoted market prices. Shares of Company stock are valued at fair value on December 31, 2010 and 2009, as determined annually by independent appraisal.

The valuation of the Company's common stock was independently performed by an independent third party valuation specialist. Management believes the methods and assumptions used are appropriate to provide a reasonable value of the Company's common stock at December 31, 2010 and 2009.

Purchases and sales of securities are recorded on a trade-date basis. Interest is recorded when earned. Dividends are recorded on the ex-dividend date.

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

4. Concentration of Credit Risk

The Plan maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Plan had cash of approximately $113,000 and $620,000 in a financial institution over the federally insured limit as of December 31, 2010 and 2009, respectively. The Plan has not experienced any losses in such accounts. The Plan believes it is not exposed to any significant credit risk on cash and cash equivalents.

5. Administrative Expenses

Investment and certain administrative expenses are paid by the Plan. Certain administrative functions are performed by the officers or employees of the Company. No such officer or employee receives compensation from the Plan.

6. Adoption of New Accounting Standard

In September 2010, FASB issued an amendment Plan Accounting – Defined Contribution Pension Plans (Topic 962): Reporting Loans to Participants by Defined Contribution Pension Plans, which provides guidance on how loans to participants should be classified and measured by defined contribution plans. That guidance requires participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. The Plan adopted this new guidance in its December 31, 2010 financial statements and has reclassified participant's loans of $1,705,376 for the year ended December 31, 2009 from investments to notes receivable from participants. Net assets of the Plan were not affected by the adoption of the new guidance.

7. Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent loans are reclassified as distributions based upon the terms of the Plan document.

C - INVESTMENTS

The Plan's investment in common shares of the Company's common stock, all of which has been allocated to Plan participants at December 31, 2010 and 2009, is as follows:

	2010	2009
Number of shares	248,240	255,861
Fair value per share	$ 154	$ 127
	$ 38,228,960	$ 32,494,347

During 2010 and 2009, the Plan borrowed $1,300,000 and $1,000,000, respectively, from the Company to make distributions to terminated participants. During 2010, the Plan returned 6,667 shares of Company stock to the Company as payment for the $1,000,000 borrowed by the Plan during 2009. Additionally during 2010, the Plan distributed 954 shares of Company stock to a participant.

The following table represents the fair value of those investments that represent 5% or more of the Plan's net assets available for plan benefits as of December 31, 2010 and 2009. All investments are non-participant directed:

	2010	2009
The Charles Machine Works, Inc. Common Stock	$ 38,228,960 *	$ 32,494,347 *
Growth Fund America, Inc.	3,554,758 *	3,166,009 *

* Nonparticipant - directed

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

Mutual funds at fair value as determined by quoted market price	$ 2,598,514
The Charles Machine Works, Inc. Common Stock at estimated fair value	6,855,821
Net appreciation in fair value of investments	$ 9,454,335

D - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

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

The following methods and assumptions were used in estimating fair value disclosure for financial instruments:

Cash and cash equivalents: Valued at fair value.

Mutual funds: Valued at published market prices which represent the net asset value of shares held by the Plan at year end. Shares of mutual funds investing in bond funds are unitized and the fair value is based on the closing market price of the assets held by the fund.

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

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by the three levels as established by ASC 820, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	2010			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 363,135	$ -	$ -	$ 363,135
Mutual funds:				
Growth Funds	13,629,097	-	-	13,629,097
Fixed Income Funds	5,183,106	-	-	5,183,106
Balanced Funds	3,310,978	-	-	3,310,978
Value Funds	2,373,673	-	-	2,373,673
Equity Funds	3,643,183	-	-	3,643,183
Other funds	996,194	-	-	996,194
Total mutual funds	29,136,231	-	-	29,136,231
Company stock	-	-	38,228,960	38,228,960
Total assets at fair value	$ 29,499,366	$ -	$ 38,228,960	$ 67,728,326

