

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</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>THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION 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>08/01/1962</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>08/01/1962</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>08/01/1962</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>THE DAYTON FORGING & HEAT TREATING COMPANY</u> <u>P.O. BOX 1629</u> <u>DAYTON, OH 45401</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>31-0257730</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>937-253-4126</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332110</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>31-0257730</u>	2c Sponsor's telephone number <u>937-253-4126</u>	2d Business code (see instructions) <u>332110</u>	
2b Employer Identification Number (EIN) <u>31-0257730</u>					
2c Sponsor's telephone number <u>937-253-4126</u>					
2d Business code (see instructions) <u>332110</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.	10/17/2011	ERIC WILSON
	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") PLAN COMMITTEE P.O. BOX 1629 DAYTON, OH 45401	3b Administrator's EIN 31-0257730 3c Administrator's telephone number 937-253-4126
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	191
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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	65
b Retired or separated participants receiving benefits.....	6b	49
c Other retired or separated participants entitled to future benefits.....	6c	57
d Subtotal. Add lines 6a , 6b , and 6c	6d	171
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	17
f Total. Add lines 6d and 6e	6f	188
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	2

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:

1A 1B 1G 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)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>THE DAYTON FORGING & HEAT TREATING COMPANY</u>	D Employer Identification Number (EIN) <u>31-0257730</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information	
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>		
2 Assets:		
a Market value	2a <u>4672933</u>	
b Actuarial value	2b <u>5140226</u>	
3 Funding target/participant count breakdown		
	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>64</u>	<u>2619666</u>
b For terminated vested participants	3b <u>61</u>	<u>498805</u>
c For active participants:		
(1) Non-vested benefits	3c(1)	<u>64819</u>
(2) Vested benefits	3c(2)	<u>1461445</u>
(3) Total active	3c(3) <u>66</u>	<u>1526264</u>
d Total	3d <u>191</u>	<u>4644735</u>
4 If the plan is at-risk, check the box and complete items (a) and (b)	☐	
a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	<u>6.67</u> %
6 Target normal cost	6	<u>203437</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>10/03/2011</u>
Signature of actuary	Date
<u>DAVID R. STOCK</u>	<u>11-05286</u>
Type or print name of actuary	Most recent enrollment number
<u>BUCK CONSULTANTS, LLC</u>	<u>513-784-0005</u>
Firm name	Telephone number (including area code)
<u>720 E. PETE ROSE WAY, SUITE 300</u> <u>CINCINNATI, OH 45202</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II		Beginning of year carryover and prefunding balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	1	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	1	0
10	Interest on item 9 using prior year's actual return of <u>25.79</u> %	0	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		833447
b	Interest on (a) using prior year's effective rate of <u>8.16</u> %		68009
c	Total available at beginning of current plan year to add to prefunding balance		901456
d	Portion of (c) to be added to prefunding balance.....		901456
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	1	901456

Part III		Funding percentages	
14	Funding target attainment percentage.....	14	91.25 %
15	Adjusted funding target attainment percentage.....	15	110.66 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	90.04 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV		Contributions and liquidity shortfalls	
18 Contributions made to the plan for the plan year by employer(s) and employees:			
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	
Totals ▶		18(b)	0
		18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 0
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☒ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of Quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	203437
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	220177	40085
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	243522
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	1	243521
36 Additional cash requirement (item 34 minus item 35).....	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	0
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

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 THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 THE DAYTON FORGING & HEAT TREATING COMPANY	D Employer Identification Number (EIN) 31-0257730

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)

BUCK CONSULTANTS, LLC

13-3954297

(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?
11	NONE	35155	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PNC BANK

31-1072449

(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	17251	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

NATIONAL CITY BANK

31-6243940

(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	3909	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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 THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE DAYTON FORGING & HEAT TREATING COMPANY	D Employer Identification Number (EIN) 31-0257730	

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		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1200000	
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	4405	3025
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	64245	126704
(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)	2696489	4111181
(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)	770321	818214
(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	4735460	5059124

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	12330	1963
k Total liabilities (add all amounts in lines 1g through 1j)	1k	12330	1963

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	4723130	5057161
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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)		
(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)		0

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	286	
(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)		286

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	68167	
(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)		68167

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	1549804	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	1540602	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		9202

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	592071	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		592071
(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		5916
d Total income. Add all income amounts in column (b) and enter total.....	2d		675642

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	289068	
(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)		289068
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)	35155	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	17388	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		52543
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		341611

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		334031
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: BRADY WARE

(2) EIN: 35-1476702

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.).....			
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.			

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

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

5b(1) Name of plan(s)

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION 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>THE DAYTON FORGING & HEAT TREATING COMPANY</u>	D Employer Identification Number (EIN) <u>31-0257730</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): <u>31-6243940</u> <u>31-1072449</u> Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>1</u>

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

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

Schedule R (Form 5500) 2010
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____



INDEPENDENT AUDITORS' REPORT

1 S Main St Ste 600
Dayton OH 45402-2042
(937) 223-5247
Fax (937) 223-0300

www.bradyware.com

Plan Administrators
The Dayton Forging & Heat Treating Company
Employees' Pension Plan
Dayton, Ohio

We were engaged to audit the financial statements of **The Dayton Forging & Heat Treating Company Employees' Pension Plan** (the "Plan") as of December 31, 2010 and 2009, and for the years then ended, and supplementary information as listed in the accompanying table of contents. These financial statements and supplementary information are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by PNC Bank N.A., formerly National City Bank, the trustee of the Plan, except for comparing the 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 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 Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Dayton, Ohio
October 17, 2011

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

► Round off amounts to nearest dollar.

► Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan The Dayton Forging & Heat Treating Company Employees' Pension Plan	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF The Dayton Forging & Heat Treating Company	D Employer Identification Number (EIN) 31-0257730	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other		
F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value.....	2a	4,672,933	
b Actuarial value.....	2b	5,140,226	
3 Funding target/participant count breakdown			
	(1) Number of participants	(2) Funding Target	
a For retired participants and beneficiaries receiving payment.....	3a	64	2,619,666
b For terminated vested participants.....	3b	61	498,805
c For active participants:			
(1) Non-vested benefits.....	3c(1)		64,819
(2) Vested benefits.....	3c(2)		1,461,445
(3) Total active.....	3c(3)	66	1,526,264
d Total.....	3d	191	4,644,735
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	6.67 %	
6 Target normal cost.....	6	203,437	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	 Signature of actuary	<u>10/03/2011</u> Date
David R. Stock Type or print name of actuary		<u>11-05286</u> Most recent enrollment number
Buck Consultants, LLC Firm name		<u>(513) 784-0005</u> Telephone number (including area code)
720 E. Pete Rose Way, Suite 300 Cincinnati OH 45202 Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	1	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8)	1	0
10 Interest on item 9 using prior year's actual return of <u>25.79%</u>	0	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		833,447
b Interest on (a) using prior year's effective rate of <u>8.16%</u>		68,009
c Total available at beginning of current plan year to add to prefunding balance		901,456
d Portion of (c) to be added to prefunding balance		901,456
12 Reduction in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	1	901,456

Part III Funding percentages

14 Funding target attainment percentage	14	91.25 %
15 Adjusted funding target attainment percentage	15	110.66 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.04 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☒ No
- c** If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:			
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	203,437
32 Amortization installments:		
a Net shortfall amortization installment	Outstanding Balance	Installment
	220,177	40,085
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	243,522
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	1	243,521
		Total balance
		243,522
36 Additional cash requirement (item 34 minus item 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	0
38 Interest-adjusted excess contributions for current year (see instructions)	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, LINE 22 — DESCRIPTION OF WEIGHTED AVERAGE RETIREMENT AGE

Participants are assumed to retire at their normal retirement age, which is defined as the later of the Participant's 65th birthday, or the 5th anniversary of plan participation.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

Funding Discount Rates:

First Segment Rate	5.03%
Second Segment Rate	6.73%
Third Segment Rate	6.82%
Effective Interest Rate	6.67%

Salary Growth: 2.0% per annum for funding purposes.

Social Security Wage Base Growth: 2.0% per Annum for funding purposes.

Maximum Benefit: \$195,000 per year at Normal Retirement Age.

Salary Limitations: \$245,000 for 2010.

Expenses: Expected plan administrative and investment expenses of \$48,185 were added to Target Normal Cost.

Marital Status at Benefit Commencement:

90% of participants are assumed to be married at benefit commencement. Husbands are assumed to be 3 years older than their wives.

Mortality:

Current Year	
Annuitant	IRS 2010 Optional Small Plan Mortality Table
Non-annuitant	IRS 2010 Optional Small Plan Mortality Table

Retirement Age: Retirement is assumed to occur at Normal Retirement Date.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

Turnover: Specimen rates are as follows:

Attained Age	<u>Withdrawal Rate</u>	
	<u>Males</u>	<u>Females</u>
25	0.090	0.110
40	0.026	0.035
55	0.000	0.000

Form of Payment: At retirement, 50% of participants are assumed to elect a Joint & 50% Survivor Annuity, 25% are assumed to elect Joint & 100% Survivor Annuity, and 25% are assumed to elect a Life annuity.

Methods

Actuarial cost method

For minimum required and maximum contribution purposes:

The Funding Target is the present value of accrued benefits and based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, including the effect of expected compensation increases during the year.

Asset valuation method

The Actuarial Value of Assets is determined using a method that spreads asset gains/(losses) over two years. The gain/(loss) for each period is determined as the actual return during the period less the expected return based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value. The discounted value of accrued contributions, if any, is included in the Actuarial Value of Assets.

The expected return on plan assets is 7.00% per annum, limited by PPA to the applicable Third Segment Rate.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

- Effective Date:** Original Plan: August 1, 1962
Amended Plan: August 1, 1984
Latest Restatement: August 1, 1997
- Plan Year:** Effective August 1, 2003, the 5-month period ending December 31, 2003.
Effective January 1, 2004, the 12 month period ending December 31st.
- Participation Requirements:** An Employee shall become a Participant on the Entry Date following the completion of 1,000 hours of service during an Anniversary Year, measured from his date of hire, provided he has attained age 21.
- Entry Date:** Effective January 1, 2004, January 1st or July 1st.
- Normal Retirement Date:** The later of a Participant's 65th birthday, or the 5th anniversary of plan participation.
- Monthly Retirement Income:**
1. For Salaried Employees: A monthly benefit at Normal Retirement Date, payable in the Normal Form, equal to the greater of (a), (b) or (c) where:
 - (a) is [1.0% of Monthly Plan Compensation multiplied by all years of Credited Service] plus [0.65% of Monthly Plan Compensation in excess of Social Security Covered Compensation, multiplied by years of Credited Service, maximum 35 years],
 - (b) is the accrued benefit at July 31, 1994 under the plan as it existed at that time,
 - (c) is 2% of Monthly Plan Compensation times years of Top Heavy Service at Normal Retirement Date, maximum 10 years.
 2. For Hourly Employees: A monthly benefit at Normal Retirement Date, payable in Normal Form, equal to \$18.00 times years of Credited Service.
- Normal Form of Benefit:** Monthly income commencing on a Participant's retirement date and payable for life.
- Automatic Form of Benefit (for Married Participants):**
Actuarial equivalent reduced Joint and 50% to Surviving Spouse if married at commencement of benefits, unless other election is made.
- Monthly Plan Compensation:** Highest average of Monthly Earnings during five consecutive calendar years. Monthly Earnings means W-2 compensation including bonuses and overtime payments. Notwithstanding the foregoing, however, the compensation of any Key Employee shall not include any extraordinary or special compensation, as determined solely by the Employer's Board of Directors, which is in addition to the regular base salary of such Key Employee.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

Credited Service: One year of Benefit Accrual and Vesting Service for each plan year during which an Employee completes 1,000 hours of service.

