

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2010</div> 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) <u>DISASTER TAX RELIEF - SEE BELOW</u>

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>HOURLY EMPLOYEES' PENSION PLAN OF ARLO INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION</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>016</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>10/19/1976</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>016</u>	1c Effective date of plan <u>10/19/1976</u>	
1b Three-digit plan number (PN) ▶	<u>016</u>				
1c Effective date of plan <u>10/19/1976</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>BAIRNCO CORPORATION</u> <u>HANDY HARMAN</u> <u>1133 WESTCHESTER AVE., SUITE N222</u> <u>WHITE PLAINS, NY 10604</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>13-3057520</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>914-461-1263</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>339900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>13-3057520</u>	2c Sponsor's telephone number <u>914-461-1263</u>	2d Business code (see instructions) <u>339900</u>	
2b Employer Identification Number (EIN) <u>13-3057520</u>					
2c Sponsor's telephone number <u>914-461-1263</u>					
2d Business code (see instructions) <u>339900</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.	11/01/2011	JAMES MCCABE FOR HNH
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	11/01/2011	JAMES MCCABE FOR HNH
	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") BAIRNCO CORPORATION HANDY HARMAN 1133 WESTCHESTER AVE., SUITE N222 WHITE PLAINS, NY 10604	3b Administrator's EIN 13-3057520 3c Administrator's telephone number 914-461-1263
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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	
5 Total number of participants at the beginning of the plan year	5	128
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	63
b Retired or separated participants receiving benefits.....	6b	14
c Other retired or separated participants entitled to future benefits.....	6c	45
d Subtotal. Add lines 6a , 6b , and 6c	6d	122
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	6
f Total. Add lines 6d and 6e	6f	128
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	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1B 1G 3H 1I

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>HOURLY EMPLOYEES' PENSION PLAN OF ARLON INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION</u>	B Three-digit plan number (PN) ▶ <u>016</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>BAIRNCO CORPORATION</u>	D Employer Identification Number (EIN) <u>13-3057520</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>1603152</u>
b Actuarial value	2b <u>1677428</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>14</u> <u>419612</u>
b For terminated vested participants	3b <u>48</u> <u>551699</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>81990</u>
(2) Vested benefits	3c(2) <u>1042424</u>
(3) Total active	3c(3) <u>66</u> <u>1124414</u>
d Total	3d <u>128</u> <u>2095725</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>6.73</u> %
6 Target normal cost	6 <u>20000</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>THOMAS A. DEFILIPPO</u>	<u>11-06419</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON PENNSYLVANIA, INC.</u>	<u>412-497-3000</u>
Firm name	Telephone number (including area code)
<u>600 GRANT STREET, SUITE 4940</u> <u>PITTSBURGH, PA 15219-2742</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)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	
9 Amount remaining (Item 7 minus item 8).....	0	0
10 Interest on item 9 using prior year's actual return of _____ %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		11283
b Interest on (a) using prior year's effective rate of <u>7.97</u> %		899
c Total available at beginning of current plan year to add to prefunding balance		12182
d Portion of (c) to be added to prefunding balance.....		
12 Reduction in balances due to elections or deemed elections.....		
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III	Funding percentages	
14 Funding target attainment percentage.....	14	80.04 %
15 Adjusted funding target attainment percentage.....	15	80.04 %
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	87.12 %
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
04/14/2010	27940				
07/13/2010	27940				
01/13/2011	18577				
09/14/2011	12041				
			Totals ►	86498	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 82572
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	20000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	334468	62563
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	82563
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement		Total balance
		0
36 Additional cash requirement (item 34 minus item 35).....	36	82563
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	82572
38 Interest-adjusted excess contributions for current year (see instructions).....	38	9
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 HOURLY EMPLOYEES' PENSION PLAN OF ARLO INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION	B Three-digit plan number (PN) ► 016
C Plan sponsor's name as shown on line 2a of Form 5500 BAIRNCO CORPORATION	D Employer Identification Number (EIN) 13-3057520

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....	☒ Yes ☐ No
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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).
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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
FARALLON CAPITAL OFFSHORE INVESTORS	SUITE 3307 GARDENIA COURT 45 MARKET STREET CAMANA BAY, GRAND CAYMAN KY1-1103 CJ

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation	
MASON CAPITAL MANAGEMENT, LLC	110 EAST 59TH STREET 30TH FLOOR NEW YORK, NY 10022

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
TITAN MASTER FUND, L.P.	
06-1603170	

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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)

TOWERS PERRIN

23-1159360

(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	26808	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

TIM MLSNA

36-3448629

(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?
29	NONE	24944	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

GRANT THORNTON

36-6055558

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	18375	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PROXIMA

20-1385704

(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?
28	NONE	17383	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

WPN CORPORATION

13-3410792

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	NONE	15215	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection.
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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 HOURLY EMPLOYEES' PENSION PLAN OF ARLON INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION	B Three-digit plan number (PN) ► 016
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 BAIRNCO CORPORATION	D Employer Identification Number (EIN) 13-3057520

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: WHX PENSION PLAN TRUST

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

c EIN-PN 13-7086350-001	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1753411
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a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

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

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

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

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

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

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

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

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

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

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

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

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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 HOURLY EMPLOYEES' PENSION PLAN OF ARLON INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION	B Three-digit plan number (PN) ►	016
C Plan sponsor's name as shown on line 2a of Form 5500 BAIRNCO CORPORATION	D Employer Identification Number (EIN) 13-3057520	

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)	56146	30618
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	1575544	1753411
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(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	1631690	1784029

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	47565	32323
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	47565	32323

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1584125	1751706
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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)	86498	
(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)		86498

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		0
(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)		251100
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		337598

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	49412	
(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)		49412
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)	77255	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	35225	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		112480
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		161892

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		175706
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		8125

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: GRANT THORNTON LLP

(2) EIN: 36-6055558

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		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		10000000
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.

