

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>07/01/2010</u> and ending <u>06/30/2011</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>R. H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>	
	1c Effective date of plan	<u>07/01/1971</u>	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>R. H. SHEPPARD CO., INC.</u> <u>101 PHILADELPHIA STREET</u> <u>HANOVER, PA 17331-0877</u>	2b Employer Identification Number (EIN) <u>23-1269236</u>	2c Sponsor's telephone number <u>717-637-3751</u>	2d Business code (see instructions) <u>336300</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.	01/26/2012	WILLIAM HEISER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") R. H. SHEPPARD CO., INC. 101 PHILADELPHIA STREET HANOVER, PA 17331-0877	3b Administrator's EIN 23-1269236 3c Administrator's telephone number 717-637-3751
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	913
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	882
b Retired or separated participants receiving benefits.....	6b	2
c Other retired or separated participants entitled to future benefits.....	6c	134
d Subtotal. Add lines 6a , 6b , and 6c	6d	1018
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	4
f Total. Add lines 6d and 6e	6f	1022
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	1002
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	23
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:
2E 2F 2G 2J 2K 2S 2T 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.
For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011		
A Name of plan R. H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 R. H. SHEPPARD CO., INC.		D Employer Identification Number (EIN) 23-1269236

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

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FID.INV.INST.OPS.CO.
04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 65 37 60	RECORDKEEPER	11006	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
OAKMARK EQ & INC I - BOSTON FINANCIAL	0.35%	
04-2526037		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
OAKMARK SELECT I - BOSTON FINANCIAL	0.35%	
04-2526037		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
PIMCO HIGH YIELD ADM - BOSTON FINANCIAL	0.25%	
04-2526037		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
VIRTUS MID-CAP VAL A - VP DISTRIBUT	0.50%	
06-0847856		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
WFA SM CAP VAL INV - BOSTON FINANCI	0.40%	
04-2526037		
(a) Enter service provider name as it appears on line 2		
(d) Enter name and EIN (address) of source of 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

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:

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
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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
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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 **07/01/2010** and ending **06/30/2011**

A Name of plan R. H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 R. H. SHEPPARD CO., INC.		
D Employer Identification Number (EIN) 23-1269236		

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	84847	97040
(2) Participant contributions	1b(2)	14322	31911
(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)	907226	890273
(9) Value of interest in common/collective trusts	1c(9)	16678717	16666620
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	14821280	20045457
(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	32506392	37731301

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	32506392	37731301
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1290848	
(B) Participants	2a(1)(B)	1362438	
(C) Others (including rollovers)	2a(1)(C)	95948	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2749234
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)	36219	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		36219
(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)	378749	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		378749
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		49572
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		3375684
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		6589458

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1351099	
(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)		1351099
f Corrective distributions (see instructions)	2f		1048
g Certain deemed distributions of participant loans (see instructions).....	2g		1343
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	11059	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		11059
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1364549

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		5224909
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

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

(1) Name: STAMBAUGH NESS, PC

(2) EIN: 23-2846715

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		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

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

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

5b(1) Name of plan(s)

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

A Name of plan <u>R. H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>R. H. SHEPPARD CO., INC.</u>	D Employer Identification Number (EIN) <u>23-1269236</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</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	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

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

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

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): _____

**R.H. SHEPPARD CO., INC.
RETIREMENT SECURITY PLAN**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2011 AND 2010

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of the
R.H. Sheppard Co., Inc. Retirement Security Plan

We were engaged to audit the financial statements of the R.H. Sheppard Co., Inc. Retirement Security Plan as of June 30, 2011 and 2010, and for the years then ended, and the supplementary schedule as of June 30, 2011, as listed in the accompanying index. These financial statements and the supplementary schedule 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 C, which was certified by Fidelity Management Trust Company, trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplementary schedule. We have been informed by the Plan Administrator that the trustee holds the Plan's assets and executes investment transactions. The Plan Administrator has obtained certifications from the trustee as of, and for the years ended, June 30, 2011 and 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, and do not, express an opinion on the accompanying financial statements and supplementary schedule taken as a whole. The form and content of the information included in the financial statements and supplementary schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "Stambaugh Ness, PC".

York, Pennsylvania
January 16, 2012

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	June 30,	
	<u>2011</u>	<u>2010</u>
ASSETS		
INVESTMENTS, AT FAIR VALUE		
Mutual funds	\$ 20,045,457	\$ 14,821,280
Common collective trust	<u>16,501,569</u>	<u>16,276,150</u>
Total investments	36,547,026	31,097,430
RECEIVABLES		
Notes receivable from participants	890,273	907,226
Employer's contribution	97,040	84,847
Participants' contribution	<u>31,911</u>	<u>14,322</u>
Total receivables	<u>1,019,224</u>	<u>1,006,395</u>
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	37,566,250	32,103,825
Adjustment from fair value to contract value for fully benefit-responsive contracts	<u>165,051</u>	<u>402,567</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 37,731,301</u></u>	<u><u>\$ 32,506,392</u></u>

See accompanying notes.

