

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>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>OAK STATE PRODUCTS, INC. PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/1965</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>07/01/1965</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>07/01/1965</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>OAK STATE PRODUCTS, INC.</u> <u>P.O. BOX 549, HIGHWAY 251</u> <u>WENONA, IL 61377</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>36-2341822</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>815-853-4348</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>311800</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>36-2341822</u>	2c Sponsor's telephone number <u>815-853-4348</u>	2d Business code (see instructions) <u>311800</u>	
2b Employer Identification Number (EIN) <u>36-2341822</u>					
2c Sponsor's telephone number <u>815-853-4348</u>					
2d Business code (see instructions) <u>311800</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.	01/27/2012	LARRY BUTCHER PREPARER
	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") OAK STATE PRODUCTS, INC. P.O. BOX 549, HIGHWAY 251 WENONA, IL 61377	3b Administrator's EIN 36-2341822 3c Administrator's telephone number 815-853-4348
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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	207
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	117
b Retired or separated participants receiving benefits.....	6b	1
c Other retired or separated participants entitled to future benefits.....	6c	84
d Subtotal. Add lines 6a , 6b , and 6c	6d	202
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	202
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	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1A 1G 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)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☒ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

- (1)** ☒ **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)

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011

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 OAK STATE PRODUCTS, INC. PENSION PLAN	B Three-digit plan number (PN) 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF OAK STATE PRODUCTS, INC.	D Employer Identification Number (EIN) 36-2341822
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 07 Day 01 Year 2010
2	Assets:
a	Market value 2a 3169222
b	Actuarial value 2b 3169222
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a 1 433571
b	For terminated vested participants 3b 81 732797
c	For active participants:
(1)	Non-vested benefits 3c(1) 0
(2)	Vested benefits 3c(2) 3678285
(3)	Total active 3c(3) 125 3678285
d	Total 3d 207 4844653
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 6.49 %
6	Target normal cost 6 32000

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		01/26/2012
	Signature of actuary	Date
KARL K. OMAN		11-07459
	Type or print name of actuary	Most recent enrollment number
VERISIGHT, INC.		312-488-6758
	Firm name	Telephone number (including area code)
135 SOUTH LASALLE STREET SUITE 2225 CHICAGO, IL 60603		
	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	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of <u>9.73</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of <u>6.66</u> %		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III	Funding percentages		
14	Funding target attainment percentage.....	14	65.41 %
15	Adjusted funding target attainment percentage.....	15	68.82 %
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	64.35 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	65.42 %

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
10/19/2010	68843				
01/19/2011	68843				
04/13/2011	68843				
07/13/2011	68843				
12/05/2011	53389				
			Totals ►	18(b)	328761
			18(c)		

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 312816
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: 4.05 %	2nd segment: 6.47 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code)	21b			0
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	32000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	1481645	280816
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	312816
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	312816
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	312816
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	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

<div>A Name of plan</div> <div>OAK STATE PRODUCTS, INC. PENSION PLAN</div>	<div>B Three-digit plan number (PN)</div> <div>▶</div> <div>001</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500</div> <div>OAK STATE PRODUCTS, INC.</div>	<div>D Employer Identification Number (EIN)</div> <div>36-2341822</div>

Part I

Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

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

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

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

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

THOMAS PARTNERS, INC.

04-2489016

(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	INVESTMENT MANAGER	2629	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

ESTABROOK CAPITAL MANAGEMENT

13-2670934

(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	INVESTMENT MANAGER	25185	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
(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)
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a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011		
A Name of plan OAK STATE PRODUCTS, INC. PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 OAK STATE PRODUCTS, INC.	D Employer Identification Number (EIN) 36-2341822	

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)	67837	122232
(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)	48630	120033
(2) U.S. Government securities.....	1c(2)	895803	684760
(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)	2157432	3144775
(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)	0	0
(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)	0	55518
(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	3169702	4127318

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		444
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	444

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	3169702	4126874
---	-----------	---------	---------

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)	328761	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		328761

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	124	
(B) U.S. Government securities	2b(1)(B)	30796	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		30920

(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	64674	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		64674

(3) Rents	2b(3)		0
-----------------	--------------	--	---

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	662563	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	644812	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		17751

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	702777	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		702777
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		0
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		1144883

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	45805	
(2) To insurance carriers for the provision of benefits	2e(2)	113420	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		159225
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	27815	
(4) Other	2i(4)	671	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		28486
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		187711

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		957172
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

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: MCGLADREY & PULLEN LLP

(2) EIN: 42-0714325

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)

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

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

A Name of plan <u>OAK STATE PRODUCTS, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>OAK STATE PRODUCTS, INC.</u>	D Employer Identification Number (EIN) <u>36-2341822</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>13-2655998</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>5</u>

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

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

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

Oak State Products, Inc.

Pension Plan

Financial Report
June 30, 2011

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Independent Auditor's Report

To the Board of Trustees
Oak State Products, Inc. Pension Plan
Wenona, Illinois

We have audited the accompanying statements of net assets available for benefits and accumulated plan benefits of the Oak State Products, Inc. Pension Plan as of June 30, 2011 and 2010, and the related statements of changes in net assets available for benefits and changes in accumulated plan benefits for the year ended June 30, 2011. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Oak State Products, Inc. Pension Plan as of June 30, 2011 and 2010, and the changes in its financial status for the year ended June 30, 2011, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of June 30, 2011, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

Champaign, Illinois
January 24, 2012

Oak State Products, Inc. Pension Plan

**Statements of Net Assets Available for Benefits
June 30, 2011 and 2010**

	2011	2010
Assets		
Investments, at fair value:		
Common stocks	\$ 3,144,775	\$ 2,157,432
U.S. government securities	684,760	895,803
Exchange traded funds	55,518	-
	<u>3,885,053</u>	<u>3,053,235</u>
Receivables:		
Accrued interest income	2,520	10,974
Employer contribution receivable	122,232	67,837
	<u>124,752</u>	<u>78,811</u>
Cash - interest-bearing	<u>120,033</u>	<u>48,630</u>
Total assets	4,129,838	3,180,676
Liabilities	<u>444</u>	<u>-</u>
Net assets available for benefits	\$ 4,129,394	\$ 3,180,676

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Statement of Changes in Net Assets Available for Benefits Year Ended June 30, 2011

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 720,528
---	------------

Interest	22,465
----------	--------

Dividends	64,674
-----------	--------

	807,667
--	---------

Less investment expenses	27,815
--------------------------	--------

	779,852
--	---------

Contributions:

Employer	328,761
----------	---------

Total additions

	1,108,613
--	-----------

Deductions from net assets attributed to:

Benefits paid directly to participants	45,805
--	--------

Purchase of annuity contracts	113,420
-------------------------------	---------

Other expenses	670
----------------	-----

Total deductions

	159,895
--	---------

Net increase

	948,718
--	---------

Net assets available for benefits:

Beginning of year	3,180,676
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End of year	\$ 4,129,394
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See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

**Statements of Accumulated Plan Benefits
June 30, 2011 and 2010**

	2011	2010
Actuarial present value of accumulated benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 400,815	\$ 411,563
Other participants	4,507,483	4,324,908
	4,908,298	4,736,471
Nonvested benefits	-	-
Total actuarial present value of accumulated benefits	\$ 4,908,298	\$ 4,736,471

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Statement of Changes in Accumulated Plan Benefits
Year Ended June 30, 2011

Actuarial present value of accumulated plan benefits at beginning of year	<u>\$ 4,736,471</u>
Increase (decrease) during the year attributable to:	
Increase due to decrease in the discount period	302,710
Additional benefits earned, including experience gains and losses	27,898
Benefits paid	<u>(158,781)</u>
Net increase	<u>171,827</u>
Actuarial present value of accumulated benefits at end of year	<u><u>\$ 4,908,298</u></u>

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 1. Description of the Plan

The following brief description of the Oak State Products, Inc. amended/restated Pension Plan (the Plan) is provided for general informational purposes only. Participants should refer to the plan agreement for a complete description of the Plan's provisions.

General: The Plan is a noncontributory defined benefit pension plan that provides retirement benefits for all eligible full-time employees of Oak State Products, Inc. (the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

An amendment was made to the Plan on January 26, 2004, which provided that no additional employees shall become eligible to participate in the Plan effective January 29, 2004.

An amendment was made to the Plan on June 26, 2005, which provided that all future benefit accruals were frozen effective June 30, 2005.

Contributions and funding policy: Contributions are accrued by the Plan based upon amounts determined by the Plan's consulting actuary who calculates the acceptable contribution range under the provisions of ERISA. The Company generally funds the minimum acceptable contribution as determined by the Plan's actuary. The Plan had contributions receivable of \$122,232 and \$67,837 as of June 30, 2011 and 2010, respectively.