Social Security Covered Compensation:

For each Participant, the average of the Social Security Taxable Wage Base in effect for each calendar year (the amount of earnings subject to Social Security taxes each year) during the 35-year period ending with the year during which such Participant will reach Social Security Retirement Age. Social Security Covered Compensation is expressed on a monthly basis.

Accrued Benefit: The projected Monthly Retirement Income at Normal Retirement Date, based on Monthly Plan Compensation and Credited Service at the date of computation. In no event shall a participant's accrued benefit be less than 2% times Monthly Plan Compensation times years of service at the computation date and while the plan is Top-Heavy (subject to a 10-year maximum), nor less than the participant's accrued benefit under the terms of the plan at July 31, 1994.

Vesting: A percentage of accrued benefits:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
Less than 5	0%
5 or More	100%

Deferred Retirement Benefit: Monthly income equal to the greater of (a) the Participant's Accrued Benefit at actual retirement, or (b) the actuarial equivalence of the actuarial reserve of the Monthly Retirement Benefit to which he or she was entitled as of the later of his Normal Retirement Date or the close of the prior plan year plus interest compounded annually.

Eligibility for Early Retirement:

Age 55 and 10 years vesting service.

Early Retirement Benefit: Accrued benefit payable to age 65, reduced for immediate commencement by 1/180 for each of the first 60 months and by 1/360 for each of the next 60 months that payments begin early.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

Eligibility for Pre-Retirement Death Benefit:

Requirements for Maximum Pre-Retirement Death Benefit: Active Participants with 10 years of Vesting Service and attainment of age 55.

Requirements for Minimum Pre-Retirement Death Benefit: Five years of Vesting Service.

Pre-Retirement Death Benefit:

Upon the death of an Active Participant with 10 years of Vesting Service and attainment of age 55, his or her Beneficiary will receive monthly income equal to 100% of the actuarial equivalent of such Participant's Accrued Benefit. The above monthly benefit shall be reduced by the benefit payable to the surviving spouse, if any, of such Participant equal to the survivor annuity payable under the Joint and 50% Survivor Annuity commencing on the date coincident with or first following the later of (a) the date of death, or (b) the date the Participant would have first been eligible for Early or Normal Retirement under the Plan.

The minimum Pre-Retirement Death Benefit payable to the surviving Spouse, if any, of a Participant who meets the requirements, is the survivor annuity payable under the Joint & 50% Survivor Annuity.

Eligibility for Disability Benefit:

Age 45 and 10 years of service.

Disability Benefit: Accrued Benefit at date of disability reduced as for Early Retirement.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, LINE 24 — CHANGE IN ACTUARIAL ASSUMPTIONS

The mortality table was updated to comply with PPA for 2010 valuations.

The salary increase assumption was lowered from 4.0% to 2.0%.

The expense load assumption was changed from \$65,000 for 2009 to \$48,185 for 2010.

The assumed form of payment was changed from a life annuity to: 50% of participants are assumed to elect a Joint & 50% Survivor Annuity, 25% are assumed to elect Joint & 100% Survivor Annuity, and 25% are assumed to elect a Life annuity.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, LINE 25 — CHANGE IN METHOD

The interest rates used to value funding liabilities was changed from the full yield curve with 2 month look-back to the 3-segment rates with a 4 four month look- back.

The asset valuation method was changed from a method that spreads asset gains/(losses) over one year to a method that spreads asset gains/(losses) over two years as permitted by PPA and WRERA.

Schedule SB, line 26 - Schedule of Active Participant Data

Attachment to 2009 Schedule SB

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730 / 001

Attained Age	YEARS OF CREDITED SERVICE																		Total		
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39			40 & up	
	No.	Avg. Comp	No.	Avg. Comp	No.	Avg. Comp	No.	Avg. Comp	No.	Avg. Comp	No.	Avg. Comp	No.	Avg. Comp	No.	Avg. Comp	No.	Avg. Comp		No.	Avg. Comp
Under 25		3																			3
25 to 29		5			3																8
30 to 34		3			1																4
35 to 39		5			6		1														12
40 to 44		4			4		1														9
45 to 49		3			3		1														7
50 to 54		1			2		2		1									1			8
55 to 59		6			2		1											1			9
60 to 64					1													1			2
65 to 69					2											1					3
70 & up		1																			1
Total		31			24		6		1		1				1		2				66

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, LINE 32 — SCHEDULE OF AMORTIZATION BASES

Shortfall Amortization Summary

Date Established	Initial Amount	Remaining Installments	Shortfall Amortization Installment	Present Value of Remaining Installments as of January 1, 2010
January 1, 2008	\$ 0	5	\$ 0	\$ 0
January 1, 2009	150,010	6	26,619	140,163
January 1, 2010	<u>80,014</u>	7	<u>13,466</u>	<u>80,014</u>
Total charge	\$ 230,024		\$ 40,085	\$ 220,177

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, LINE 22 — DESCRIPTION OF WEIGHTED AVERAGE RETIREMENT AGE

Participants are assumed to retire at their normal retirement age, which is defined as the later of the Participant's 65th birthday, or the 5th anniversary of plan participation.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

Funding Discount Rates:

First Segment Rate	5.03%
Second Segment Rate	6.73%
Third Segment Rate	6.82%
Effective Interest Rate	6.67%

Salary Growth: 2.0% per annum for funding purposes.