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years ended June 30,	
	2011	2010
ADDITIONS TO NET ASSETS		
ATTRIBUTED TO:		
Investment income:		
Net appreciation in fair value of investments	\$ 3,375,684	\$ 1,740,155
Interest and dividends	<u>428,321</u>	<u>341,933</u>
Total investment income	3,804,005	2,082,088
Interest income from participant loans	36,219	42,001
Contributions:		
Participants'	1,362,438	1,192,755
Rollovers	95,948	56,774
Employer's (net of forfeitures of \$0 and \$48,742, respectively)	<u>1,290,848</u>	<u>481,701</u>
Total contributions	<u>2,749,234</u>	<u>1,731,230</u>
Total additions	6,589,458	3,855,319
DEDUCTIONS FROM NET		
ASSETS ATTRIBUTED TO:		
Loan distributions	1,343	912
Benefit distributions	1,351,099	1,486,635
Corrective distributions	1,048	552
Administrative expense	<u>11,059</u>	<u>12,861</u>
Total deductions	<u>1,364,549</u>	<u>1,500,960</u>
NET INCREASE	5,224,909	2,354,359
NET ASSETS AVAILABLE		
FOR BENEFITS:		
Beginning of year	<u>32,506,392</u>	<u>30,152,033</u>
End of year	<u><u>\$37,731,301</u></u>	<u><u>\$32,506,392</u></u>

See accompanying notes.

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

NOTE A - DESCRIPTION OF PLAN

The following description of the R.H. Sheppard Co., Inc. Retirement Security Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all full-time employees of R.H. Sheppard Co., Inc. and subsidiary. An employee is eligible to participate in the Plan after completion of 30 days of service. An employee is eligible to receive an allocation of employer contributions after completion of one year of eligible service and 1,000 hours. The Plan has adopted a prototype non-standardized profit sharing plan with a cash or deferral option. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

The following are contributions that are permitted by the Plan:

1. Participants may defer up to 60% of compensation, subject to the maximum annual amount permitted by Federal law. Catch-up contributions are permitted for all eligible employees who have attained age 50 before the close of the Plan year. The plan allows automatic enrollment of participants at 3% deferral rate into a default investment fund unless the participant waives participation or changes the automatic deferral percentage. Unless an eligible employee elects otherwise, the deferral will increase 1% annually, not to exceed 6%.
2. Participants may also choose to contribute with Roth elective deferrals. These deferrals are subject to federal income taxes in the year of deferral, but the deferrals are not subject to federal income taxes when distributed. Hardship or in-service withdrawals may not be taken out from this type of contribution.
3. Employer matching contributions may be made. For the years ended June 30, 2011 and 2010, the employer's matching contribution was 10% of the participant's deferral up to 15% of eligible compensation. However, this contribution was suspended effective March 1, 2009 and was reinstated February 1, 2010.
4. Employer discretionary contributions may be made. For the year ended June 30, 2011 and 2010, the contribution was 3% of eligible compensation. However, this contribution was suspended effective March 1, 2009 and was reinstated January 1, 2010. During the year ended June 30, 2011, an additional discretionary contribution was made in the amount of 6% of eligible compensation for the month of October 2010.
5. A discretionary profit sharing match contribution may be made. This contribution is allocated based on a ratio of a participant's eligible compensation to total eligible compensation. There were no discretionary profit sharing contributions for the years ended June 30, 2011 and 2010.

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

NOTE A - DESCRIPTION OF PLAN - continued

Participant Accounts

Each participant's account is credited with the participant's contribution and the participant's share of (a) the employer's matching contribution, (b) the employer's discretionary matching contribution, (c) the employer's discretionary profit sharing contributions, (d) an allocation of plan earnings and (e) any transaction based fees for which the participant takes advantage of. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. Each participant directs the investment for their account.

Vesting

A participant is 100% vested at all times in the participant's salary deferral amounts and rollover contributions regardless of the number of years of service. Each participant is vested in the employer's matching contributions and the employer's discretionary contributions according to the following schedule based upon years of service.

Years of Vesting Service	
Less than 3 years	0%
3 years or more	100%

Per the plan document, forfeitures will be used to offset future employer contributions. For the year ended June 30, 2011, there were no forfeitures utilized. For the year ended June 30, 2010, there were forfeitures of \$48,742 utilized to offset employer contributions.

Payment of Benefits

Upon termination of employment, if a participant's vested interest in their account exceeds \$5,000, no distribution shall be made to the participant before they reach the age of normal retirement or receipt of consent to pay out by the participant and their spouse.