	2009			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 1,137,708	$ -	$ -	$ 1,137,708
Mutual funds:				
Growth Funds	11,541,651	-	-	11,541,651
Fixed Income Funds	4,618,031	-	-	4,618,031
Balanced Funds	2,929,597	-	-	2,929,597
Value Funds	2,817,230	-	-	2,817,230
Equity Funds	2,392,265	-	-	2,392,265
Other funds	873,860	-	-	873,860
Total mutual funds	25,172,634	-	-	25,172,634
Company stock	-	-	32,494,347	32,494,347
Total assets at fair value	$ 26,310,342	$ -	$ 32,494,347	$ 58,804,689

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2010:

	Company Stock
Balance, beginning of year	$ 32,494,347
Unrealized gain relating to instruments held at the reporting date	6,855,821
Purchases, sales, issuances, and settlements, net	(1,121,208)
Balance, end of year	$ 38,228,960

F - TAX STATUS

On March 4, 2004, the Plan received a favorable Internal Revenue Service determination letter of the Plan, as amended. The Plan has applied for a separate determination letter with the Internal Revenue Service but has yet to receive the determination letter. The Plan has been amended subsequent to the date of the opinion letter; however, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, the Plan administrator believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing

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

G - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company may amend or terminate the Plan at any time, subject to the provisions of ERISA. If the Plan is terminated, the Plan assets will be distributed to the participants in accordance with the Plan agreement.

H - SUBSEQUENT EVENTS

The Plan evaluates events occurring subsequent to the date of the financial statements in determing the accounting for and disclosure of transactions and events that affect the financial statements. The Plan has evaluated subsequent events through October 17, 2011, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

The Charles Machine Works, Inc.
Employee Stock Ownership Plan and Trust

Schedule H, Line 4i - Schedule of assets (held at end of year)

EIN #: 73-0660844; Plan #: 001

December 31, 2010

	Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
	Cash and cash equivalents	Interest-bearing Cash	$ 363,135	$ 363,135
*	The Charles Machine Works, Inc.	248,240 Shares of common stock	11,060,742	38,228,960
	CG Capital Markets-Money Market Investments	Mutual Fund	214,957	214,957
	CG Capital Markets Core Fixed Income Fund	Mutual Fund	2,299,121	2,316,287
	CG Capital Markets-Large Cap Value Investments	Mutual Fund	2,234,795	2,079,380
	CG Capital Markets-Small Cap Value Investments	Mutual Fund	183,730	294,293
	CG Capital Markets High Yield Investments	Mutual Fund	739,262	781,237
	CG Capital Markets-Emerging Markets Investments	Mutual Fund	1,653,774	2,104,282
	CG Capital Markets-International Fixed Income Investments	Mutual Fund	362,784	362,848
	CG Capital Markets-International Equity Investments	Mutual Fund	1,425,540	1,538,901
	CG Capital Markets-Large Cap Growth Investments	Mutual Fund	3,034,441	3,316,344
	CG Capital Markets-Small Cap Growth Investments	Mutual Fund	424,490	598,642
	American Balanced Fund Inc.	Mutual Fund	2,940,109	3,310,978
	Bond Fund of America	Mutual Fund	2,283,725	2,503,971
	Capital Word Growth	Mutual Fund	3,132,285	3,063,705
	Growth Fund America, Inc.	Mutual Fund	2,758,724	3,554,758
	Investment Company of America	Mutual Fund	3,801,566	3,095,648
*	Notes receivable from participants	Various notes to participants secured by participants' accounts with interest rates from 7.00% to 10.25% with various maturities		1,021,629
			$ 38,913,180	$ 68,749,955