Social Security Wage Base Growth: 2.0% per Annum for funding purposes.

Maximum Benefit: \$195,000 per year at Normal Retirement Age.

Salary Limitations: \$245,000 for 2010.

Expenses: Expected plan administrative and investment expenses of \$48,185 were added to Target Normal Cost.

Marital Status at Benefit Commencement:

90% of participants are assumed to be married at benefit commencement. Husbands are assumed to be 3 years older than their wives.

Mortality:

Current Year	
Annuitant	IRS 2010 Optional Small Plan Mortality Table
Non-annuitant	IRS 2010 Optional Small Plan Mortality Table

Retirement Age: Retirement is assumed to occur at Normal Retirement Date.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

Turnover: Specimen rates are as follows:

Attained Age	Withdrawal Rate	
	Males	Females
25	0.090	0.110
40	0.026	0.035
55	0.000	0.000

Form of Payment: At retirement, 50% of participants are assumed to elect a Joint & 50% Survivor Annuity, 25% are assumed to elect Joint & 100% Survivor Annuity, and 25% are assumed to elect a Life annuity.

Methods

Actuarial cost method

For minimum required and maximum contribution purposes:

The Funding Target is the present value of accrued benefits and based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, including the effect of expected compensation increases during the year.

Asset valuation method

The Actuarial Value of Assets is determined using a method that spreads asset gains/(losses) over two years. The gain/(loss) for each period is determined as the actual return during the period less the expected return based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value. The discounted value of accrued contributions, if any, is included in the Actuarial Value of Assets.

The expected return on plan assets is 7.00% per annum, limited by PPA to the applicable Third Segment Rate.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

Effective Date: Original Plan: August 1, 1962
Amended Plan: August 1, 1984
Latest Restatement: August 1, 1997

Plan Year: Effective August 1, 2003, the 5-month period ending December 31, 2003.
Effective January 1, 2004, the 12 month period ending December 31st.

Participation Requirements: An Employee shall become a Participant on the Entry Date following the completion of 1,000 hours of service during an Anniversary Year, measured from his date of hire, provided he has attained age 21.

Entry Date: Effective January 1, 2004, January 1st or July 1st.

Normal Retirement Date: The later of a Participant's 65th birthday, or the 5th anniversary of plan participation.

Monthly Retirement Income:

1. For Salaried Employees: A monthly benefit at Normal Retirement Date, payable in the Normal Form, equal to the greater of (a), (b) or (c) where:
 - (a) is [1.0% of Monthly Plan Compensation multiplied by all years of Credited Service] plus [0.65% of Monthly Plan Compensation in excess of Social Security Covered Compensation, multiplied by years of Credited Service, maximum 35 years],
 - (b) is the accrued benefit at July 31, 1994 under the plan as it existed at that time,
 - (c) is 2% of Monthly Plan Compensation times years of Top Heavy Service at Normal Retirement Date, maximum 10 years.
2. For Hourly Employees: A monthly benefit at Normal Retirement Date, payable in Normal Form, equal to \$18.00 times years of Credited Service.

Normal Form of Benefit: Monthly income commencing on a Participant's retirement date and payable for life.

Automatic Form of Benefit (for Married Participants):

Actuarial equivalent reduced Joint and 50% to Surviving Spouse if married at commencement of benefits, unless other election is made.

Monthly Plan Compensation: Highest average of Monthly Earnings during five consecutive calendar years. Monthly Earnings means W-2 compensation including bonuses and overtime payments. Notwithstanding the foregoing, however, the compensation of any Key Employee shall not include any extraordinary or special compensation, as determined solely by the Employer's Board of Directors, which is in addition to the regular base salary of such Key Employee.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

Credited Service: One year of Benefit Accrual and Vesting Service for each plan year during which an Employee completes 1,000 hours of service.

Social Security Covered Compensation:

For each Participant, the average of the Social Security Taxable Wage Base in effect for each calendar year (the amount of earnings subject to Social Security taxes each year) during the 35-year period ending with the year during which such Participant will reach Social Security Retirement Age. Social Security Covered Compensation is expressed on a monthly basis.

Accrued Benefit: The projected Monthly Retirement Income at Normal Retirement Date, based on Monthly Plan Compensation and Credited Service at the date of computation. In no event shall a participant's accrued benefit be less than 2% times Monthly Plan Compensation times years of service at the computation date and while the plan is Top-Heavy (subject to a 10-year maximum), nor less than the participant's accrued benefit under the terms of the plan at July 31, 1994.

Vesting: A percentage of accrued benefits:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
Less than 5	0%
5 or More	100%

Deferred Retirement Benefit: Monthly income equal to the greater of (a) the Participant's Accrued Benefit at actual retirement, or (b) the actuarial equivalence of the actuarial reserve of the Monthly Retirement Benefit to which he or she was entitled as of the later of his Normal Retirement Date or the close of the prior plan year plus interest compounded annually.

Eligibility for Early Retirement:

Age 55 and 10 years vesting service.

Early Retirement Benefit: Accrued benefit payable to age 65, reduced for immediate commencement by 1/180 for each of the first 60 months and by 1/360 for each of the next 60 months that payments begin early.

THE DAYTON FORGING & HEATING TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

Eligibility for Pre-Retirement Death Benefit:

Requirements for Maximum Pre-Retirement Death Benefit: Active Participants with 10 years of Vesting Service and attainment of age 55.

Requirements for Minimum Pre-Retirement Death Benefit: Five years of Vesting Service.