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

A Name of plan <u>HOURLY EMPLOYEES' PENSION PLAN OF ARLO INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION</u>	B Three-digit plan number (PN) ▶ <u>016</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BAIRNCO CORPORATION</u>	D Employer Identification Number (EIN) <u>13-3057520</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>94-1347393</u> <u>04-1867445</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>0</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)
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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
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ 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):

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Plan Administrator of

The Hourly Employees Pension Plan of Arlon, Inc., Microwave Materials and Silicone Technologies Divisions, Bear, Delaware:

We were engaged to audit the financial statements of The Hourly Employees Pension Plan of Arlon, Inc., Microwave Materials and Silicone Technologies Divisions, Bear, Delaware (the “Plan”) as of December 31, 2010 and 2009, and for the year ended December 31, 2010. These financial statements are the responsibility of the Plan’s management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by State Street Bank and Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan’s investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2010 and 2009, and for the year ended December 31, 2010, 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 express, and do not express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements other than that derived from the information certified by the trustees, has been audited by us in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants and, in our opinion, are presented in compliance with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Edison, New Jersey
October 31, 2011

Hourly Employees' Pension Plan of Arlon, Inc. Microwave Material and Silicone
Technologies Divisions, Bear, Delaware Location
EIN 13-3057520
PN 016

Attachment to 2010 Form 5500
Part I Line D – Filing under Form 5558 Application for Extension of Time To File Certain
Employee Plan Returns

To: IRS/DOL

Due to a software issue, the timely filed Form 5558 Request For Extension of Time to File the Hourly Employees' Pension Plan of Arlon, Inc. Microwave Material and Silicone Technologies Divisions, Bear, Delaware Location Form 5500 for the 2010 Plan Year was filed with an incorrect plan number.

During the transfer process of moving data from the 2009 plan year to the 2010 plan year, the software changed any plan number that ended with a number greater than one ("1") to a number that ended with one ("1").

The request for extension to file Form 5500 until October 17, 2011 was filed using Plan Number 011 instead of the correct Plan Number 016. See the following letter dated June 27, 2011 to IRS requesting the extension with Form 5558.

Upon discovery of this error, IRS Agent Carl Gibson (Agent No. 10001143690) was contacted. We are following his recommendation to attach a statement of explanation to the cause of the error as part of the Form 5500 filing.

We respectfully request that you recognize the Form 5558 mailed on June 27, 2011 to the Internal Revenue Service Center in Ogden Utah as requesting an extension of time to file the 2010 Hourly Employees' Pension Plan of Arlon, Inc. Microwave Material and Silicone Technologies Divisions, Bear, Delaware Location, Plan No. 016.

Sincerely,



Pat Zeiler
Consultant
Towers Watson

June 27, 2011

Internal Revenue Service Center
Ogden, UT 84201-0027

HOURLY EMPLOYEES' PENSION PLAN OF ARLON INC. MICROWAVE MATERIAL AND SILICONE
TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION

To Whom It May Concern:

Enclosed is Form 5558 Application for Extension of Time to File Certain Employee Plan Returns for the
Form 5500 for the above mentioned plan for plan year ended December 31, 2010. If you have any
questions please call me at (210) 524-4961.

Sincerely,


Pat Zeiler

PZ:mp

Enclosure

cc: Ms. Michele A. Giglietta — Bairnco Corporation
Ms. Erica Brusselars — Towers Watson/Pittsburgh

Form 5558 (Rev. 1-2008)

7010 3090 0000 0165 0936

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JUN 27 2011		
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See Reverse for Instructions		

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- **Processed through Sort Facility, June 30, 2011, 4:37 am, SALT LAKE CITY, UT 84199**
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Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Attachment to 2010 Form 5500 Schedule SB — General Notes

Plan Sponsor	Bairnco Corporation
EIN/PN	13-3057520 (PN 016)
Plan Name	Hourly Employees Pension Plan of Arlon Inc.
Valuation Date	January 1, 2010
Enrolled Actuary	Thomas DeFilippo
Enrollment Number	11-06419

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment 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**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 HOURLY EMPLOYEES PENSION PLAN OF ARLOH INC.	B Three-digit plan number (PN) ▶ <u>016</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF BAIRNCO CORPORATION	D Employer Identification Number (EIN) 13-3057520
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>1</u> Day <u>1</u> Year <u>2010</u>		
2 Assets:		
a Market value.....	2a	1,603,152
b Actuarial value.....	2b	1,677,428
3 Funding target/participant count breakdown:	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 14	419,612
b For terminated vested participants.....	3b 48	551,699
c For active participants:		
(1) Non-vested benefits.....	3c(1)	81,990
(2) Vested benefits.....	3c(2)	1,042,424
(3) Total active.....	3c(3) 66	1,124,414
d Total.....	3d 128	2,095,725
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	6.73 %
6 Target normal cost.....	6	20,000

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**Thomas A. DeFilippo *TAD*

Signature of actuary

10/03/2011

Date

THOMAS A. DEFILIPPO

11-06419

Type or print name of actuary

Most recent enrollment number

TOWERS WATSON

(412) 497-3000

600 GRANT STREET, SUITE 4940 *Firm name*

Telephone number (including area code)

PITTSBURGH

PA 15219-2742

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)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	
9 Amount remaining (Item 7 minus item 8)	0	0
10 Interest on item 9 using prior year's actual return of _____ %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		11,283
b Interest on (a) using prior year's effective rate of <u>7.97</u> %		899
c Total available at beginning of current plan year to add to prefunding balance		12,182
d Portion of (c) to be added to prefunding balance		
12 Reduction in balances due to elections or deemed elections		
13 Balance at beginning of current year (item 9 + item 10 + item 11d + item 12)	0	0

Part III Funding percentages

14 Funding target attainment percentage	14	80.04 %
15 Adjusted funding target attainment percentage	15	80.04 %
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	87.12 %
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
04/14/2010	27,940				
07/13/2010	27,940				
01/13/2011	18,577				
09/14/2011	12,041				
Totals ▶			18(b)	86,498	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	82,572