Vesting: Under the terms of the Plan, vesting is 20% after two years and another 20% each subsequent year. Participants become 100% vested after six years. All participants in the Plan are 100% vested.

Payment of benefits: Employees with 5 or more years of service are entitled to annual pension benefits beginning at normal retirement age (65) equal to the sum of (1) 1.67% of such participant's Average Monthly Compensation multiplied by the participant's total number of Periods of Service (up to a maximum of 25 periods), plus (2) 0.585% of such Average Monthly Compensation in excess of one-twelfth of Covered Compensation multiplied by the participant's total number of Periods of Service (up to a maximum of 25 periods), computed to the nearest dollar. Employees may elect to receive the value of their accumulated plan benefits as a lump-sum distribution upon retirement or termination, or they may elect to receive their benefits as a life annuity payable monthly from retirement. Participants are eligible for disability retirement benefits in the event of a disability, as defined under the terms of the Plan. Additionally, a death benefit is payable to a participant's spouse upon the participant's death. Early retirement is available to participants and results in a reduced benefit payment.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The financial statements of the Plan are prepared under the accrual basis of accounting.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Investment valuation and income recognition: 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. See Note 4 for discussion of fair value measurements.

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

Actuarial present value of accumulated plan benefits: Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered through June 30, 2005. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their last five years of credited service through June 30, 2005. The accumulated plan benefits for active employees are based on their average compensation during the five years ended June 30, 2005. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits. As noted above, plan benefits were frozen effective June 30, 2005.

The actuarial present value of accumulated plan benefits was determined by an actuary from Verisight, Inc. and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Actuarial valuations were performed as of July 1, 2011 and 2010. There were no significant differences between June 30, 2011 and 2010 and July 1, 2011 and 2010, respectively, which would cause the actuarial valuations not to be representative as of June 30, 2011 and 2010.

The Unit Credit Cost Method was used for purposes of the actuarial valuations of the Plan at July 1, 2011. The significant actuarial assumptions used in the valuation as of June 30, 2011 and 2010 were:

- Discount rate – 6.5% (7.5% net of 1% of assumed administrative expenses).
- Life expectancy of participants – RP-2000 Combined Healthy Mortality Table.
- Normal retirement age – 65 or 5th anniversary of initial plan entry, if later.

The Plan's active participants decreased by 8 and the Plan's inactive participants increased by 3 from 2010 to 2011.

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

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Payment of benefits: Benefit payments to participants are recorded upon distribution.

Expenses: Some operating expenses are paid by the plan sponsor, Oak State Products, Inc.

Recent accounting standards: In January 2010, the FASB issued an amendment to accounting guidance, *Fair Value Measurements and Disclosures – Improving Disclosures about Fair Value Measurements* (ASU 2010-06), which requires new disclosures and reasons for transfers of financial assets and liabilities between Levels 1 and 2. This amendment also clarifies that fair value measurement disclosures are required for each class of financial assets and liabilities, and disclosures about inputs and valuation techniques are required for both Level 2 and Level 3 measurements. It further clarifies that the reconciliation of Level 3 measurements should separately present purchases, sales, issuances, and settlements instead of netting those changes. With respect to matters other than Level 3 measurements, the amendment is effective for periods beginning on or after December 15, 2009. The adoption of this guidance related to Level 1 and Level 2 measurements during the plan year ended June 30, 2011 did not have a significant impact on the Plan's disclosures about fair value measurements. The guidance related to Level 3 measurements is effective for periods beginning on or after December 15, 2010 and had not been adopted as of June 30, 2011. The adoption of this guidance related to Level 3 measurements is not expected to have an impact on the Plan's disclosures about fair value measurements.

In May 2011, the FASB issued an amendment to accounting guidance, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs* (ASU 2011-04). ASU 2011-04 amended ASC 820, *Fair Value Measurements and Disclosures*, to converge the fair value measurement guidance in GAAP and International Financial Reporting Standards. Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 3. Investments

The following table presents fair value of investments as of June 30, 2011 and 2010. Single investments representing more than 5% of the Plan's net assets are separately identified.

	2011	2010
Common stocks, less than 5% of net assets	\$ 3,144,775	\$ 2,157,432
U.S. government securities:		
U.S. Treasury note, 4.50%, due November, 15, 2010	*	203,180
U.S. Treasury note, 5.00%, due August 15, 2011	*	210,336
U.S. Treasury note, 4.00%, due November 15, 2012	*	161,566
Other U.S. government securities, less than 5% of net assets	684,760	320,721
	<u>684,760</u>	<u>895,803</u>
Exchange traded funds, less than 5% of net assets	55,518	-
	<u>\$ 3,885,053</u>	<u>\$ 3,053,235</u>

* Investment did not represent 5% or more of the Plan's net assets as of June 30th.

During the year ended June 30, 2011, the Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in value as follows:

Common stocks	\$ 728,187
U.S. government securities	(13,978)
Exchange traded funds	6,319
	<u>\$ 720,528</u>

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2011 and 2010.

Common stocks and U.S. government securities: Valued at the closing price reported in the active market in which the security is traded.

Exchange traded funds: Valued at the net asset value (NAV) of shares held by the Plan at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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 Plan did not have any transfers of assets between Level 1 and Level 2 of the fair value hierarchy during the year ended June 30, 2011.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2011 and 2010:

	Level 1	Level 2	Level 3	Total
	2011			
Common stocks:				
Industrial	\$ 699,032	\$ -	\$ -	\$ 699,032
Health Care	354,455	-	-	354,455
Technology	565,671	-	-	565,671
Consumer	199,400	-	-	199,400
Financial	354,995	-	-	354,995
Materials	333,846	-	-	333,846
Energy	398,847	-	-	398,847
Telecommunications	126,081	-	-	126,081
Services	16,380	-	-	16,380
Utilities	96,068	-	-	96,068
Exchange traded funds:				
Energy	43,017	-	-	43,017
International	12,501	-	-	12,501
U.S. government securities	684,760	-	-	684,760
Total investments at fair value	\$ 3,885,053	\$ -	\$ -	\$ 3,885,053
	2010			
Common stocks:				
Industrial	\$ 492,267	\$ -	\$ -	\$ 492,267
Health Care	301,729	-	-	301,729
Technology	384,222	-	-	384,222
Consumer	132,581	-	-	132,581
Financial	267,677	-	-	267,677
Materials	131,076	-	-	131,076
Energy	341,782	-	-	341,782
Telecommunications	80,105	-	-	80,105
Construction	25,993	-	-	25,993
U.S. government securities	895,803	-	-	895,803
Total investments at fair value	\$ 3,053,235	\$ -	\$ -	\$ 3,053,235

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 5. Plan Termination

The Company anticipates and believes that the Plan will continue without interruption, but reserves the right to discontinue the Plan at any time. In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. The annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would be payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- b. Other vested benefits insured by Pension Benefit Guaranty Corporation (PBGC), a U.S. governmental agency, up to the applicable limitations as described below.
- c. All other vested benefits, that is, vested benefits not insured by PBGC.
- d. All non-vested benefits.

Certain benefits under the Plan are insured by PBGC if the Plan terminates. Generally, PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit that PBGC guarantees. For Plan terminations occurring in 2012, that ceiling is \$4,653 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination, whichever comes later. For younger annuitants, or for those who elect to receive their benefits in some form other than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

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 level of benefits guaranteed by PBGC.

Note 6. Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at June 30, 2011 and 2010 to the Form 5500:

	2011	2010
Net assets available for benefits per the financial statements	\$ 4,129,394	\$ 3,180,676
Less accrued interest income	(2,520)	(10,974)
Net assets available for benefits per the Form 5500	<u>\$ 4,126,874</u>	<u>\$ 3,169,702</u>

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 6. Reconciliation of the Financial Statements to the Form 5500 (Continued)

The following is a reconciliation of changes in net assets available for benefits for the year ended June 30, 2011 per the financial statements to the Form 5500:

Net increase in net assets available for benefits per the financial statements	\$ 948,718
Plus accrued interest income at June 30, 2010	10,974
Less accrued interest income at June 30, 2011	<u>(2,520)</u>
Net increase in net assets available for benefits per the Form 5500	<u>\$ 957,172</u>

Note 7. Related-Party Transactions

The Plan paid Estabrook Capital Management, LLC and Thomas Partners, Inc. \$25,185 and \$2,630, respectively, in fees during the year ended June 30, 2011 for investment management services. The Plan's investments were held under safekeeping arrangements with Morgan Stanley and TD Ameritrade for the year ended June 30, 2011. The plan sponsor pays any fees and expenses related to these safekeeping arrangements.