Pre-Retirement Death Benefit:

Upon the death of an Active Participant with 10 years of Vesting Service and attainment of age 55, his or her Beneficiary will receive monthly income equal to 100% of the actuarial equivalent of such Participant's Accrued Benefit. The above monthly benefit shall be reduced by the benefit payable to the surviving spouse, if any, of such Participant equal to the survivor annuity payable under the Joint and 50% Survivor Annuity commencing on the date coincident with or first following the later of (a) the date of death, or (b) the date the Participant would have first been eligible for Early or Normal Retirement under the Plan.

The minimum Pre-Retirement Death Benefit payable to the surviving Spouse, if any, of a Participant who meets the requirements, is the survivor annuity payable under the Joint & 50% Survivor Annuity.

Eligibility for Disability Benefit:

Age 45 and 10 years of service.

Disability Benefit: Accrued Benefit at date of disability reduced as for Early Retirement.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, LINE 24 — CHANGE IN ACTUARIAL ASSUMPTIONS

The mortality table was updated to comply with PPA for 2010 valuations.

The salary increase assumption was lowered from 4.0% to 2.0%.

The expense load assumption was changed from \$65,000 for 2009 to \$48,185 for 2010.

The assumed form of payment was changed from a life annuity to: 50% of participants are assumed to elect a Joint & 50% Survivor Annuity, 25% are assumed to elect Joint & 100% Survivor Annuity, and 25% are assumed to elect a Life annuity.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, LINE 25 — CHANGE IN METHOD

The interest rates used to value funding liabilities was changed from the full yield curve with 2 month look-back to the 3-segment rates with a 4 four month look- back.

The asset valuation method was changed from a method that spreads asset gains/(losses) over one year to a method that spreads asset gains/(losses) over two years as permitted by PPA and WRERA.

Schedule SB, line 26 - Schedule of Active Participant Data

Attachment to 2009 Schedule SB

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730 / 001

Attained Age	YEARS OF CREDITED SERVICE																		Total	
	Under 1	1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		
		No. Comp	Avg	No. Comp	Avg	No. Comp	Avg	No. Comp	Avg	No. Comp	Avg	No. Comp	Avg	No. Comp	Avg	No. Comp	Avg	No. Comp		Avg
Under 25		3																	3	
25 to 29		5			3														8	
30 to 34		3			1														4	
35 to 39		5			6		1												12	
40 to 44		4			4		1												9	
45 to 49		3			3		1												7	
50 to 54		1			2		2		1		1					1			8	
55 to 59		6			2		1												9	
60 to 64					1											1			2	
65 to 69					2										1				3	
70 & up		1																	1	
Total		31			24		6		1		1				1		2		66	

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

EIN/PN: 31-0257730/001

PLAN YEAR: JANUARY 1, 2010 TO DECEMBER 31, 2010

SCHEDULE SB, LINE 32 — SCHEDULE OF AMORTIZATION BASES

Shortfall Amortization Summary

Date Established	Initial Amount	Remaining Installments	Shortfall Amortization Installment	Present Value of Remaining Installments as of January 1, 2010
January 1, 2008	\$ 0	5	\$ 0	\$ 0
January 1, 2009	150,010	6	26,619	140,163
January 1, 2010	<u>80,014</u>	7	<u>13,466</u>	<u>80,014</u>
Total charge	\$ 230,024		\$ 40,085	\$ 220,177

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

PLAN'S EMPLOYER IDENTIFICATION NUMBER: 31-0257730

PLAN NUMBER: 001

DECEMBER 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
	Cash and Cash Equivalents			
	Fidelity Money Market Institutional Class	126,703.690 shares	\$ 126,704	\$ 126,704
	Common Stocks			
	Apple	500 shares	61,148	161,280
	AT&T Inc	2,000 shares	57,230	58,760
	Bank of America Corp	30,000 shares	400,646	400,200
	Bristol Myers Squibb Co Com	1,000 shares	25,689	26,480
	Cooper Industries PLC	300 shares	12,822	17,487
	Caterpillar Inc	1,000 shares	71,014	93,660
	Chubb Corp	1,000 shares	48,649	59,640
	Cisco Sys Inc	2,000 shares	49,377	40,460
	Citigroup Inc	102,000 shares	403,536	482,460
	Cummins Inc	300 shares	22,989	33,003
	Dover Corp	400 shares	17,733	23,380
	CSX Corp Com	1,000 shares	34,892	64,610
	Dupont E I De Nemours & Co	400 shares	15,932	19,952
	Eaton Corp	1,000 shares	77,220	101,510
	EBAY Inc Com	1,000 shares	24,010	27,830
	Emerson Electric Co	500 shares	24,873	28,585
	Exxon Mobile Corp	800 shares	54,629	58,496
	General Mills Inc	1,000 shares	35,450	35,590
	Gorman Rupp Co	2,000 shares	55,547	64,640
	Google Inc	150 shares	75,531	89,095
	Home Depot Inc	1,000 shares	21,535	35,060
	Intel Corp	2,500 shares	49,017	52,575
	Johnson & Johnson	1,450 shares	82,750	89,683
	Marathon Oil Corp	2,000 shares	85,766	74,060
	McDonald's Corp	700 shares	39,940	53,732
	Metlife Inc	700 shares	35,477	31,108
	Microsoft Corp	3,800 shares	106,037	106,058
	Nextera Energy Inc	300 shares	17,350	15,597
	Oracle Corp	3,500 shares	61,271	109,550
	PPG Industries Inc	500 shares	33,360	42,035
	Parker Hannifin Corp	1,000 shares	65,193	86,300