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		6.5
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	20,000
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	334,468	62,563
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	82,563
		Carryover balance	Prefunding balance
35	Balances used to offset funding requirement		0
36	Additional cash requirement (item 34 minus item 35)	36	82,563
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c)	37	82,572
38	Interest-adjusted excess contributions for current year (see instructions)	38	9
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

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:

- Applicable month September
(based on bond
yields through
August)
- Yield curve basis Segment rates
- Transition from current liability rates No

Funding interest rates:

- 10-year rate 5.03%
- ▶ 20-year rate 6.73%
- ▶ 30-year rate 6.82%
- ▶ Effective interest rate 6.73%

Demographic Assumptions

Mortality

Funding Target— Separate rates for non-annuitants (based on RP-2000 “Employees” table without collar or amount adjustments, projected to 2025 using Scale AA) and annuitants (based on RP-2000 “Healthy Annuitants” table without collar or amount adjustments, projected to 2017 using scale AA)

Disability

1987 Commissioners Group Disability Table. Sample rates:

Age	Male	Female
20	.04%	.05%
25	.05	.06
30	.06	.09
35	.09	.15
40	.14	.20
45	.26	.33
50	.51	.55
55	.96	.85
60	1.47	1.09
65	1.86	1.27

Termination

Rates in accordance with the 2003 study conducted by the Society of Actuaries. Sample rates:

Schedule SB

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

<i>Age</i>	<i>Service < 2</i>	<i>Service = 2, 3, 4</i>	<i>Service = 5-9</i>	<i>Service ≥ 10</i>
25	21.74%	17.14%	12.96%	0.00%
30	18.61	13.58	8.39	4.84
35	16.78	11.02	7.15	5.02
40	15.91	10.35	6.01	4.15
45	15.48	9.47	5.82	3.73
50	15.60	8.90	5.32	3.49
55	13.52	7.82	2.59	0.88
60	13.63	7.84	2.12	0.20

Retirement Participants are assumed to retire at the later of age 65 or their current age

Benefit commencement date

- Preretirement death benefit Surviving spouse benefits commence at the later of the death of the active participant or the date the participant would have attained earliest retirement age
- Termination benefit Age 65
- Disability benefit Upon termination of employment
- Retirement benefit Upon termination of employment

Form of payment Normal form for unmarried participant

Percent married 85% of males, 65% of females

Spouse age Wife three years younger than husband

Administrative expense

An expense assumption of \$20,000 was included in the Target normal cost. This assumption is intended to include expected non-investment expenses and PBGC premiums to be paid from the plan trust during 2010. Non-investment expenses are based on an average of similar experiences paid from the plan in prior years.

Methods

- Valuation date First day of plan year
- Funding target and target normal cost Present value of accrued benefits

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

- **Actuarial value of assets** Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of fair value, including contributions receivable.

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a bias to produce an actuarial value of assets that is below the market value of assets.

Benefits Not Valued

Towers Watson has reviewed documentation provided by WHX Corporation and is not aware of any significant benefits that should have been valued and were not.

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Changes in Assumptions and Methods Since the Prior Valuation

The funding target interest rate was changed from a full corporate bond yield curve as of October 2008 to segment rates without transition as of September 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

Disability incidence rates changed from varying rates by benefit group to a single table based on the 1987 Commissioners Group Disability Table.

Termination rates changed from varying rates by benefit group to a single table based on a 2003 study conducted by the Society of Actuaries.

The percent married assumption changed from 80% of all participants to 85% of males and 65% of females for all groups.

Data Sources

Towers Watson used asset data supplied by the trustee and participant data prepared by the operating units. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, assumptions or estimates were made when data were not available. Towers Watson is not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Summary of Plan Provisions

Plan Provisions

Effective Date	The Effective Date of the amended Plan is October 19, 1976
Eligibility	All hourly employees who are members of the bargaining unit are eligible upon employment
Credited Service	Generally, all service with employer after February 1, 1972. An employee will be credited with a full year of service for each year in which at least 1,000 hours are worked. In addition, for purposes of calculating amount of benefits, partial years are credited for the first and last years of employment, provided more than 500 hours were worked for each partial year credited. No service is credited under the plan after December 31, 2009.
Retirement Dates	
Normal	First of the month coincident with or next following a participant's 65 th birthday
Early	First day of month coincident with or next following a participant's 55 th birthday and the completion of 10 Years of Credited Service
Disability	Not provided
Deferred	First day of month coincident with or next following a participant's termination of service after his Normal Retirement Date

Retirement Benefits

Normal	An employee will receive a monthly benefit for each year of Credited Service, in accordance with the following schedule:
--------	--

<u>Date of Retirement</u>	<u>Benefit Rate for each Year of Credited Service</u>
10/19/75 through 9/29/79	\$5.00
9/30/79 through 9/29/81	\$6.00
9/30/81 through 9/29/82	\$7.00
9/30/82 through 9/29/84	\$8.00
9/30/84 through 9/28/85	\$9.00
9/29/85 through 9/28/86	\$10.00
9/29/86 through 9/30/88	\$10.50
10/1/88 through 10/1/89	\$11.50
10/2/89 through 9/27/91	\$12.00
9/28/91 through 9/27/92	\$13.00
9/28/92 through 9/27/93	\$14.00

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Summary of Plan Provisions

9/28/93 through 9/29/94	\$15.00
9/30/94 through 9/28/95	\$16.00
9/29/95 through 9/26/96	\$17.00
9/27/96 through 10/4/97	\$18.00
10/5/97 through 10/3/98	\$19.00
10/4/98 through 10/2/99	\$20.00
10/3/99 through 10/7/00	\$21.00
10/8/00 through 10/6/01	\$22.00
10/7/01 through 10/5/02	\$23.00
10/6/02 through 10/9/04	\$24.00
10/10/04 through 10/8/05	\$25.00
10/9/05 through 10/11/07	\$26.00
10/12/07 through 10/11/08	\$27.00
10/12/08 and thereafter	\$28.00

**Credited Service for benefit accrual purposes was
frozen as of December 31, 2009**

Early

The benefit is determined as for Normal Retirement but based on Credited Service to the Early Retirement Date. The benefit commences at the Normal Retirement Date.