Administrative expenses paid by the Plan include fees for actuarial services. The Plan also incurs expenses related to general administration and record keeping. The plan sponsor pays these expenses and certain accounting and auditing fees relating to the Plan.

Note 8. Tax Status

The Plan has received a favorable determination letter from the Internal Revenue Service dated January 21, 2005, stating that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan is designed and is being operated in a manner that qualifies it under the Internal Revenue Code Section 401(a) and, therefore, is exempt from income taxes under the provisions of the Internal Revenue Code Section 501(a).

Management has evaluated the Plan's tax positions and concluded that the Plan has maintained its tax exempt status and has taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2008.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 9. Risks and Uncertainties

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

Note 10. Subsequent Events

The Plan Administrator has evaluated subsequent events through January 24, 2012, the date on which the financial statements were available to be issued.

Oak State Products, Inc. Pension Plan

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)
June 30, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Number of shares or principal amount	(d) Cost	(e) Current value
	3M Company	Common Stock	145	\$ 11,836	\$ 13,753
	Abbott Labs	Common Stock	270	13,779	14,207
	Accenture Ltd	Common Stock	225	8,728	13,595
	Altria Group Inc	Common Stock	345	6,547	9,111
	American Express Company	Common Stock	2,300	112,860	118,910
	AT&T Inc	Common Stock	420	10,960	13,192
	Bank of America Corp	Common Stock	3,000	92,701	32,880
	Bayer AG Sponsored ADR	Common Stock	120	8,433	9,667
	BCE Inc	Common Stock	395	12,496	15,520
	Becton Dickinson & Company	Common Stock	1,180	87,041	101,681
	BHP Billiton Ltd	Common Stock	1,000	72,488	94,630
	Broadridge Financial Solutions	Common Stock	530	12,067	12,757
	Canadian Natl Railway Company	Common Stock	205	14,868	16,380
	Cardinal Health Inc	Common Stock	370	12,196	16,805
	Caterpillar Inc	Common Stock	800	30,720	85,168
	Chevron Corp	Common Stock	135	10,351	13,883
	Chubb Corp	Common Stock	2,220	91,615	138,994
	Cincinnati Financial Corp	Common Stock	450	14,841	13,131
	Clorox Company	Common Stock	150	9,521	10,116
	Coca Cola Company	Common Stock	175	9,563	11,776
	Conocophillips	Common Stock	1,000	59,867	75,190
	Consolidated Energy Inc	Common Stock	1,500	55,089	72,720
	Covidien PLC	Common Stock	1,300	66,937	69,199
	Cullen Frost Bankers	Common Stock	205	11,031	11,654
	Deere & Company	Common Stock	95	4,463	7,833
	Diageo PLC Sponsored ADR	Common Stock	185	12,486	15,146
	Du Pont El De Nemours & Co	Common Stock	1,000	38,301	54,050
	Eaton Corp	Common Stock	2,000	41,968	102,900
	El Paso Corporation	Common Stock	2,000	38,534	40,400
	EMC Corp Mass	Common Stock	3,000	42,411	82,650
	Emerson Electric Company	Common Stock	1,730	84,728	97,313
	Enbridge Energy Management	Common Stock	418	10,279	12,916
	Exxon Mobil	Common Stock	165	11,532	13,428
	Factset Research Systems Inc	Common Stock	600	65,742	61,392
	FedEx Corp	Common Stock	1,000	89,271	94,850
	General Dynamics Corp	Common Stock	205	13,265	15,277
	Genuine Parts Company	Common Stock	270	11,571	14,688
	Hewlett Packard	Common Stock	1,500	74,364	54,600
	Honeywell International Inc	Common Stock	1,500	37,822	89,385
	Illinois Tool Works Inc	Common Stock	240	10,863	13,558
	Intel Corp	Common Stock	735	13,990	16,288
	International Business Machines Corp	Common Stock	685	84,747	117,512
	Johnson & Johnson	Common Stock	1,745	40,200	116,077
	Kimberly Clark Corp	Common Stock	160	9,979	10,650
	Kinder Morgan Management	Common Stock	203	10,116	13,315
	McDonalds Corp	Common Stock	170	11,638	14,334
	Metcash Ltd	Common Stock	1,050	4,568	4,515
	Microsoft Corp	Common Stock	575	15,173	14,950

(Continued)

Oak State Products, Inc. Pension Plan

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) - (Continued)
June 30, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Number of shares or principal amount	(d) Cost	(e) Current value
	Norfolk Southern Corp	Common Stock	1,300	\$ 73,432	\$ 97,409
	Northern Trust Corp	Common Stock	275	14,110	12,639
	Novartis AG ADR	Common Stock	220	11,757	13,444
	NSTAR	Common Stock	205	6,740	9,426
	Oracle Corp	Common Stock	2,000	62,750	65,820
	Overseas Shipholding Group	Common Stock	1,500	73,938	40,410
	Parker Hannifin Corp	Common Stock	135	10,188	12,115
	Philip Morris International	Common Stock	230	11,626	15,357
	Philips Electronics	Common Stock	345	11,059	8,860
	Potash Corp of Saskatchewan Inc	Common Stock	1,200	65,293	68,388
	PPG Industries Inc	Common Stock	130	10,047	11,803
	Proctor & Gamble	Common Stock	1,235	71,429	78,509
	Qualcomm Inc	Common Stock	1,000	39,070	56,790
	Raytheon Co	Common Stock	220	10,101	10,967
	Royal Dutch Shell PLC CL B	Common Stock	900	70,759	64,575
	Schlumberger Ltd	Common Stock	900	75,578	77,760
	Siemens A.G.	Common Stock	80	10,440	11,002
	Southern Company	Common Stock	300	10,597	12,114
	Spectra Energy Corp Com	Common Stock	2,500	61,360	68,525
	Telephonica De Espana SA	Common Stock	525	13,189	12,857
	Texas Instruments	Common Stock	2,500	65,833	82,074
	Total SA	Common Stock	185	10,585	10,700
	Transcanada Corp	Common Stock	1,700	64,547	74,528
	United Parcel Service	Common Stock	175	10,627	12,763
	United Tech Corp	Common Stock	145	9,766	12,834
	V F Corp	Common Stock	140	10,505	15,198
	Verizon Communications	Common Stock	2,270	85,988	84,512
	Walgreen Company	Common Stock	315	10,188	13,375
	Waste Management Inc	Common Stock	350	11,713	13,045
	Wells Fargo Company	Common Stock	500	15,193	14,030
				<u>2,622,954</u>	<u>3,144,775</u>
	Alps ETF TR Alerian MLP	Exchange Traded Fund	940	15,237	15,078
	JP Morgan Chase & Company Alerian Index	Exchange Traded Fund	430	12,697	15,966
	Tortoise Energy ETF	Exchange Traded Fund	315	9,244	11,973
	Wisdomtree Emerg Mkts Equity Income	Exchange Traded Fund	205	12,020	12,501
				<u>49,198</u>	<u>55,518</u>
	United States Government	Treasury note, 5.00% interest rate, maturity date of August 15, 2011	200,000	200,284	204,963
	United States Government	Treasury note, 4.00% interest rate, maturity date of November 15, 2012	150,000	150,183	158,285
	United States Government	Treasury note, 4.25% interest rate, maturity date of November 15, 2013	90,000	88,509	98,178
	United States Government	Treasury note, 4.00% interest rate, maturity date of February 15, 2014	100,000	103,867	110,117
	United States Government	Treasury note, 4.25% interest rate, maturity date of August 15, 2015	100,000	105,146	113,217
				<u>647,989</u>	<u>684,760</u>
	Morgan Stanley Smith Barney	Interest-bearing Cash	103,970	103,970	103,970
	TD Ameritrade	Interest-bearing Cash	16,063	16,063	16,063
				<u>120,033</u>	<u>120,033</u>
	Total Investments			<u>\$ 3,440,174</u>	<u>\$ 4,005,086</u>

Schedule SB, Line 26 – Schedule of Active Participant Data

The following table shows the distribution of the plan's active participant population by age and service and other demographic statistics.