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) - CONTINUED

PLAN'S EMPLOYER IDENTIFICATION NUMBER: 31-0257730

PLAN NUMBER: 001

DECEMBER 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
	Pepsico Inc	1,000 shares	52,005	65,330
	Pfizer Inc	7,800 shares	124,204	136,578
	Phillip Morris International Inc	2,245 shares	110,174	131,400
	Price T Rowe Group Inc	1,200 shares	64,388	77,448
	Proctor & Gamble	1,000 shares	68,874	64,330
	Qualcomm Inc Com	2,000 shares	85,987	98,980
	Schlumberger LTD	500 shares	28,565	41,750
	The Travelers Cos Inc	900 shares	39,650	50,139
	Union Pac Corp Co Com	1,000 shares	53,347	92,660
	Verizon Communications	500 shares	14,996	17,890
	Viacom Inc	2,000 shares	46,207	79,220
	Wal Mart Stores Inc	500 shares	23,537	26,965
	Waste Management Inc Com	1,700 shares	47,306	62,679
	Wells Fargo & Co	16,000 shares	410,155	495,840
	Wisconsin Energy Corp Com	600 shares	24,377	35,316
	3M Company	600 shares	44,012	51,780
			<u>3,404,397</u>	<u>4,111,181</u>
	Mutual Funds			
	Artio International Equity Fund	8,820.799 shares	148,674	109,907
	Dodge & Cox International Stk Fund	4,706.387 shares	227,234	168,065
	Ishares TR Russell MCP VL Fund	3,496.000 shares	105,160	157,355
	Ishares TR Russell MCP Growth Fund	2,718.000 shares	102,632	153,866
	Royce Total Return Fd #267	8,963.113 shares	129,868	118,044
	Vanguard Intl Equity Index Fund	2,305.000 shares	66,512	110,977
			<u>780,080</u>	<u>818,214</u>
			<u>\$ 4,311,181</u>	<u>\$ 5,056,099</u>

**THE DAYTON FORGING & HEAT TREATING
COMPANY EMPLOYEES' PENSION PLAN**

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2010 AND 2009

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

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YEARS ENDED DECEMBER 31, 2010 AND 2009

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INDEPENDENT AUDITORS' REPORT

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Plan Administrators
The Dayton Forging & Heat Treating Company
Employees' Pension Plan
Dayton, Ohio

We were engaged to audit the financial statements of **The Dayton Forging & Heat Treating Company Employees' Pension Plan** (the "Plan") as of December 31, 2010 and 2009, and for the years then ended, and supplementary information as listed in the accompanying table of contents. These financial statements and supplementary information are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by PNC Bank N.A., formerly National City Bank, the trustee of the Plan, except for comparing the 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 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 Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Brady, Ware & Schoenfeld, Inc.

Dayton, Ohio
October 17, 2011

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Investments at fair market value		
Money market fund	\$ 126,704	\$ 64,245
Common stocks	4,111,181	2,696,489
Mutual funds	<u>818,214</u>	<u>770,321</u>
Total investments at fair market value	<u>5,056,099</u>	<u>3,531,055</u>
Receivables		
Contributions receivable - employer	-	1,200,000
Interest and dividends receivable	<u>3,025</u>	<u>4,405</u>
Total receivables	<u>3,025</u>	<u>1,204,405</u>
Total assets	5,059,124	4,735,460
LIABILITIES		
Accrued administrative expenses	<u>1,963</u>	<u>12,330</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 5,057,161</u>	<u>\$ 4,723,130</u>

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO		
Investment income		
Interest and dividends	\$ 69,074	\$ 64,395
Net appreciation in market value of investments	600,652	695,074
Other income	<u>5,916</u>	<u>-</u>
Total investment income	675,642	759,469
Contributions - employer	<u>-</u>	<u>1,200,000</u>
Total additions	<u>675,642</u>	<u>1,959,469</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO		
Benefits paid to participants	289,068	269,239
Administrative expenses	<u>52,543</u>	<u>63,573</u>
Total deductions	<u>341,611</u>	<u>332,812</u>
NET INCREASE	334,031	1,626,657
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>4,723,130</u>	<u>3,096,473</u>
End of year	<u>\$ 5,057,161</u>	<u>\$ 4,723,130</u>

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - DESCRIPTION OF PLAN

The following description of the **The Dayton Forging & Heat Treating Company Employees' Pension Plan** (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General - The Plan is a non-contributory defined benefit plan and covers substantially all employees of The Dayton Forging & Heat Treating Company (the "Company") who meet the age and service requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Pension Benefits - The amount of an employee's monthly benefit depends upon their years of benefit service with the Company, their age at the time they receive benefits, their average salary or wages for their five highest consecutive years (for salaried employees), and the benefit multiplier (for hourly employees).

Salaried employees with five years of vesting service are entitled to full annual retirement benefits, beginning at the normal retirement age of 65, calculated as follows:

- The sum of 1% of the average monthly compensation, plus 0.65% of average monthly compensation in excess of covered compensation multiplied by years of service.

Hourly employees receive monthly retirement benefits of their years of benefit service multiplied by the benefit multiplier, which is currently \$18, payable for their lifetime.

Participants who have attained age 55 and completed at least ten years of service are eligible for early retirement. The accrued retirement benefit is reduced for early retirement.

Participants may elect to receive the value of their accumulated plan benefits as a lump-sum distribution upon retirement or termination, as a life annuity payable monthly from retirement, or as a life annuity with a guaranteed number of payments payable monthly upon retirement and if the participant dies within a guaranteed time period after benefits commence, a continuing monthly payment to the beneficiary for the remainder of the guaranteed time period. Participants may elect to receive their pension benefits in the form of a joint and survivor annuity.

Death Benefits - Upon death of a vested participant, a death benefit shall be paid to the participant's spouse as long as the participant and spouse had been married for at least one year at the time of death. The amount of the death benefit will equal the amounts which would have been payable as a survivor annuity under the qualified joint and survivor annuity under the Plan.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The financial statements of the Plan are prepared using the accrual method of accounting.