If the employee elects for the benefit to commence prior to Normal Retirement Date, the amount of the benefit will be reduced by 5/9ths of 1% for every month by which the pension commencement date precedes the Normal Retirement Date up to the first 60 months, and 5/18ths of 1% for every month thereafter

Disability

Not provided

Deferred

The benefit is determined as for Normal Retirement but based on Credited Service to the Deferred Retirement Date. The benefit commences at the Deferred Retirement Date.

Death Benefits**Active Employees**

A spouse of any employee who dies in active service with a vested benefit is entitled to a benefit equal to 50% of the amount he could have received if he had retired early and had elected to receive his benefit under a joint and 50% survivor form of payment

Retired Employees

None, unless an optional form of retirement benefit is elected, which provides a death benefit

Deferred Vested Benefits**Eligibility**

Completion of 5 years of Credited Service

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Summary of Plan Provisions

Benefit

The benefit is determined as for Normal Retirement but based on Credited Service to the Date of Termination. The benefit commences at the Normal Retirement Date.

An employee may elect to commence benefit payments on the first day of any month following his Early Retirement Date. If the employee elects for the benefit to commence prior to Normal Retirement Date, the benefit will be reduced as for Early Retirement.

Future Plan Changes

No future plan changes were recognized in determining pension cost or in determining minimum and maximum contributions.

Changes in Benefits Valued Since Prior Year

The plan was amended to freeze service as of December 31, 2009.

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, line 24 – Change in Assumptions

- Disability incidence rates changed from varying rates by benefit group to a single table based on the 1987 Commissioners Group Disability Table.
- Termination rates changed from varying rates by benefit group to a single table based on a 2003 study conducted by the Society of Actuaries.
- The percent married assumption changed from 80% of all participants to 85% of males and 65% of females for all groups.

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, line 25 – Change in Method

- The interest rate used to project lump sum payments was changed from a full corporate bond yield curve as of October 2008 to segment rates without transition as of September 2009, as provided under the Pension Protection Act of 2006.
- Expenses added to the target normal cost were assumed to be \$20,000.
- In accordance with 1.430(d)-1(g)(3)(ii)(A), automatic approval has been granted for the first plan year for which all the provisions of 1.430(d)-1, 1.430(f)-1, 1.430(g)-1, 1.430(i)-1, and 1.436-1 are reflected of any changes to funding methods permitted by the Pension Protection Act. 2010 is the first plan year for which all of these provisions were reflected, and thus all funding method changes are automatically approved.

Bairnco Corporation (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Line 26 – Schedule of Active Participant Data

Age Last Birthday	Completed Years of Service										Total
	<1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35-39	40 & up	
15 to 24	0	1	0	0	0	0	0	0	0	0	1
25 to 29	0	0	0	1	0	0	0	0	0	0	1
30 to 34	0	2	2	1	0	0	0	0	0	0	5
35 to 39	0	2	1	2	1	0	0	0	0	0	6
40 to 44	0	2	0	2	0	1	0	0	0	0	5
45 to 49	0	2	7	1	4	4	0	0	0	0	18
50 to 54	0	3	4	2	1	2	0	0	0	0	12
55 to 59	0	2	0	3	1	3	0	3	0	0	12
60 to 64	0	1	2	0	0	0	0	1	0	0	4
65 to 69	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	1	1	0	0	0	0	0	2
Total	0	15	16	13	8	10	0	4	0	0	66

Average Age = 48.7 Average Service = 11.9

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Line 32 – Schedule of Amortization Bases

Amortization Record in Support of Minimum Required Contribution

Type of Base	Present Value of Remaining Installments	Year Established	Remaining Period	Installment
Shortfall	\$ 133,460	2008	5.000	\$ 29,374
Shortfall	\$ (29,566)	2009	6.000	\$ (5,615)
Shortfall	<u>\$ 230,574</u>	2010	7.000	<u>\$ 38,804</u>
	<u>\$ 334,468</u>			<u>\$ 62,563</u>

Hourly Employees' Pension Plan of Arlon Inc. Microwave Material and Silicone Technologies
Divisions, Bear, Delaware Location
EIN: 13-3057520
Plan Number 016
Schedule C, Line 2(h) Formula Description

The statement provided by Sage Capital Management, LLC. (EIN 20-0570637), contains the following:

- Eligible indirect compensation exists for tis account in the form of non-proprietary soft dollar activity that Sage Capital Management, LLC generates to pay for research services vital to management of the client's portfolio.
- The compensation is calculated via the following formula: Trade share quantity *.06/per share* soft dollar credit of 62.50% of the total.

Hourly Employees' Pension Plan of Arlon, Inc. Microwave Material and Silicone
Technologies Divisions, Bear, Delaware Location
EIN 13-3057520
PN 016

Attachment to 2010 Form 5500
Part I Line D – Filing under Form 5558 Application for Extension of Time To File Certain
Employee Plan Returns

To: IRS/DOL

Due to a software issue, the timely filed Form 5558 Request For Extension of Time to File the Hourly Employees' Pension Plan of Arlon, Inc. Microwave Material and Silicone Technologies Divisions, Bear, Delaware Location Form 5500 for the 2010 Plan Year was filed with an incorrect plan number.

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Sincerely,



Pat Zeiler
Consultant
Towers Watson

June 27, 2011

Internal Revenue Service Center
Ogden, UT 84201-0027

HOURLY EMPLOYEES' PENSION PLAN OF ARLON INC. MICROWAVE MATERIAL AND SILICONE
TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION

To Whom It May Concern:

Enclosed is Form 5558 Application for Extension of Time to File Certain Employee Plan Returns for the
Form 5500 for the above mentioned plan for plan year ended December 31, 2010. If you have any
questions please call me at (210) 524-4961.