Age	Years of Service										Total
	< 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 +	
Under 25	0	0	0	0	0	0	0	0	0	0	0
25 - 29	0	1	0	0	0	0	0	0	0	0	1
30 - 34	0	10	1	0	0	0	0	0	0	0	11
35 - 39	0	11	2	2	0	0	0	0	0	0	15
40 - 44	0	6	1	5	0	0	0	0	0	0	12
45 - 49	0	11	4	7	2	0	1	0	0	0	25
50 - 54	0	8	1	7	3	3	8	1	0	0	31
55 - 59	0	9	1	2	1	1	2	0	0	0	16
60 - 64	0	4	1	3	0	0	2	1	1	0	12
65 - 69	0	0	0	1	0	0	0	0	0	1	2
Over 70	0	0	0	0	0	0	0	0	0	0	0
Total	0	60	11	27	6	4	13	2	1	1	125
Average age 48.08											
Average past service 15.68											

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

Summary of Methods	
Valuation date:	July 1.
Actuarial cost method:	Unit Credit Cost Method - Under this cost method, the costs attributable to past service and the current year's service are determined by prorating over all years of service the benefits expected to be paid from the plan. The normal cost for any year is determined equal to the present value of the current year's portion of the employee's expected pension benefit. The current year's portion is equal to the expected pension benefit divided by the total credited service at the anticipated retirement date. The accrued liability is determined equal to the present value of the past year's portion of the employee's expected pension benefit. The past year's portion is equal to the expected pension benefit times the ratio of the participant's credited service to the total credited service at the anticipated retirement date. The sum of these values for all employees determines the normal cost and the accrued liability for the plan.
Actuarial value of assets:	The actuarial value of assets is equal to the market value of assets plus contributions receivable.
Changes since last valuation:	None.

Schedule SB, Part V – Statement of Actuarial Methods and Assumptions (continued)

Primary Assumptions			
Interest:			
Funding:	IRC 430(h) Transitional Funding Segment Rates for July 2010;		
Pre and post-retirement:	4.05% per year for 1 st segment, 6.47% for 2 nd segment and 6.65% thereafter.		
ASC 960:	6.50%		
Mortality:			
Funding:			
Pre and post-retirement:	IRS 2010 Combined Static Mortality Table.		
ASC 960:			
Pre and post-retirement:	RP-2000 Combined Males and Females Mortality Table.		
Salary increases:	N/A (plan is frozen).		
Taxable wage base increases:	N/A (plan is frozen).		
Retirement:	Rates are as follows:		
	<u>Age</u>	<u>Rate</u>	
	60	5%	
	61	2%	
	62	5%	
	63	2%	
	64	2%	
	65	100%	
Withdrawal:	Sample rates are as follows:		
	<u>Age</u>	<u>Males</u>	<u>Females</u>
	25	7.72%	7.72%
	30	7.40%	7.40%
	35	6.86%	6.86%
	40	6.11%	6.11%
	45	5.16%	5.16%
	50	3.62%	3.62%
	55	1.37%	1.37%
	60	0.13%	0.13%

Schedule SB, Part V – Statement of Actuarial Methods and Assumptions (continued)

Primary Assumptions	
Disability:	None.
Percentage married:	Males 100%, females 100%.
Age difference:	Husbands are assumed to be three years older than their wives.
Normal form:	Life and 10-Year Certain Annuity.
Maximum benefit:	N/A
Maximum compensation:	N/A
Expenses:	
Funding:	1% of market value of assets plus discounted contributions rounded to next highest \$1,000.
ASC 960:	Investment return assumption of 6.5% is net of administrative expenses.
Changes since the last valuation:	The mortality table and interest rates were updated as required per PPA. All other assumptions are identical to those used in the prior valuation.

Schedule SB, Line 24 –Change in Actuarial Assumptions

None other than prescribed assumptions.

PYB	7/1/2010	6/30/2011	Plan Name Oak State Products, Inc. Pension Plan
MRC	275,371	7/1/2009	EIN 36-2341822
	312,816	7/1/2010	PN 1
RAP	275,371		
Effective Rate	6.49%		
Penalty Rate	11.49%		
# Days in PY	365		

Required				Late Quarterly		Late Quarterly	Days	Late Quarterly		Payment in Excess	Days	Payment in Excess	
Quarterly	Due Date	Amount Made	Payment Date	Subject to Penalty Rate	Days Late	Due Date at 11.49%	Due Date to BOY	Due Date to BOY at 6.49%	At Payment Date	of Late Quarterly	Pmt Date to BOY	Discounted to BOY at 6.49%	TOTAL Contributions Discounted to BOY
68,843	10/15/2010	68,843	10/19/2010	68,843	4	68,761	106	67,517	-	-	-	-	67,517
68,843	1/15/2011	68,843	1/19/2011	68,843	4	68,761	198	66,455	-	-	-	-	66,455
68,843	4/15/2011	68,843	4/13/2011	-	-	-	-	-	68,843	286	65,533	65,533	65,533
68,843	7/15/2011	68,843	7/13/2011	-	-	-	-	-	68,843	377	64,514	64,514	64,514
	3/15/2012	53,389	12/5/2011	-	-	-	-	-	53,389	522	48,797	48,797	48,797
				-	-	-	-	-	-	-	-	-	-
				-	-	-	-	-	-	-	-	-	-
				-	-	-	-	-	-	-	-	-	-
				-	-	-	-	-	-	-	-	-	-
				-	-	-	-	-	-	-	-	-	-
TOTAL		328,761						133,972				178,844	312,816

chk---> 312,816
Line 19c & 37 of 2010 Schedule SB

312,816	2009 MRC @ BOY	
312,816	Discounted Contributions	<u>Preliminary 2011 Quarterlies</u>
-	Credit Balance @ BOY	78,204
6.49%	Effective Rate	
0	Credit Balance @ EOY	

Line 38 of 2010 Schedule SB

Oak State Products, Inc.

Pension Plan

Financial Report
June 30, 2011

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Independent Auditor's Report

To the Board of Trustees
Oak State Products, Inc. Pension Plan
Wenona, Illinois

We have audited the accompanying statements of net assets available for benefits and accumulated plan benefits of the Oak State Products, Inc. Pension Plan as of June 30, 2011 and 2010, and the related statements of changes in net assets available for benefits and changes in accumulated plan benefits for the year ended June 30, 2011. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Oak State Products, Inc. Pension Plan as of June 30, 2011 and 2010, and the changes in its financial status for the year ended June 30, 2011, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of June 30, 2011, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

Champaign, Illinois
January 24, 2012

Oak State Products, Inc. Pension Plan

**Statements of Net Assets Available for Benefits
June 30, 2011 and 2010**

	2011	2010
Assets		
Investments, at fair value:		
Common stocks	\$ 3,144,775	\$ 2,157,432
U.S. government securities	684,760	895,803
Exchange traded funds	55,518	-
	3,885,053	3,053,235
Receivables:		
Accrued interest income	2,520	10,974
Employer contribution receivable	122,232	67,837
	124,752	78,811
Cash - interest-bearing	120,033	48,630
Total assets	4,129,838	3,180,676
Liabilities	444	-
Net assets available for benefits	\$ 4,129,394	\$ 3,180,676

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Statement of Changes in Net Assets Available for Benefits Year Ended June 30, 2011

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 720,528
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Interest	22,465
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Dividends	64,674
-----------	--------

	807,667
--	---------

Less investment expenses	27,815
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	779,852
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Contributions:

Employer	328,761
----------	---------

Total additions

	1,108,613
--	-----------

Deductions from net assets attributed to:

Benefits paid directly to participants	45,805
--	--------

Purchase of annuity contracts	113,420
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Other expenses	670
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Total deductions

	159,895
--	---------

Net increase

	948,718
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Net assets available for benefits:

Beginning of year	3,180,676
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End of year	\$ 4,129,394
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See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

**Statements of Accumulated Plan Benefits
June 30, 2011 and 2010**

	2011	2010
Actuarial present value of accumulated benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 400,815	\$ 411,563
Other participants	4,507,483	4,324,908
	4,908,298	4,736,471
Nonvested benefits	-	-
Total actuarial present value of accumulated benefits	\$ 4,908,298	\$ 4,736,471

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Statement of Changes in Accumulated Plan Benefits
Year Ended June 30, 2011

Actuarial present value of accumulated plan benefits at beginning of year	<u>\$ 4,736,471</u>
Increase (decrease) during the year attributable to:	
Increase due to decrease in the discount period	302,710
Additional benefits earned, including experience gains and losses	27,898
Benefits paid	<u>(158,781)</u>
Net increase	<u>171,827</u>
Actuarial present value of accumulated benefits at end of year	<u><u>\$ 4,908,298</u></u>

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 1. Description of the Plan

The following brief description of the Oak State Products, Inc. amended/restated Pension Plan (the Plan) is provided for general informational purposes only. Participants should refer to the plan agreement for a complete description of the Plan's provisions.

General: The Plan is a noncontributory defined benefit pension plan that provides retirement benefits for all eligible full-time employees of Oak State Products, Inc. (the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

An amendment was made to the Plan on January 26, 2004, which provided that no additional employees shall become eligible to participate in the Plan effective January 29, 2004.

An amendment was made to the Plan on June 26, 2005, which provided that all future benefit accruals were frozen effective June 30, 2005.