* Party-in-interest

The Charles Machine Works, Inc.
Employee Stock Ownership Plan and Trust

Statements of net assets available for plan benefits by account

December 31, 2010 and 2009

	2010			2009		
	Trust Account	Stock Account	Total	Trust Account	Stock Account	Total
ASSETS:						
Investments, at fair value-						
Cash and cash equivalents	$ 296,267	66,868	$ 363,135	$ 547,829	589,879	$ 1,137,708
Investment in Company common stock	-	38,228,960	38,228,960	-	32,494,347	32,494,347
Mutual funds	29,136,231	-	29,136,231	25,172,634	-	25,172,634
Total investments	29,432,498	38,295,828	67,728,326	25,720,463	33,084,226	58,804,689
Receivables-						
Employer contributions receivable	-	2,471,408	2,471,408	-	-	-
Notes receivable from participants	1,021,629	-	1,021,629	1,705,376	-	1,705,376
Dividends receivable	-	434,420	434,420	-	-	-
Accrued interest	8,053	-	8,053	13,317	-	13,317
Due from stock account	-	-	-	337,695	-	337,695
Total receivables	1,029,682	2,905,828	3,935,510	2,056,388	-	2,056,388
Total assets	30,462,180	41,201,656	71,663,836	27,776,851	33,084,226	60,861,077
LIABILITIES:						
Due to trust account	-	-	-	-	347,619	347,619
Due to Plan sponsor	-	1,300,000	1,300,000	-	1,000,000	1,000,000
Other payables	-	-	-	13,230	-	13,230
Dividend payable	-	434,420	434,420	-	-	-
Net assets available for plan benefits	$ 30,462,180	$ 39,467,236	$ 69,929,416	$ 27,776,851	$ 31,736,607	$ 59,500,228

The Charles Machine Works, Inc.
Employee Stock Ownership Plan and Trust

Statement of changes in net assets available for plan benefits by account

For the year ended December 31, 2010 and 2009

	Trust Account	Stock Account	Total
ADDITIONS:			
Additions to net assets attributed to-			
Investment income:			
Interest	$ 74,102	$ 475	$ 74,577
Dividends	593,518	434,420	1,027,938
Net appreciation in fair value of investments	2,598,514	6,855,821	9,454,335
Total investment income	3,266,134	7,290,716	10,556,850
Less: investment expenses	51,699	13,000	64,699
Net investment income	3,214,435	7,277,716	10,492,151
Interest income on notes receivable from participants	123,732	-	123,732
Employer contributions	-	2,471,408	2,471,408
Total additions	3,338,167	9,749,124	13,087,291
DEDUCTIONS:			
Deductions to net assets attributed to-			
Benefits paid to participants	805,889	1,613,194	2,419,083
Diversification elections paid to participants	-	152,654	152,654
Administrative expenses	44,756	41,610	86,366
Total deductions	850,645	1,807,458	2,658,103
INCREASE IN NET ASSETS AVAILABLE FOR PLAN BENEFITS	2,487,522	7,941,666	10,429,188
NET ASSETS AVAILABLE FOR PLAN BENEFITS, beginning of year	27,763,621	31,736,607	59,500,228
NET ASSETS AVAILABLE FOR PLAN BENEFITS, end of year	$ 30,251,143	$ 39,678,273	$ 69,929,416

The Charles Machine Works, Inc.
Employee Stock Ownership Plan and Trust

Schedule H, Line 4i - Schedule of assets (held at end of year)

EIN #: 73-0660844; Plan #: 001

December 31, 2010

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			$ 38,913,180	$ 68,749,955

* Party-in-interest

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning and ending

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

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

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

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

Part II Basic Plan Information - enter all requested information

1a Name of plan
CHARLES MACHINE WORKS, INC. AMENDED AND RESTATED ESOP PLAN AND TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 06/25/1985

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
CHARLES MACHINE WORKS, INC.
P.O. BOX 66
PERRY OK 73077-0066

2b Employer Identification Number (EIN) 73-0660844

2c Sponsor's telephone number 580-336-4402

2d Business code (see instructions) 333100

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	[signature]	10/12/2011	DEE WILLIAMS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Angie Drake	10/12/2011	Angie Drake
	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