Sincerely,


Pat Zeiler

PZ:mp

Enclosure

cc: Ms. Michele A. Giglietta — Bairnco Corporation
Ms. Erica Brusselars — Towers Watson/Pittsburgh

Form 5558 (Rev. 1-2008)

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**THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Statements of Net Assets Available for Benefits

December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Investment, at fair value		
Plan interest in the WHX Master Pension Trust, at fair value	\$ 1,753,411	\$ 1,575,544
Total investments	1,753,411	1,575,544
Contribution receivable	<u>30,618</u>	<u>56,146</u>
Total assets reflecting investments at fair value	1,784,029	1,631,690
Liabilities - accrued expenses	<u>(32,323)</u>	<u>(47,565)</u>
Net assets available for benefits	<u>\$ 1,751,706</u>	<u>\$ 1,584,125</u>

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

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2010

ADDITIONS TO NET ASSETS

Contributions	\$ 86,498
Plan interest in WHX Master Pension Trust net investment income	<u>251,100</u>
Total additions	<u>337,598</u>

DEDUCTIONS FROM NET ASSETS

Benefits paid directly to defined benefit plan participants	49,412
Administrative expenses	<u>120,605</u>
Total deductions	<u>170,017</u>

Net increase in net assets	167,581
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Net assets available for benefits

Beginning of year	<u>1,584,125</u>
End of year	<u><u>\$ 1,751,706</u></u>

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

THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2010 and 2009

1. PLAN DESCRIPTION

The following brief description of The Hourly Employees Pension Plan of Arlon, Inc., Microwave Materials and Silicone Technologies Divisions, Bear, Delaware (the “Plan”) is provided for general information purposes only. More complete information regarding the Plan’s provisions may be found in the Plan agreement.

General

Bairnco Corporation (“Bairnco”) is the formal sponsor of the Plan. Arlon, Inc. (the “Employer”) is a subsidiary of Bairnco and is the employer of employees covered under the Plan. WHX Corporation (the “Corporation”) is the ultimate parent of Bairnco. Effective January 3, 2011 WHX Corporation changed its name to Handy & Harman Ltd.

The Plan is a defined benefit plan for which all contributions are made by Bairnco. Bairnco contributes amounts needed, as determined by the actuary, to meet minimum funding requirements.

Participants in the Plan include all individuals employed by the Employer who were employees prior to January 1, 2010 and who are represented by the Council of United Textile Workers of America/United Food Commercial Workers, AFL-CIO, Local 266T (the “Union”), and are covered by the collective bargaining agreement between the Employer and the Union.

Administration of the Plan

The accounting records are maintained by the Company. The Plan assets are held and managed by the WHX Master Pension Trust (“Master Trust”) under which State Street Bank and Trust Company (the “Trustee”) serves as trustee of the Plan’s assets.

Contributions

Bairnco contributes amounts needed, as determined by the actuary, to meet funding requirements. Contributions are sufficient to provide normal cost for the current year plus amortization of unfunded past service liabilities. Unfunded past service liabilities arising due to plan amendments or changes in actuarial assumptions are being amortized over a 30-year period commencing on the effective date of the amendment or change in assumption. Bairnco’s contributions to the Plan for the years ended December 31, 2010 and 2009, were in compliance with minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

Vesting and Payment of Benefits

A participant’s benefits are 100% vested in the Plan at the earliest of either:

The participant attains age 65, provided the participant is an employee of the Employer on the date the participant becomes 65; or,

Upon completion of five years of credited service.

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

Upon retirement, benefits are paid monthly during the lifetime of the retiree and, if applicable, during the lifetime of a surviving annuitant. A participant with an eligible spouse will have the benefits paid in the form of a joint and survivor annuity unless the participant elects not to receive it in this form. The amount of the monthly benefit is based on years of service and other factors, as defined in the Plan agreement.

An employee will receive a monthly benefit for each year of credited service in accordance with a benefit rate schedule set forth in the Plan. For a participant employed on December 31, 2009 his or her benefit is an amount equal to \$28 multiplied by his or her years of credited service on that date. Monthly normal retirement benefits for each participants who terminated employment prior to December 31, 2009 are determined by their credited service multiplied by a benefit rate which varies from \$5 to \$28 based upon the date of their termination of employment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the Plan have been prepared using the accrual method of accounting in conformity with the accounting principles generally accepted in the United States of America ("US GAAP") as applied to employee benefit plans, and in accordance with the Plan agreement.

Investment Valuation and Income Recognition

The investments are valued at fair market value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recognized on the trade date. Dividends are recorded on the ex-dividend date. Net appreciation includes the plan's gains and losses on investments bought and sold as well as held during the year.

The Master Trust invests in certain securities and other investments, including limited partnerships, joint ventures and hedge funds, for which no publicly quoted market value is readily available. The Trustee reported the fair value of these investments based upon the net asset values as reported by the respective investment managers. The Plan's investment account is credited with earnings on the underlying investments and charged with Plan withdrawals.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

THE HOURLY EMPLOYEES PENSION PLAN OF ARLO, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2010 and 2009

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions, which are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on years of service and the benefit rate in effect at the time of termination. The accumulated plan benefits for active employees are based on a \$28 benefit rate and credited service as of January 1, 2010. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable to employee service which is counted under the Plan for the applicable purpose rendered to the valuation date.

The actuarial present value of accumulated plan benefits is discounted to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, or retirement) between the valuation date and the expected date of payment.

Contributions

Contributions to the Plan are recorded as additions to the Plan on an accrual basis.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Certain employees of the Company provide services to the Plan. Neither these individuals nor the Company receives any compensation from the Plan. Certain plan expenses, including consulting, legal, accounting, actuary and investment manager fees, were paid by the Master Trust and allocated to the respective plans based on their interest in the Master Trust or, if the fees were applicable to a particular plan, allocated directly to such plan.