If the participant's account is less than \$5,000, the account balance is paid out in the form of a lump sum distribution. In the event of a mandatory distribution greater than \$1,000, the Plan Administrator will pay the distribution in a direct rollover to an individual retirement arrangement designated by the Plan Administrator if the participant does not elect a direct rollover or lump sum distribution.

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Reclassifications

Certain amounts in 2010 have been reclassified to conform to the 2011 presentation.

Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investment. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 and Level 2 inputs are not available.

The identification of the input levels for each category of investment is as follows:

	June 30, 2011			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 20,045,457	\$ -	\$ -	\$ 20,045,457
Common collective trust	-	16,501,569	-	16,501,569
	<u>\$ 20,045,457</u>	<u>\$ 16,501,569</u>	<u>\$ -</u>	<u>\$ 36,547,026</u>
	June 30, 2010			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 14,821,280	\$ -	\$ -	\$ 14,821,280
Common collective trust	-	16,276,150	-	16,276,150
	<u>\$ 14,821,280</u>	<u>\$ 16,276,150</u>	<u>\$ -</u>	<u>\$ 31,097,430</u>

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fully Benefit Responsive Investments

As described in FASB ASC 962, *Defined Contribution Pension Plans*, investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by FASB, the Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract basis.

Stable Value Fund

The Plan's SEI Stable Value Fund, a Common Collective Trust (CCT) with Fidelity Management Trust Company, is a fully benefit-responsive contract. The fund provides its participants with a medium for collective investment and reinvestment in one or more banks, insurance company or synthetic investment contracts. The fund is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is included in the financial statements at fair value as reported to the Plan by Fidelity. The average yield and crediting interest rates were approximately 0.30% and 0.69% for the years ended June 30, 2011 and 2010, respectively.

As described above, because the stable value fund is fully benefit responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the contract. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The net asset value (NAV) of each CCT is based on the market value of its underlying investment. The NAV is not a publicly quoted price in an active market and therefore, is considered a Level 2 input.

Certain events may limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under the Employee Retirement Income Security Act of 1974. The Plan Administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable.

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Investment Valuation and Income Recognition

The Plan's investments are reported at fair 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. Fair value measurements are discussed earlier in this note. Purchases and sales are recorded on a trade date basis. Unrealized gains and losses are recognized on investments as the difference between the market value at the end of the year and the market value at the beginning of the year or cost if purchased during the year. Realized gains and losses are recognized on the sale of investments using the average cost method and are recorded on a trade-date basis. Such gains and losses are then adjusted for any unrealized gain or loss recognized in prior years. Interest income is recorded when earned whether or not received. Dividends are recorded on the ex-dividend date.

Risks and Uncertainties

The Plan provides for various investment options in registered investment companies (mutual funds) and common collective trusts. Investment securities of the Plan are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in value of investment securities, it is at least reasonably possible that changes in risks in the near-term would materially affect participant's account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Application of New Accounting Pronouncement

In September 2010, the FASB issued guidance clarifying the classification and measurement of participant loans by defined contribution pension plans. That guidance requires that participant loans be classified as notes receivable from participants and measured at their unpaid principal balance, plus any accrued, but unpaid interest. The plan adopted this new guidance in its June 30, 2011 financial statements and has retrospectively applied it to prior periods. As such, participant loans of \$907,226 at June 30, 2010 have been reclassified from investments to notes receivable from participants. Interest income from participant loans of \$42,001 for the year ended June 30, 2010 has been reclassified from interest and dividends to interest income from participant loans. Net assets of the plan were not affected by the adoption of the new guidance.

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2011 AND 2010****NOTE C - INVESTMENTS**

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 as of, and for the years ended, June 30, 2011 and 2010. Accordingly, the trustee has certified that the following data included in the accompanying financial statements and supplementary schedule is complete and accurate for June 30, 2011 and 2010. The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information with the related information included in the financial statements and supplementary schedule.

At June 30, 2011 and 2010, the Plan's investments were held by the trustee, Fidelity Management Trust Company. Adjustments have been made to some of these amounts using additional information obtained from the Plan Sponsor and recordkeeper of the Plan in order to present the financial statements on an accrual basis.

The following table represents the fair value of investments. Investments that represent 5% or more of the Plan's net assets each year are separately identified.

	June 30,	
	2011	2010
<u>Investments at Fair Value as</u>		
<u>Determined by Quoted Market Price</u>		
Mutual funds:		
Fidelity Freedom 2020	\$ 2,594,756	\$ 1,772,700
Spartan US Equity Index	2,101,493	1,806,405
Others less than 5%	15,349,208	11,242,175
Common collective trust:		
SEI Stable Value	<u>16,501,569</u>	<u>16,276,150</u>
TOTAL INVESTMENTS	<u>\$ 36,547,026</u>	<u>\$ 31,097,430</u>

During 2011 and 2010, the Plan's investments, including investments bought, sold, and held during the year, appreciated in value by \$3,375,684 and \$1,740,155, respectively.