Contributions and funding policy: Contributions are accrued by the Plan based upon amounts determined by the Plan's consulting actuary who calculates the acceptable contribution range under the provisions of ERISA. The Company generally funds the minimum acceptable contribution as determined by the Plan's actuary. The Plan had contributions receivable of \$122,232 and \$67,837 as of June 30, 2011 and 2010, respectively.

Vesting: Under the terms of the Plan, vesting is 20% after two years and another 20% each subsequent year. Participants become 100% vested after six years. All participants in the Plan are 100% vested.

Payment of benefits: Employees with 5 or more years of service are entitled to annual pension benefits beginning at normal retirement age (65) equal to the sum of (1) 1.67% of such participant's Average Monthly Compensation multiplied by the participant's total number of Periods of Service (up to a maximum of 25 periods), plus (2) 0.585% of such Average Monthly Compensation in excess of one-twelfth of Covered Compensation multiplied by the participant's total number of Periods of Service (up to a maximum of 25 periods), computed to the nearest dollar. Employees may elect to receive the value of their accumulated plan benefits as a lump-sum distribution upon retirement or termination, or they may elect to receive their benefits as a life annuity payable monthly from retirement. Participants are eligible for disability retirement benefits in the event of a disability, as defined under the terms of the Plan. Additionally, a death benefit is payable to a participant's spouse upon the participant's death. Early retirement is available to participants and results in a reduced benefit payment.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The financial statements of the Plan are prepared under the accrual basis of accounting.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Investment valuation and income recognition: 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. See Note 4 for discussion of fair value measurements.

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

Actuarial present value of accumulated plan benefits: Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered through June 30, 2005. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their last five years of credited service through June 30, 2005. The accumulated plan benefits for active employees are based on their average compensation during the five years ended June 30, 2005. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits. As noted above, plan benefits were frozen effective June 30, 2005.

The actuarial present value of accumulated plan benefits was determined by an actuary from Verisight, Inc. and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Actuarial valuations were performed as of July 1, 2011 and 2010. There were no significant differences between June 30, 2011 and 2010 and July 1, 2011 and 2010, respectively, which would cause the actuarial valuations not to be representative as of June 30, 2011 and 2010.

The Unit Credit Cost Method was used for purposes of the actuarial valuations of the Plan at July 1, 2011. The significant actuarial assumptions used in the valuation as of June 30, 2011 and 2010 were:

- Discount rate – 6.5% (7.5% net of 1% of assumed administrative expenses).
- Life expectancy of participants – RP-2000 Combined Healthy Mortality Table.
- Normal retirement age – 65 or 5th anniversary of initial plan entry, if later.

The Plan's active participants decreased by 8 and the Plan's inactive participants increased by 3 from 2010 to 2011.

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

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Payment of benefits: Benefit payments to participants are recorded upon distribution.

Expenses: Some operating expenses are paid by the plan sponsor, Oak State Products, Inc.

Recent accounting standards: In January 2010, the FASB issued an amendment to accounting guidance, *Fair Value Measurements and Disclosures – Improving Disclosures about Fair Value Measurements* (ASU 2010-06), which requires new disclosures and reasons for transfers of financial assets and liabilities between Levels 1 and 2. This amendment also clarifies that fair value measurement disclosures are required for each class of financial assets and liabilities, and disclosures about inputs and valuation techniques are required for both Level 2 and Level 3 measurements. It further clarifies that the reconciliation of Level 3 measurements should separately present purchases, sales, issuances, and settlements instead of netting those changes. With respect to matters other than Level 3 measurements, the amendment is effective for periods beginning on or after December 15, 2009. The adoption of this guidance related to Level 1 and Level 2 measurements during the plan year ended June 30, 2011 did not have a significant impact on the Plan's disclosures about fair value measurements. The guidance related to Level 3 measurements is effective for periods beginning on or after December 15, 2010 and had not been adopted as of June 30, 2011. The adoption of this guidance related to Level 3 measurements is not expected to have an impact on the Plan's disclosures about fair value measurements.

In May 2011, the FASB issued an amendment to accounting guidance, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs* (ASU 2011-04). ASU 2011-04 amended ASC 820, *Fair Value Measurements and Disclosures*, to converge the fair value measurement guidance in GAAP and International Financial Reporting Standards. Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 3. Investments

The following table presents fair value of investments as of June 30, 2011 and 2010. Single investments representing more than 5% of the Plan's net assets are separately identified.

	2011	2010
Common stocks, less than 5% of net assets	\$ 3,144,775	\$ 2,157,432
U.S. government securities:		
U.S. Treasury note, 4.50%, due November, 15, 2010	*	203,180
U.S. Treasury note, 5.00%, due August 15, 2011	*	210,336
U.S. Treasury note, 4.00%, due November 15, 2012	*	161,566
Other U.S. government securities, less than 5% of net assets	684,760	320,721
	<u>684,760</u>	<u>895,803</u>
Exchange traded funds, less than 5% of net assets	55,518	-
	<u>\$ 3,885,053</u>	<u>\$ 3,053,235</u>

* Investment did not represent 5% or more of the Plan's net assets as of June 30th.

During the year ended June 30, 2011, the Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in value as follows:

Common stocks	\$ 728,187
U.S. government securities	(13,978)
Exchange traded funds	6,319
	<u>\$ 720,528</u>

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2011 and 2010.

Common stocks and U.S. government securities: Valued at the closing price reported in the active market in which the security is traded.

Exchange traded funds: Valued at the net asset value (NAV) of shares held by the Plan at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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 Plan did not have any transfers of assets between Level 1 and Level 2 of the fair value hierarchy during the year ended June 30, 2011.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2011 and 2010:

	Level 1	Level 2	Level 3	Total
	2011			
Common stocks:				
Industrial	\$ 699,032	\$ -	\$ -	\$ 699,032
Health Care	354,455	-	-	354,455
Technology	565,671	-	-	565,671
Consumer	199,400	-	-	199,400
Financial	354,995	-	-	354,995
Materials	333,846	-	-	333,846
Energy	398,847	-	-	398,847
Telecommunications	126,081	-	-	126,081
Services	16,380	-	-	16,380
Utilities	96,068	-	-	96,068
Exchange traded funds:				
Energy	43,017	-	-	43,017
International	12,501	-	-	12,501
U.S. government securities	684,760	-	-	684,760
Total investments at fair value	\$ 3,885,053	\$ -	\$ -	\$ 3,885,053
	2010			
Common stocks:				
Industrial	\$ 492,267	\$ -	\$ -	\$ 492,267
Health Care	301,729	-	-	301,729
Technology	384,222	-	-	384,222
Consumer	132,581	-	-	132,581
Financial	267,677	-	-	267,677
Materials	131,076	-	-	131,076
Energy	341,782	-	-	341,782
Telecommunications	80,105	-	-	80,105
Construction	25,993	-	-	25,993
U.S. government securities	895,803	-	-	895,803
Total investments at fair value	\$ 3,053,235	\$ -	\$ -	\$ 3,053,235

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 5. Plan Termination

The Company anticipates and believes that the Plan will continue without interruption, but reserves the right to discontinue the Plan at any time. In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. The annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would be payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- b. Other vested benefits insured by Pension Benefit Guaranty Corporation (PBGC), a U.S. governmental agency, up to the applicable limitations as described below.
- c. All other vested benefits, that is, vested benefits not insured by PBGC.
- d. All non-vested benefits.

Certain benefits under the Plan are insured by PBGC if the Plan terminates. Generally, PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit that PBGC guarantees. For Plan terminations occurring in 2012, that ceiling is \$4,653 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination, whichever comes later. For younger annuitants, or for those who elect to receive their benefits in some form other than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

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 level of benefits guaranteed by PBGC.

Note 6. Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at June 30, 2011 and 2010 to the Form 5500:

	2011	2010
Net assets available for benefits per the financial statements	\$ 4,129,394	\$ 3,180,676
Less accrued interest income	(2,520)	(10,974)
Net assets available for benefits per the Form 5500	<u>\$ 4,126,874</u>	<u>\$ 3,169,702</u>

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 6. Reconciliation of the Financial Statements to the Form 5500 (Continued)

The following is a reconciliation of changes in net assets available for benefits for the year ended June 30, 2011 per the financial statements to the Form 5500:

Net increase in net assets available for benefits per the financial statements	\$ 948,718
Plus accrued interest income at June 30, 2010	10,974
Less accrued interest income at June 30, 2011	<u>(2,520)</u>
Net increase in net assets available for benefits per the Form 5500	<u><u>\$ 957,172</u></u>

Note 7. Related-Party Transactions

The Plan paid Estabrook Capital Management, LLC and Thomas Partners, Inc. \$25,185 and \$2,630, respectively, in fees during the year ended June 30, 2011 for investment management services. The Plan's investments were held under safekeeping arrangements with Morgan Stanley and TD Ameritrade for the year ended June 30, 2011. The plan sponsor pays any fees and expenses related to these safekeeping arrangements.