Accounting Pronouncements

In January 2010, the FASB issued ASU 2010-06, "Improving Disclosures about Fair Value Measurements" ("ASU 2010-06"). ASU 2010-06 requires additional disclosures about fair value measurements including transfers in and out of Levels 1 and 2 as well as the reasons for the transfers and a greater level of disaggregation for each class of assets and liabilities. For the reconciliation of Level 3 fair value measurements, information about purchases, sales, issuances and settlements are presented separately rather than one net number. This standard is effective for interim and annual reporting periods beginning after December 15, 2009 with the exception of revised Level 3 disclosure requirements which are effective for interim and annual reporting periods beginning after December 15, 2010. The 2010 adoption did not affect, and the future adoption is not expected to affect, the Plan's financial statements.

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

Reclassification

Certain amounts in the 2009 financial statements have been reclassified to conform to the current year presentation.

Subsequent Events

The Plan has evaluated subsequent events through October 31, 2011, the date the financial statements were available to be issued, and determined that there are no items to disclose.

3. FUNDING POLICY

Bairnco's funding policy is to make annual contributions to the Plan in amounts to meet the minimum funding requirements of ERISA as amended by the Pension Protection Act of 2006 beginning with the 2008 Plan year. For the Plan year ended December 31, 2010, Bairnco met the minimum funding standards.

4. RISKS AND UNCERTAINTIES

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with such investment securities, it is reasonably possible that changes in the valuation of investment securities will occur in the near term and 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.

5. ACTUARIAL VALUATION

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 earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability or retirement) between the valuation date and the expected date of payment. The actuarial cost method used to calculate the actuarial present value of accumulated plan benefits is the projected unit cost method. The Company's contributions are calculated by using the credited service method.

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLO, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

The significant assumptions underlying the actuarial computations are as follows for the year ended December 31, 2010:

Assumed Rate of Return, Net of 0.50% of Administrative Expenses	8% per Year, Compounded Annually
Turnover	Rates in accordance with the 2003 study conducted by the Society of Actuaries
Mortality	RP 2000 Combined Healthy No Collar 2018 Projection Table
Disability	1987 Commissioners Group Disability Table

Retirement Rates	Age	Probability of Retirement
	<65	0%
	65	100%

The significant assumptions underlying the actuarial computations are as follows for the year ended December 31, 2009:

Assumed Rate of Return, Net of 0.50% of Administrative Expenses	8.50% per Year, Compounded Annually
Turnover	Rates in accordance with the 2003 study conducted by the Society of Actuaries
Mortality	RP 2000 Combined Healthy No Collar 2015 Projection Table
Disability	1987 Commissioners Group Disability Table

Retirement Rates	Age	Probability of Retirement
	<65	0%
	65	100%

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 might be applicable in determining the actuarial present value of accumulated plan benefits.

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLO, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

The actuarially determined present values of accumulated plan benefits are as follows for the years ended December 31:

	<u>2010</u>	<u>2009</u>
Actuarial present value of accumulated plan benefits		
Vested benefits		
Participants and beneficiaries currently receiving benefits	\$ 547,315	\$ 363,347
Other participants	<u>1,287,152</u>	<u>1,175,399</u>
Total vested benefits	1,834,467	1,538,746
Non vested benefits	<u>32,326</u>	<u>68,405</u>
	<u>\$ 1,866,793</u>	<u>\$ 1,607,151</u>

The increase the actuarial present value of accumulated plan benefits are as follows for the year ended December 31:

	<u>2010</u>
Actuarial present value of accumulated plan benefits, beginning of year	\$ 1,607,151
Benefits accumulated	43,253
Increase in interest due to decrease in the discount period	135,529
Change in actuarial assumptions	130,272
Benefits paid directly to participants	<u>(49,412)</u>
Actuarial present value of accumulated plan benefits, end of year	<u>\$ 1,866,793</u>

6. CERTIFIED FINANCIAL DATA

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee of the Plan certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate:

- Investments as of December 31, 2010 and 2009.
- Investment income and net appreciation in fair value of investments for the year ended December 31, 2010.

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLO, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

The Plan's independent certified public accountant did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

7. MASTER TRUST/INVESTMENTS

The Trustee maintains all records of investment transactions and determines the valuation of the investment portfolio.

All of the Plan's investments are an interest in the Master Trust which was established for the investment of assets of the Plan and several other retirement plans sponsored by the Company. Each participating plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by the Trustee. The value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the Master Trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. At December 31, 2010 and 2009, the Plan's interest in the net assets of the Master Trust was approximately 0.47% and 0.42% respectively. Income related to the Master Trust is allocated to the individual plans based upon average monthly balances invested by each Plan. The Plan's interest in the net assets of the Master Trust is included in Plan interest in the Master Trust in the accompanying statements of net assets available for benefits.

The following table presents the assets, including investment, of the Master Trust, as of December 31:

	<u>2010</u>	<u>2009</u>
Cash	\$ 140,157,425	\$ 125,831,140
Fixed income securities	37,253,615	38,245,492
Common trust funds	104,063,424	116,144,660
Equities	93,238,031	31,109,275
Fund of funds	68,557,497	65,957,951
Futures contracts, net	(67,207,168)	(1,127,494)
Net payable	<u>(2,358,713)</u>	<u>(3,239,174)</u>
Net assets of the Master Trust	<u>\$ 373,704,111</u>	<u>\$ 372,921,850</u>
Plan interest in the Master Trust	<u>\$ 1,753,411</u>	<u>\$ 1,575,544</u>

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLO, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

Net investment income of the Master Trust for the year ended December 31, 2010 is as follows:

	<u>2010</u>
Net appreciation in fair value of investments	
Cash	\$ 3
Fixed income securities	3,441,857
Common trust funds	10,718,378
Equities	11,212,351
Fund of funds	5,769,192
Futures contracts, net	<u>5,002,653</u>
Total net investment income	<u><u>\$ 36,144,434</u></u>

FASB ASC 820, "Fair Value Measurements and Disclosures," provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 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; and
- 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.