NOTE D - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

NOTE E - PLAN TAX STATUS

The Plan's prototype non-standardized document obtained its latest opinion letter on March 31, 2008, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The prototype has been amended since receiving the determination letter for various amendments. However, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the plan's financial statements.

NOTE F - TRANSACTIONS WITH PARTIES-IN-INTEREST

Certain plan investments are managed by Fidelity Management Trust Company, trustee of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Transactions resulting in plan assets being transferred to or used by a related party are prohibited under ERISA unless a specific exemption exists. Fidelity Management Trust Company is a party-in-interest as defined by ERISA as a result of investing plan assets in its funds and accounts and providing investment management services. However, these transactions are exempt under Section 408(b)(8) and are not prohibited by ERISA.

Expenses of administering the Plan are paid by the plan or Plan Sponsor pursuant to provisions of the Plan document. Transaction based administrative fees, mainly participant loan charges and distribution fees, were paid from plan assets for the years ended June 30, 2011 and 2010. Audit fees were paid by the Plan Sponsor for the years ended June 30, 2011 and 2010.

NOTE G - LOANS TO PLAN PARTICIPANTS

Participant loans are reported at unpaid balances plus any unpaid accrued interest. At June 30, 2011 and 2010, the Plan had loans with participants with values equal to \$890,273 and \$907,226, respectively. Employees may borrow a minimum of \$1,000 up to a maximum of \$50,000 under the Plan's loan provisions; however, they may not exceed one-half of the employee's vested account balance. The terms of the loans are generally limited to 5 years. Interest rates are determined by the Plan Administrator in accordance with the loan provisions. Loan payments are made through payroll deductions. There is no credit risk involved with these loans as any defaults are then deemed taxable distributions to the participant. Any individual default would have no effect on the other participants' investment balances. These loans satisfy the statutory exemption from the prohibited transaction rules.

NOTE H - SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 16, 2012, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN
FORM 5500, SCHEDULE H - LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. #23-1269236
PLAN #001
JUNE 30, 2011

(a)	(b) Identity of Party	(c) Description of Investment	(e) Current Value
*	Fidelity Management Trust Company	SEI Stable Value	\$ 16,501,569
*	Fidelity Management Trust Company	Oakmark Select I	969,429
*	Fidelity Management Trust Company	Pimco High Yield Admin	640,052
*	Fidelity Management Trust Company	Oakmark Equity & Income	511,168
*	Fidelity Management Trust Company	Fidelity Equity Income	1,086,336
*	Fidelity Management Trust Company	Fidelity WFA Small Cap Value	195,470
*	Fidelity Management Trust Company	Fidelity Low Priced Stock	439,041
*	Fidelity Management Trust Company	Fidelity Diversified International	1,255,324
*	Fidelity Management Trust Company	Fidelity Virtus Mid Cap Value	118,226
*	Fidelity Management Trust Company	Fidelity Small Cap Stock	1,867,924
*	Fidelity Management Trust Company	Fidelity Capital Appreciation	1,015,213
*	Fidelity Management Trust Company	Spartan U.S. Equity Index	2,101,493
*	Fidelity Management Trust Company	Fidelity Freedom Income	174,956
*	Fidelity Management Trust Company	Fidelity Total Bond	1,203,012
*	Fidelity Management Trust Company	Fidelity Freedom 2000	297,266
*	Fidelity Management Trust Company	Fidelity Freedom 2005	8,224
*	Fidelity Management Trust Company	Fidelity Freedom 2010	1,045,931
*	Fidelity Management Trust Company	Fidelity Freedom 2015	402,186
*	Fidelity Management Trust Company	Fidelity Freedom 2020	2,594,756
*	Fidelity Management Trust Company	Fidelity Freedom 2025	1,108,758
*	Fidelity Management Trust Company	Fidelity Freedom 2030	1,404,492
*	Fidelity Management Trust Company	Fidelity Freedom 2035	473,946
*	Fidelity Management Trust Company	Fidelity Freedom 2040	904,408
*	Fidelity Management Trust Company	Fidelity Freedom 2045	73,953
*	Fidelity Management Trust Company	Fidelity Freedom 2050	153,893
		Total investments	<u>\$36,547,026</u>
*	Participant Loans	Low 3.25% - High 8.25%	<u>\$ 890,273</u>

R.H. SHEPPARD CO., INC. RETIREMENT SECURITY PLAN
FORM 5500, SCHEDULE H - LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
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PLAN #001
JUNE 30, 2011

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		Total investments	<u>\$36,547,026</u>
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