Administrative expenses paid by the Plan include fees for actuarial services. The Plan also incurs expenses related to general administration and record keeping. The plan sponsor pays these expenses and certain accounting and auditing fees relating to the Plan.

Note 8. Tax Status

The Plan has received a favorable determination letter from the Internal Revenue Service dated January 21, 2005, stating that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan is designed and is being operated in a manner that qualifies it under the Internal Revenue Code Section 401(a) and, therefore, is exempt from income taxes under the provisions of the Internal Revenue Code Section 501(a).

Management has evaluated the Plan's tax positions and concluded that the Plan has maintained its tax exempt status and has taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2008.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 9. Risks and Uncertainties

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

Note 10. Subsequent Events

The Plan Administrator has evaluated subsequent events through January 24, 2012, the date on which the financial statements were available to be issued.

Oak State Products, Inc. Pension Plan

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)
June 30, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Number of shares or principal amount	(d) Cost	(e) Current value
	3M Company	Common Stock	145	\$ 11,836	\$ 13,753
	Abbott Labs	Common Stock	270	13,779	14,207
	Accenture Ltd	Common Stock	225	8,728	13,595
	Altria Group Inc	Common Stock	345	6,547	9,111
	American Express Company	Common Stock	2,300	112,860	118,910
	AT&T Inc	Common Stock	420	10,960	13,192
	Bank of America Corp	Common Stock	3,000	92,701	32,880
	Bayer AG Sponsored ADR	Common Stock	120	8,433	9,667
	BCE Inc	Common Stock	395	12,496	15,520
	Becton Dickinson & Company	Common Stock	1,180	87,041	101,681
	BHP Billiton Ltd	Common Stock	1,000	72,488	94,630
	Broadridge Financial Solutions	Common Stock	530	12,067	12,757
	Canadian Natl Railway Company	Common Stock	205	14,868	16,380
	Cardinal Health Inc	Common Stock	370	12,196	16,805
	Caterpillar Inc	Common Stock	800	30,720	85,168
	Chevron Corp	Common Stock	135	10,351	13,883
	Chubb Corp	Common Stock	2,220	91,615	138,994
	Cincinnati Financial Corp	Common Stock	450	14,841	13,131
	Clorox Company	Common Stock	150	9,521	10,116
	Coca Cola Company	Common Stock	175	9,563	11,776
	Conocophillips	Common Stock	1,000	59,867	75,190
	Consolidated Energy Inc	Common Stock	1,500	55,089	72,720
	Covidien PLC	Common Stock	1,300	66,937	69,199
	Cullen Frost Bankers	Common Stock	205	11,031	11,654
	Deere & Company	Common Stock	95	4,463	7,833
	Diageo PLC Sponsored ADR	Common Stock	185	12,486	15,146
	Du Pont El De Nemours & Co	Common Stock	1,000	38,301	54,050
	Eaton Corp	Common Stock	2,000	41,968	102,900
	El Paso Corporation	Common Stock	2,000	38,534	40,400
	EMC Corp Mass	Common Stock	3,000	42,411	82,650
	Emerson Electric Company	Common Stock	1,730	84,728	97,313
	Enbridge Energy Management	Common Stock	418	10,279	12,916
	Exxon Mobil	Common Stock	165	11,532	13,428
	Factset Research Systems Inc	Common Stock	600	65,742	61,392
	FedEx Corp	Common Stock	1,000	89,271	94,850
	General Dynamics Corp	Common Stock	205	13,265	15,277
	Genuine Parts Company	Common Stock	270	11,571	14,688
	Hewlett Packard	Common Stock	1,500	74,364	54,600
	Honeywell International Inc	Common Stock	1,500	37,822	89,385
	Illinois Tool Works Inc	Common Stock	240	10,863	13,558
	Intel Corp	Common Stock	735	13,990	16,288
	International Business Machines Corp	Common Stock	685	84,747	117,512
	Johnson & Johnson	Common Stock	1,745	40,200	116,077
	Kimberly Clark Corp	Common Stock	160	9,979	10,650
	Kinder Morgan Management	Common Stock	203	10,116	13,315
	McDonalds Corp	Common Stock	170	11,638	14,334
	Metcash Ltd	Common Stock	1,050	4,568	4,515
	Microsoft Corp	Common Stock	575	15,173	14,950

(Continued)

Oak State Products, Inc. Pension Plan

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) - (Continued)
June 30, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Number of shares or principal amount	(d) Cost	(e) Current value
	Norfolk Southern Corp	Common Stock	1,300	\$ 73,432	\$ 97,409
	Northern Trust Corp	Common Stock	275	14,110	12,639
	Novartis AG ADR	Common Stock	220	11,757	13,444
	NSTAR	Common Stock	205	6,740	9,426
	Oracle Corp	Common Stock	2,000	62,750	65,820
	Overseas Shipholding Group	Common Stock	1,500	73,938	40,410
	Parker Hannifin Corp	Common Stock	135	10,188	12,115
	Philip Morris International	Common Stock	230	11,626	15,357
	Philips Electronics	Common Stock	345	11,059	8,860
	Potash Corp of Saskatchewan Inc	Common Stock	1,200	65,293	68,388
	PPG Industries Inc	Common Stock	130	10,047	11,803
	Proctor & Gamble	Common Stock	1,235	71,429	78,509
	Qualcomm Inc	Common Stock	1,000	39,070	56,790
	Raytheon Co	Common Stock	220	10,101	10,967
	Royal Dutch Shell PLC CL B	Common Stock	900	70,759	64,575
	Schlumberger Ltd	Common Stock	900	75,578	77,760
	Siemens A.G.	Common Stock	80	10,440	11,002
	Southern Company	Common Stock	300	10,597	12,114
	Spectra Energy Corp Com	Common Stock	2,500	61,360	68,525
	Telephonica De Espana SA	Common Stock	525	13,189	12,857
	Texas Instruments	Common Stock	2,500	65,833	82,074
	Total SA	Common Stock	185	10,585	10,700
	Transcanada Corp	Common Stock	1,700	64,547	74,528
	United Parcel Service	Common Stock	175	10,627	12,763
	United Tech Corp	Common Stock	145	9,766	12,834
	V F Corp	Common Stock	140	10,505	15,198
	Verizon Communications	Common Stock	2,270	85,988	84,512
	Walgreen Company	Common Stock	315	10,188	13,375
	Waste Management Inc	Common Stock	350	11,713	13,045
	Wells Fargo Company	Common Stock	500	15,193	14,030
				<u>2,622,954</u>	<u>3,144,775</u>
	Alps ETF TR Alerian MLP	Exchange Traded Fund	940	15,237	15,078
	JP Morgan Chase & Company Alerian Index	Exchange Traded Fund	430	12,697	15,966
	Tortoise Energy ETF	Exchange Traded Fund	315	9,244	11,973
	Wisdomtree Emerg Mkts Equity Income	Exchange Traded Fund	205	12,020	12,501
				<u>49,198</u>	<u>55,518</u>
	United States Government	Treasury note, 5.00% interest rate, maturity date of August 15, 2011	200,000	200,284	204,963
	United States Government	Treasury note, 4.00% interest rate, maturity date of November 15, 2012	150,000	150,183	158,285
	United States Government	Treasury note, 4.25% interest rate, maturity date of November 15, 2013	90,000	88,509	98,178
	United States Government	Treasury note, 4.00% interest rate, maturity date of February 15, 2014	100,000	103,867	110,117
	United States Government	Treasury note, 4.25% interest rate, maturity date of August 15, 2015	100,000	105,146	113,217
				<u>647,989</u>	<u>684,760</u>
	Morgan Stanley Smith Barney	Interest-bearing Cash	103,970	103,970	103,970
	TD Ameritrade	Interest-bearing Cash	16,063	16,063	16,063
				<u>120,033</u>	<u>120,033</u>
	Total Investments			<u>\$ 3,440,174</u>	<u>\$ 4,005,086</u>

Schedule SB, Line 32 – Schedule of Shortfall Amortization Charges

The amortization amounts for the minimum required contribution are developed in the following table.