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

Following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at December 31, 2010 and 2009:

Equities: When available, quoted market prices are used to determine the fair value of investment securities, and primarily include publicly-traded equity securities.

Fixed Income Securities: When available, observable market data is used, including pricing on recent closed market transactions to value loans. When this data is unobservable, valuation methodologies are used including current market interest rate data adjusted for inherent credit risk

Common Trust Funds: Common trust funds are comprised of shares or units in commingled funds that are not publicly traded. The underlying assets in these funds are primarily publicly traded equity securities, fixed income securities, and commodity-related securities and are valued at their net asset values ("NAVs") that are calculated by the investment manager or sponsor of the fund and have varying liquidity, redemption period notices and other restrictions.

Fund of Funds: Consist of fund-of-fund LLC or commingled fund structures. The LLCs are primarily valued based on NAVs calculated by the fund and are not publicly available. In most cases, the liquidity for the LLCs is quarterly with advance notice and is subject to liquidity of the underlying funds. In some cases there may be extended lock up periods greater than 90 days or side-pockets for non-liquid assets.

Futures contracts: Closing prices are used for derivatives that are traded either on exchanges or liquid over-the-counter markets. Other derivative assets and liabilities primarily represent interest rate swaps, cross-currency swaps and foreign currency and commodity forward and option contracts.

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

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLO, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

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

	Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Equity securities				
U.S. large cap	\$ 21,907,089	\$ 275,250	\$ -	\$ 22,182,339
U.S. mid-cap growth	40,115,893	964,875	-	41,080,768
U.S. small-cap value	6,052,556	-	339,292	6,391,848
International large cap value	18,833,287	-	-	18,833,287
Emerging markets growth	4,099,502	-	-	4,099,502
Equity contracts	650,287	-	-	650,287
	<u>91,658,614</u>	<u>1,240,125</u>	<u>339,292</u>	<u>93,238,031</u>
Fixed income securities				
Corporate bonds	8,378,999	26,671,317	636,800	35,687,116
Bank debt	-	1,566,499	-	1,566,499
	<u>8,378,999</u>	<u>28,237,816</u>	<u>636,800</u>	<u>37,253,615</u>
Common Trust Funds	-	104,063,423	-	104,063,423
Fund of Funds	-	67,946,446	611,051	68,557,497
Future contracts, net	<u>(67,038,644)</u>	<u>(168,523)</u>	<u>-</u>	<u>(67,207,167)</u>
Total Master Trust Investments, at fair value	<u>\$ 32,998,969</u>	<u>\$ 201,319,287</u>	<u>\$ 1,587,143</u>	<u>235,905,399</u>
Cash and cash equivalents				140,157,425
Net payable				<u>(2,358,713)</u>
Total Master Trust Assets, at fair value				<u>\$ 373,704,111</u>
Plan interest in WHX Master Pension Trust				<u>\$ 1,753,411</u>

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLO, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

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

	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Equity securities				
U.S. large cap	\$ 64,696,899	\$ -	\$ -	\$ 64,696,899
U.S. mid-cap growth	2,588,351	-	-	2,588,351
U.S. small-cap value	-	1,035,500	-	1,035,500
Equity contracts	(37,211,475)	-	-	(37,211,475)
	<u>30,073,775</u>	<u>1,035,500</u>	<u>-</u>	<u>31,109,275</u>
Fixed income securities				
Corporate bonds	9,438,250	-	135,000	9,573,250
Bank debt	-	28,672,242	-	28,672,242
	<u>9,438,250</u>	<u>28,672,242</u>	<u>135,000</u>	<u>38,245,492</u>
Common trust funds	-	7,406,340	108,738,320	116,144,660
Fund of funds	-	35,897,747	30,060,204	65,957,951
Future contracts, net	(910,096)	(217,398)	-	(1,127,494)
	<u>\$ 38,601,929</u>	<u>\$ 72,794,431</u>	<u>\$ 138,933,524</u>	<u>250,329,884</u>
Total Master Trust investments, at fair value				
Cash and cash equivalents				125,831,140
Net payable				<u>(3,239,174)</u>
				<u>\$ 372,921,850</u>
Total Master Trust assets, at fair value				
Plan interest in WHX Master Pension Trust				<u>\$ 1,575,544</u>

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLO, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

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

	Fund of Funds	Common Trust Funds	Equity & Fixed Income Securities	Total
Balance, beginning of year	\$ 30,060,204	\$ 108,738,320	\$ 135,000	\$ 138,933,524
Unrealized gains (losses), included in Statement of changes in net assets available for benefits	4,058,115	-	-	4,058,115
Purchases, sales and settlements, net	(244,818)	(12,081,237)	501,800	(11,824,255)
Transfers out	<u>(33,262,450)</u>	<u>(96,657,083)</u>	<u>339,292</u>	<u>(129,580,241)</u>
Balance, end of year	<u>\$ 611,051</u>	<u>\$ -</u>	<u>\$ 976,092</u>	<u>\$ 1,587,143</u>

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Plan administrator evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits and the Plan's policy is to recognize transfers in and transfers out at the end of the reporting period.

As a result of the expiration of a lock-up period within 90 days of the Plan's year end of December 31, 2010 and another investment qualifying for use of the practical expedient, the Plan's fund of funds investments, Entrust Diversified Select Credit Fund, Ltd. Class C and Mason Capital Ltd. have been transferred from a Level 3 investment to a Level 2 investment.