Financial Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's administrator to make estimates and assumptions that affect the reported amounts of net assets, and disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Investment Valuation - Investment securities are stated at fair values determined using year-end market prices and both realized and unrealized gains and losses are reflected in income. Security transactions are recorded on the trade date. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. See Note D for discussion of fair value measurements.

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 amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Accounts Receivable - Due to the nature of accounts receivable, management believes that all amounts will be collected; therefore, no allowance for doubtful accounts is considered necessary.

Actuarial Present Value of Accumulated Plan Benefits - Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to retired or terminated employees or their beneficiaries, beneficiaries of employees who have died, and the present employees or their beneficiaries. Benefits under the plan are based on the monthly average of the highest five consecutive participants' annual compensation amounts during the last ten calendar years before the participants' retirement. The accumulated plan benefits for active employees are based on their average compensation during the five years ending on the date as of which the benefit information is presented (valuation date). Benefits payable under all circumstances (retirement, death, disability and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as death, withdrawal, retirement or disability) between the valuation date and the expected date of payment.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The actuarial present value of accumulated benefits as of January 1, 2010 and 2009 are summarized as follows:

	<u>January 1, 2010</u>	<u>January 1, 2009</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS		
Vested benefits		
Participants currently receiving benefits	\$ 2,531,303	\$ 2,460,078
Other participants	1,884,804	1,721,558
Nonvested benefits	<u>61,214</u>	<u>74,989</u>
TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS	<u>\$ 4,477,321</u>	<u>\$ 4,256,625</u>

The changes in actuarial present value were as follows:

	<u>January 1, 2010</u>	<u>January 1, 2009</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT BEGINNING OF YEAR	<u>\$ 4,256,625</u>	<u>\$ 4,085,440</u>
INCREASE (DECREASE) DURING THE YEAR ATTRIBUTED TO:		
Benefits accumulated	201,235	190,871
Benefits paid	(269,239)	(295,499)
Interest	<u>288,700</u>	<u>275,813</u>
NET INCREASE	<u>220,696</u>	<u>171,185</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT END OF YEAR	<u>\$ 4,477,321</u>	<u>\$ 4,256,625</u>

The significant actuarial assumptions used in the valuations were as follows:

- Investment return at an average rate of 7.00% as of January 1, 2010 and 2009
- Discount rate of 6.5% and 5.8% as of January 1, 2010 and 2009, respectively
- Life expectancy of participants (using the IRS 2010 Optional Small Plan Mortality Table)
- Average rate of future salary increases of 2% and 4% as of January 1, 2010 and 2009, respectively
- Normal retirement age of 65

The net increase in the actuarial present value of accumulated benefits is the result of benefits paid, discounts for interest, changes in participant mix, actuarial experience gain and losses, and changes in actuarial assumptions.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors will be applicable in determining the actuarial present value of accumulated Plan benefits.

Payment of Benefits - Benefit payments to participants are recorded upon distribution.

Plan Expenses - Certain administrative functions are performed by the officers or employees of the Company. Administrative expenses for the trustees and certain other fees are paid directly by the Plan to the extent not paid by the Company.

Accounting for Uncertainty in Income Taxes - 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 by the Internal Revenue Service. 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.

Subsequent Events - In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 17, 2011, the date the financial statements were available to be issued.

NOTE C - INVESTMENTS

PNC Bank N.A. is the trustee and investment manager of the Plan. The total fair value of the investments held by the trustee at December 31, 2010 and 2009 was \$5,056,099 and \$3,531,055, respectively. These investments, as well as the net appreciation (depreciation) in fair value of investments and interest and dividend income, have been certified as to their accuracy and completeness by PNC Bank N.A.

The fair value of individual investments that represent 5 percent or more of the Plan's net assets as of December 31, 2010 and 2009 was as follows:

	<u>2010</u>	<u>2009</u>
Fidelity Money Market	\$ -	\$ 713,476
Bank of America Corp	400,200	-
Citigroup Inc	482,460	-
Wells Fargo & Co	<u>495,840</u>	<u>-</u>
	<u>\$ 1,378,500</u>	<u>\$ 713,476</u>

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE C - INVESTMENTS - continued

During 2010 and 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

	<u>2010</u>	<u>2009</u>
Common stocks	\$ 480,053	\$ 482,523
Mutual funds	<u>120,599</u>	<u>212,551</u>
	<u>\$ 600,652</u>	<u>\$ 695,074</u>

NOTE D - FAIR VALUE MEASUREMENTS

The Plan adopted the accounting standard that defines fair value and establishes a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under this accounting standard are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2010.

Money market fund: Valued based on the contractual terms of the underlying money market account; provides a daily mil-rate for income accretion.

Common stocks and mutual funds: Valued at the net asset value (NAV) of shares held by the plan at year-end.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE D - FAIR VALUE MEASUREMENTS - continued

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

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market fund	\$ 126,704	\$ -	\$ -	\$ 126,704
Common stocks	4,111,181	-	-	4,111,181
Mutual funds	<u>818,214</u>	<u>-</u>	<u>-</u>	<u>818,214</u>
Total assets at fair value	<u>\$ 5,056,099</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,056,099</u>

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market fund	\$ 64,245	\$ -	\$ -	\$ 64,245
Common stocks	2,696,489	-	-	2,696,489
Mutual funds	<u>770,321</u>	<u>-</u>	<u>-</u>	<u>770,321</u>
Total assets at fair value	<u>\$ 3,531,055</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,531,055</u>

NOTE E - FUNDING POLICY

The Company's funding policy is to fund pension costs that at a minimum would satisfy the minimum requirements of the Employee Retirement Income Security Act of 1974 (ERISA) and would be deductible under Section 404 of the Internal Revenue Code. Contributions are intended to fund the Plan's normal cost on a current basis. The Plan has met ERISA's minimum funding requirements.