Shortfall Amortization Charge		
1.	1st segment rate	4.05%
	2nd segment rate	6.47%
2.	Funding target	4,844,653
3.	Adjusted plan assets	
	(a) Actuarial assets	3,169,222
	(b) Funding Standard Carryover Balance	0
	(c) Prefunding Balance (PFB)	0
	(d) Adjusted assets: (a)-(b)-(c), not less than 0	3,169,222
4.	Funding shortfall: (2)-(3)(d), not less than 0	1,675,431
5.	Current shortfall amortization installments	
	(b) Annual installments for:	
	(i) Year -1 base (6 years remaining)	181,225
	(ii) Year -1 base (5 years remaining)	64,146
	Total annual installments	245,371
	(b) Present value of annual installments for:	
	(i) Year -1 base (6 years remaining)	970,737
	(ii) Year -1 base (5 years remaining)	296,715
	Total present value of annual installments	1,267,452
6.	Exemption from new shortfall amortization base	
	(a) Target liability percentage	96%
	(b) Shortfall funding target: (2)x(a)	4,650,867
	(c) Prefunding Balance if used to reduce the Minimum Required Contribution, else 0	0
	(d) Exempt?: [(3)(a)-(c)]>=(b)	No
7.	Shortfall amortization base	
	(a) Adjusted funding shortfall:	
	(6)(b)-(3)(d), not less than 0	1,481,645
	(b) New current year base:	
	(a)-(5)(b), or 0 if exempt	214,193
	(c) New 7-year installment amount	35,445
8.	Shortfall amortization charge:	
	(5)(a)+(7)(c), not less than 0	\$280,816

Oak State Products, Inc.

Pension Plan

Financial Report
June 30, 2011

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Independent Auditor's Report

To the Board of Trustees
Oak State Products, Inc. Pension Plan
Wenona, Illinois

We have audited the accompanying statements of net assets available for benefits and accumulated plan benefits of the Oak State Products, Inc. Pension Plan as of June 30, 2011 and 2010, and the related statements of changes in net assets available for benefits and changes in accumulated plan benefits for the year ended June 30, 2011. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Oak State Products, Inc. Pension Plan as of June 30, 2011 and 2010, and the changes in its financial status for the year ended June 30, 2011, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of June 30, 2011, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGladrey & Pullen, LLP

Champaign, Illinois
January 24, 2012

Oak State Products, Inc. Pension Plan

**Statements of Net Assets Available for Benefits
June 30, 2011 and 2010**

	2011	2010
Assets		
Investments, at fair value:		
Common stocks	\$ 3,144,775	\$ 2,157,432
U.S. government securities	684,760	895,803
Exchange traded funds	55,518	-
	3,885,053	3,053,235
Receivables:		
Accrued interest income	2,520	10,974
Employer contribution receivable	122,232	67,837
	124,752	78,811
Cash - interest-bearing	120,033	48,630
Total assets	4,129,838	3,180,676
Liabilities	444	-
Net assets available for benefits	\$ 4,129,394	\$ 3,180,676

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Statement of Changes in Net Assets Available for Benefits Year Ended June 30, 2011

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 720,528
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Interest	22,465
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Dividends	64,674
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	807,667
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Less investment expenses	27,815
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	779,852
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Contributions:

Employer	328,761
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Total additions

	1,108,613
--	-----------

Deductions from net assets attributed to:

Benefits paid directly to participants	45,805
--	--------

Purchase of annuity contracts	113,420
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Other expenses	670
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Total deductions

	159,895
--	---------

Net increase

	948,718
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Net assets available for benefits:

Beginning of year	3,180,676
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End of year	\$ 4,129,394
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See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

**Statements of Accumulated Plan Benefits
June 30, 2011 and 2010**

	2011	2010
Actuarial present value of accumulated benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 400,815	\$ 411,563
Other participants	4,507,483	4,324,908
	4,908,298	4,736,471
Nonvested benefits	-	-
Total actuarial present value of accumulated benefits	\$ 4,908,298	\$ 4,736,471

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Statement of Changes in Accumulated Plan Benefits
Year Ended June 30, 2011

Actuarial present value of accumulated plan benefits at beginning of year	<u>\$ 4,736,471</u>
Increase (decrease) during the year attributable to:	
Increase due to decrease in the discount period	302,710
Additional benefits earned, including experience gains and losses	27,898
Benefits paid	<u>(158,781)</u>
Net increase	<u>171,827</u>
Actuarial present value of accumulated benefits at end of year	<u><u>\$ 4,908,298</u></u>

See Notes to Financial Statements.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 1. Description of the Plan

The following brief description of the Oak State Products, Inc. amended/restated Pension Plan (the Plan) is provided for general informational purposes only. Participants should refer to the plan agreement for a complete description of the Plan's provisions.

General: The Plan is a noncontributory defined benefit pension plan that provides retirement benefits for all eligible full-time employees of Oak State Products, Inc. (the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

An amendment was made to the Plan on January 26, 2004, which provided that no additional employees shall become eligible to participate in the Plan effective January 29, 2004.

An amendment was made to the Plan on June 26, 2005, which provided that all future benefit accruals were frozen effective June 30, 2005.

Contributions and funding policy: Contributions are accrued by the Plan based upon amounts determined by the Plan's consulting actuary who calculates the acceptable contribution range under the provisions of ERISA. The Company generally funds the minimum acceptable contribution as determined by the Plan's actuary. The Plan had contributions receivable of \$122,232 and \$67,837 as of June 30, 2011 and 2010, respectively.

Vesting: Under the terms of the Plan, vesting is 20% after two years and another 20% each subsequent year. Participants become 100% vested after six years. All participants in the Plan are 100% vested.

Payment of benefits: Employees with 5 or more years of service are entitled to annual pension benefits beginning at normal retirement age (65) equal to the sum of (1) 1.67% of such participant's Average Monthly Compensation multiplied by the participant's total number of Periods of Service (up to a maximum of 25 periods), plus (2) 0.585% of such Average Monthly Compensation in excess of one-twelfth of Covered Compensation multiplied by the participant's total number of Periods of Service (up to a maximum of 25 periods), computed to the nearest dollar. Employees may elect to receive the value of their accumulated plan benefits as a lump-sum distribution upon retirement or termination, or they may elect to receive their benefits as a life annuity payable monthly from retirement. Participants are eligible for disability retirement benefits in the event of a disability, as defined under the terms of the Plan. Additionally, a death benefit is payable to a participant's spouse upon the participant's death. Early retirement is available to participants and results in a reduced benefit payment.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The financial statements of the Plan are prepared under the accrual basis of accounting.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Investment valuation and income recognition: 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. See Note 4 for discussion of fair value measurements.

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

Actuarial present value of accumulated plan benefits: Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered through June 30, 2005. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their last five years of credited service through June 30, 2005. The accumulated plan benefits for active employees are based on their average compensation during the five years ended June 30, 2005. Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits. As noted above, plan benefits were frozen effective June 30, 2005.

The actuarial present value of accumulated plan benefits was determined by an actuary from Verisight, Inc. and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Actuarial valuations were performed as of July 1, 2011 and 2010. There were no significant differences between June 30, 2011 and 2010 and July 1, 2011 and 2010, respectively, which would cause the actuarial valuations not to be representative as of June 30, 2011 and 2010.

The Unit Credit Cost Method was used for purposes of the actuarial valuations of the Plan at July 1, 2011. The significant actuarial assumptions used in the valuation as of June 30, 2011 and 2010 were:

- Discount rate – 6.5% (7.5% net of 1% of assumed administrative expenses).
- Life expectancy of participants – RP-2000 Combined Healthy Mortality Table.
- Normal retirement age – 65 or 5th anniversary of initial plan entry, if later.

The Plan's active participants decreased by 8 and the Plan's inactive participants increased by 3 from 2010 to 2011.

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

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Payment of benefits: Benefit payments to participants are recorded upon distribution.

Expenses: Some operating expenses are paid by the plan sponsor, Oak State Products, Inc.

Recent accounting standards: In January 2010, the FASB issued an amendment to accounting guidance, *Fair Value Measurements and Disclosures – Improving Disclosures about Fair Value Measurements* (ASU 2010-06), which requires new disclosures and reasons for transfers of financial assets and liabilities between Levels 1 and 2. This amendment also clarifies that fair value measurement disclosures are required for each class of financial assets and liabilities, and disclosures about inputs and valuation techniques are required for both Level 2 and Level 3 measurements. It further clarifies that the reconciliation of Level 3 measurements should separately present purchases, sales, issuances, and settlements instead of netting those changes. With respect to matters other than Level 3 measurements, the amendment is effective for periods beginning on or after December 15, 2009. The adoption of this guidance related to Level 1 and Level 2 measurements during the plan year ended June 30, 2011 did not have a significant impact on the Plan's disclosures about fair value measurements. The guidance related to Level 3 measurements is effective for periods beginning on or after December 15, 2010 and had not been adopted as of June 30, 2011. The adoption of this guidance related to Level 3 measurements is not expected to have an impact on the Plan's disclosures about fair value measurements.