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

In accordance with the fair value measurements and disclosures guidance, the following table presents the category, fair value, redemption frequency, and redemption notice period for Master Trust's investments, the fair values of which are estimated using the NAV per share as of December 31, 2010:

	Fair Value	Redemption Frequency (if currently eligible)	Redemption Notice Period
WHX Pension Master Trust Investments			
<u>Common trust funds</u> ⁽¹⁾			
Mason Capital, Ltd	\$ 104,063,423	annual	45 days
<u>Fund of funds</u> ⁽²⁾			
Proxima Capital Offshore	\$ 4,801,606	quarterly	45 days
Entrust Diversified Select Credit Fund, Ltd. Class C ^(a)	33,262,450	24 month lock-up, then	90 days
Farallon Capital Offshore Investors	387,319	quarterly	45 days
Titan Masters Fund, L.P.	29,495,072	quarterly	45 days
Titan Masters Fund, L.P. Class A sidepocket ^(b)	611,050	(b)	(b)
	<u>\$ 68,557,497</u>		

^(a) Per the investment agreement there is a 24-month lock-up period from the time of the initial investment made by the Master Trust. This lock-up period expires in March 2011.

^(b) This sidepocket fund was spun off the Titan Master Fund, LP. The investment is not available for redemption unless liquidated by the fund manager which is not determinable as of December 31, 2010.

⁽¹⁾ Common Trust Funds - Common trust funds are comprised of shares or units in commingled funds that are not publicly traded. The underlying assets in these funds are primarily publicly traded equity securities, fixed income securities, and commodity-related securities and are valued at their Net Asset Values ("NAVs") that are calculated by the investment manager or sponsor of the fund and have daily or monthly liquidity.

⁽²⁾ Fund of funds consist of fund-of-fund LLC or commingled fund structures. The underlying assets in these funds are primarily publicly traded equity securities, fixed income securities, and commodity-related securities. The LLCs are valued based on NAVs calculated by the fund and are not publicly available. In most cases, the liquidity for the LLCs is quarterly with advance notice and is subject to liquidity of the underlying funds. In some cases, there may be extended lock-up periods greater than 90 days or side-pockets for non-liquid assets.

⁽³⁾ Insurance contracts contain general investments and money market securities. The fair value of insurance contracts is determined based on the cash surrender value which is determined based on such factors as the fair value of the underlying assets and discounted cash flow. These contracts are with a highly-rated insurance company. Insurance contracts are classified within Level 3 and the money market component is classified within Level 2 of the valuation hierarchy. In 2009, insurance contracts had been classified wholly within Level 2 assets, but have been presented above in a manner consistent with 2010 for comparability purposes.

**THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2010 and 2009

The following table presents the category, fair value, redemption frequency, and redemption notice period for Plan investments, the fair values of which are estimated using the NAV per share as of December 31, 2009:

	Fair Value 12/31/2009	Redemption Frequency (if currently eligible)	Redemption Notice Period
WHX Pension Master Trust Investments			
<u>Common trust funds</u>			
Cohanzick Absolute Return Fund, Ltd.	\$ 3,095,868	quarterly	60 days
Mason Capital, Ltd	108,738,320	annual	45 days
Proxima Capital Offshore	4,310,472	quarterly	46 days
	<u>\$ 116,144,660</u>		
<u>Fund of funds</u>			
		24 month lock-up	
Entrust Diversified Select Credit Fund, Ltd. Class C ^(a)	\$ 29,037,811	then quarterly	90 days
Farallon Capital Offshore Investors	1,423,805	quarterly	45 days
Stafford Fund, Ltd.	7,129,546	quarterly	35 days
Titan Masters Fund, L.P.	27,344,396	quarterly	45 days
Titan Masters Fund, L.P. Class A sidepocket ^(b)	1,022,393	^(b)	^(b)
	<u>\$ 65,957,951</u>		

^(a) Per the investment agreement there is a 24-month lock-up period from the time of the initial investment made by the Master Trust. This lock-up period expires in March 2011.

^(b) This sidepocket fund was spun off the Titan Master Fund, LP. The investment is not available for redemption unless liquidated by the fund manager which is not determinable as of December 31, 2009.

⁽¹⁾ Common Trust Funds - Common trust funds are comprised of shares or units in commingled funds that are not publicly traded. The underlying assets in these funds are primarily publicly traded equity securities, fixed income securities, and commodity-related securities and are valued at their Net Asset Values ("NAVs") that are calculated by the investment manager or sponsor of the fund and have daily or monthly liquidity.

⁽²⁾ Fund of funds consist of fund-of-fund LLC or commingled fund structures. The underlying assets in these funds are primarily publicly traded equity securities, fixed income securities, and commodity-related securities. The LLCs are valued based on NAVs calculated by the fund and are not publicly available. In most cases, the liquidity for the LLCs is quarterly with advance notice and is subject to liquidity of the underlying funds. In some cases, there may be extended lock-up periods greater than 90 days or side-pockets for non-liquid assets.

THE HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2010 and 2009

- (3) Insurance contracts contain general investments and money market securities. The fair value of insurance contracts is determined based on the cash surrender value which is determined based on such factors as the fair value of the underlying assets and discounted cash flow. These contracts are with a highly-rated insurance company. Insurance contracts are classified within Level 3 and the money market component is classified within Level 2 of the valuation hierarchy. In 2009, insurance contracts had been classified wholly within Level 2 assets, but have been presented above in a manner consistent with 2010 for comparability purposes.

8. TERMINATION OF THE PLAN

Although it has not expressed any intention to do so, the Company has the right under the Plan, subject to certain collective bargaining agreements, to discontinue or adjust its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

In the event of termination, after all expenses of administration and liquidation are paid, benefits shall be distributed to vested participants in accordance with statutory priorities as defined by Title IV of ERISA. The participants' vested benefits shall be paid in accordance with the individual benefit structures, as defined in Note 1 above. If assets remain following the complete distribution of all benefit payments and Plan liabilities, they shall be returned to the Company. To the extent that unfunded vested benefits exist, ERISA provides that such benefits are payable by the PBGC to participants, up to specified limitations. Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC.

9. TAX STATUS

The Plan received a determination letter from the Internal Revenue Service dated June 11, 2011, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Administrator, and the Plan's counsel, believe the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

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 be sustained upon examination by a government authority. The plan administrator has analyzed the tax 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.