NOTE F - TAX STATUS

The Plan obtained its latest determination letter on January 12, 2005, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has not been amended since receiving the determination letter. Therefore, no provision for income taxes has been included in the Plan's financial statements.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE G - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, the Plan provides that the plan administrator shall allocate the assets of the Plan in accordance with Title IV of ERISA.

Under ERISA, certain benefits would be guaranteed by the Pension Benefit Guaranty Corporation (PBGC). Generally, the PBGC guarantees most vested, normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the Plan's termination, subject to a statutory ceiling on the amount of the individual's monthly benefit.

Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all. Reference should be made to the Plan document for further details.

NOTE H - RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds in which PNC Bank serves as the investment advisor. PNC Bank also serves as the trustee of the Plan. These investments qualify as party-in-interest transactions. Fees paid by the Plan for the trustee services amounted to \$21,160 and \$14,419 for the years ended December 31, 2010 and 2009, respectively.

Fees paid during the year for accounting, actuarial and investment management services rendered by parties-in-interest totaled \$24,788 and \$37,325 for the years ended December 31, 2010 and 2009, respectively.

NOTE I - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The Form 5500 reports the realized gains (losses) from the sale of investments separate from the change in unrealized gains (losses). The financial statements report the realized and unrealized gains as one combined number.

There is no change in total income based on the above differences.

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

PLAN'S EMPLOYER IDENTIFICATION NUMBER: 31-0257730

PLAN NUMBER: 001

DECEMBER 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
Cash and Cash Equivalents				
	Fidelity Money Market Institutional Class	126,703.690 shares	\$ 126,704	\$ 126,704
Common Stocks				
	Apple	500 shares	61,148	161,280
	AT&T Inc	2,000 shares	57,230	58,760
	Bank of America Corp	30,000 shares	400,646	400,200
	Bristol Myers Squibb Co Com	1,000 shares	25,689	26,480
	Cooper Industries PLC	300 shares	12,822	17,487
	Caterpillar Inc	1,000 shares	71,014	93,660
	Chubb Corp	1,000 shares	48,649	59,640
	Cisco Sys Inc	2,000 shares	49,377	40,460
	Citigroup Inc	102,000 shares	403,536	482,460
	Cummins Inc	300 shares	22,989	33,003
	Dover Corp	400 shares	17,733	23,380
	CSX Corp Com	1,000 shares	34,892	64,610
	Dupont E I De Nemours & Co	400 shares	15,932	19,952
	Eaton Corp	1,000 shares	77,220	101,510
	EBAY Inc Com	1,000 shares	24,010	27,830
	Emerson Electric Co	500 shares	24,873	28,585
	Exxon Mobile Corp	800 shares	54,629	58,496
	General Mills Inc	1,000 shares	35,450	35,590
	Gorman Rupp Co	2,000 shares	55,547	64,640
	Google Inc	150 shares	75,531	89,095
	Home Depot Inc	1,000 shares	21,535	35,060
	Intel Corp	2,500 shares	49,017	52,575
	Johnson & Johnson	1,450 shares	82,750	89,683
	Marathon Oil Corp	2,000 shares	85,766	74,060
	McDonald's Corp	700 shares	39,940	53,732
	Metlife Inc	700 shares	35,477	31,108
	Microsoft Corp	3,800 shares	106,037	106,058
	Nextera Energy Inc	300 shares	17,350	15,597
	Oracle Corp	3,500 shares	61,271	109,550
	PPG Industries Inc	500 shares	33,360	42,035
	Parker Hannifin Corp	1,000 shares	65,193	86,300

THE DAYTON FORGING & HEAT TREATING COMPANY EMPLOYEES' PENSION PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) - CONTINUED

PLAN'S EMPLOYER IDENTIFICATION NUMBER: 31-0257730

PLAN NUMBER: 001

DECEMBER 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
	Pepsico Inc	1,000 shares	52,005	65,330
	Pfizer Inc	7,800 shares	124,204	136,578
	Phillip Morris International Inc	2,245 shares	110,174	131,400
	Price T Rowe Group Inc	1,200 shares	64,388	77,448
	Proctor & Gamble	1,000 shares	68,874	64,330
	Qualcomm Inc Com	2,000 shares	85,987	98,980
	Schlumberger LTD	500 shares	28,565	41,750
	The Travelers Cos Inc	900 shares	39,650	50,139
	Union Pac Corp Co Com	1,000 shares	53,347	92,660
	Verizon Communications	500 shares	14,996	17,890
	Viacom Inc	2,000 shares	46,207	79,220
	Wal Mart Stores Inc	500 shares	23,537	26,965
	Waste Management Inc Com	1,700 shares	47,306	62,679
	Wells Fargo & Co	16,000 shares	410,155	495,840
	Wisconsin Energy Corp Com	600 shares	24,377	35,316
	3M Company	600 shares	44,012	51,780
			<u>3,404,397</u>	<u>4,111,181</u>
	Mutual Funds			
	Artio International Equity Fund	8,820.799 shares	148,674	109,907
	Dodge & Cox International Stk Fund	4,706.387 shares	227,234	168,065
	Ishares TR Russell MCP VL Fund	3,496.000 shares	105,160	157,355
	Ishares TR Russell MCP Growth Fund	2,718.000 shares	102,632	153,866
	Royce Total Return Fd #267	8,963.113 shares	129,868	118,044
	Vanguard Intl Equity Index Fund	2,305.000 shares	66,512	110,977
			<u>780,080</u>	<u>818,214</u>
			<u>\$ 4,311,181</u>	<u>\$ 5,056,099</u>