In May 2011, the FASB issued an amendment to accounting guidance, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs* (ASU 2011-04). ASU 2011-04 amended ASC 820, *Fair Value Measurements and Disclosures*, to converge the fair value measurement guidance in GAAP and International Financial Reporting Standards. Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 3. Investments

The following table presents fair value of investments as of June 30, 2011 and 2010. Single investments representing more than 5% of the Plan's net assets are separately identified.

	2011	2010
Common stocks, less than 5% of net assets	\$ 3,144,775	\$ 2,157,432
U.S. government securities:		
U.S. Treasury note, 4.50%, due November, 15, 2010	*	203,180
U.S. Treasury note, 5.00%, due August 15, 2011	*	210,336
U.S. Treasury note, 4.00%, due November 15, 2012	*	161,566
Other U.S. government securities, less than 5% of net assets	684,760	320,721
	<u>684,760</u>	<u>895,803</u>
Exchange traded funds, less than 5% of net assets	55,518	-
	<u>\$ 3,885,053</u>	<u>\$ 3,053,235</u>

* Investment did not represent 5% or more of the Plan's net assets as of June 30th.

During the year ended June 30, 2011, the Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in value as follows:

Common stocks	\$ 728,187
U.S. government securities	(13,978)
Exchange traded funds	6,319
	<u>\$ 720,528</u>

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2011 and 2010.

Common stocks and U.S. government securities: Valued at the closing price reported in the active market in which the security is traded.

Exchange traded funds: Valued at the net asset value (NAV) of shares held by the Plan at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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 Plan did not have any transfers of assets between Level 1 and Level 2 of the fair value hierarchy during the year ended June 30, 2011.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2011 and 2010:

	Level 1	Level 2	Level 3	Total
	2011			
Common stocks:				
Industrial	\$ 699,032	\$ -	\$ -	\$ 699,032
Health Care	354,455	-	-	354,455
Technology	565,671	-	-	565,671
Consumer	199,400	-	-	199,400
Financial	354,995	-	-	354,995
Materials	333,846	-	-	333,846
Energy	398,847	-	-	398,847
Telecommunications	126,081	-	-	126,081
Services	16,380	-	-	16,380
Utilities	96,068	-	-	96,068
Exchange traded funds:				
Energy	43,017	-	-	43,017
International	12,501	-	-	12,501
U.S. government securities	684,760	-	-	684,760
Total investments at fair value	\$ 3,885,053	\$ -	\$ -	\$ 3,885,053
	2010			
Common stocks:				
Industrial	\$ 492,267	\$ -	\$ -	\$ 492,267
Health Care	301,729	-	-	301,729
Technology	384,222	-	-	384,222
Consumer	132,581	-	-	132,581
Financial	267,677	-	-	267,677
Materials	131,076	-	-	131,076
Energy	341,782	-	-	341,782
Telecommunications	80,105	-	-	80,105
Construction	25,993	-	-	25,993
U.S. government securities	895,803	-	-	895,803
Total investments at fair value	\$ 3,053,235	\$ -	\$ -	\$ 3,053,235

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 5. Plan Termination

The Company anticipates and believes that the Plan will continue without interruption, but reserves the right to discontinue the Plan at any time. In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. The annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would be payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- b. Other vested benefits insured by Pension Benefit Guaranty Corporation (PBGC), a U.S. governmental agency, up to the applicable limitations as described below.
- c. All other vested benefits, that is, vested benefits not insured by PBGC.
- d. All non-vested benefits.

Certain benefits under the Plan are insured by PBGC if the Plan terminates. Generally, PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit that PBGC guarantees. For Plan terminations occurring in 2012, that ceiling is \$4,653 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination, whichever comes later. For younger annuitants, or for those who elect to receive their benefits in some form other than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

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 level of benefits guaranteed by PBGC.

Note 6. Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at June 30, 2011 and 2010 to the Form 5500:

	2011	2010
Net assets available for benefits per the financial statements	\$ 4,129,394	\$ 3,180,676
Less accrued interest income	(2,520)	(10,974)
Net assets available for benefits per the Form 5500	<u>\$ 4,126,874</u>	<u>\$ 3,169,702</u>

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 6. Reconciliation of the Financial Statements to the Form 5500 (Continued)

The following is a reconciliation of changes in net assets available for benefits for the year ended June 30, 2011 per the financial statements to the Form 5500:

Net increase in net assets available for benefits per the financial statements	\$ 948,718
Plus accrued interest income at June 30, 2010	10,974
Less accrued interest income at June 30, 2011	<u>(2,520)</u>
Net increase in net assets available for benefits per the Form 5500	<u><u>\$ 957,172</u></u>

Note 7. Related-Party Transactions

The Plan paid Estabrook Capital Management, LLC and Thomas Partners, Inc. \$25,185 and \$2,630, respectively, in fees during the year ended June 30, 2011 for investment management services. The Plan's investments were held under safekeeping arrangements with Morgan Stanley and TD Ameritrade for the year ended June 30, 2011. The plan sponsor pays any fees and expenses related to these safekeeping arrangements.

Administrative expenses paid by the Plan include fees for actuarial services. The Plan also incurs expenses related to general administration and record keeping. The plan sponsor pays these expenses and certain accounting and auditing fees relating to the Plan.

Note 8. Tax Status

The Plan has received a favorable determination letter from the Internal Revenue Service dated January 21, 2005, stating that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan is designed and is being operated in a manner that qualifies it under the Internal Revenue Code Section 401(a) and, therefore, is exempt from income taxes under the provisions of the Internal Revenue Code Section 501(a).

Management has evaluated the Plan's tax positions and concluded that the Plan has maintained its tax exempt status and has taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2008.

Oak State Products, Inc. Pension Plan

Notes to Financial Statements

Note 9. Risks and Uncertainties

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

Note 10. Subsequent Events

The Plan Administrator has evaluated subsequent events through January 24, 2012, the date on which the financial statements were available to be issued.

Oak State Products, Inc. Pension Plan

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)
June 30, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Number of shares or principal amount	(d) Cost	(e) Current value
	3M Company	Common Stock	145	\$ 11,836	\$ 13,753
	Abbott Labs	Common Stock	270	13,779	14,207
	Accenture Ltd	Common Stock	225	8,728	13,595
	Altria Group Inc	Common Stock	345	6,547	9,111
	American Express Company	Common Stock	2,300	112,860	118,910
	AT&T Inc	Common Stock	420	10,960	13,192
	Bank of America Corp	Common Stock	3,000	92,701	32,880
	Bayer AG Sponsored ADR	Common Stock	120	8,433	9,667
	BCE Inc	Common Stock	395	12,496	15,520
	Becton Dickinson & Company	Common Stock	1,180	87,041	101,681
	BHP Billiton Ltd	Common Stock	1,000	72,488	94,630
	Broadridge Financial Solutions	Common Stock	530	12,067	12,757
	Canadian Natl Railway Company	Common Stock	205	14,868	16,380
	Cardinal Health Inc	Common Stock	370	12,196	16,805
	Caterpillar Inc	Common Stock	800	30,720	85,168
	Chevron Corp	Common Stock	135	10,351	13,883
	Chubb Corp	Common Stock	2,220	91,615	138,994
	Cincinnati Financial Corp	Common Stock	450	14,841	13,131
	Clorox Company	Common Stock	150	9,521	10,116
	Coca Cola Company	Common Stock	175	9,563	11,776
	Conocophillips	Common Stock	1,000	59,867	75,190
	Consolidated Energy Inc	Common Stock	1,500	55,089	72,720
	Covidien PLC	Common Stock	1,300	66,937	69,199
	Cullen Frost Bankers	Common Stock	205	11,031	11,654
	Deere & Company	Common Stock	95	4,463	7,833
	Diageo PLC Sponsored ADR	Common Stock	185	12,486	15,146
	Du Pont El De Nemours & Co	Common Stock	1,000	38,301	54,050
	Eaton Corp	Common Stock	2,000	41,968	102,900
	El Paso Corporation	Common Stock	2,000	38,534	40,400
	EMC Corp Mass	Common Stock	3,000	42,411	82,650
	Emerson Electric Company	Common Stock	1,730	84,728	97,313
	Enbridge Energy Management	Common Stock	418	10,279	12,916
	Exxon Mobil	Common Stock	165	11,532	13,428
	Factset Research Systems Inc	Common Stock	600	65,742	61,392
	FedEx Corp	Common Stock	1,000	89,271	94,850
	General Dynamics Corp	Common Stock	205	13,265	15,277
	Genuine Parts Company	Common Stock	270	11,571	14,688
	Hewlett Packard	Common Stock	1,500	74,364	54,600
	Honeywell International Inc	Common Stock	1,500	37,822	89,385
	Illinois Tool Works Inc	Common Stock	240	10,863	13,558
	Intel Corp	Common Stock	735	13,990	16,288
	International Business Machines Corp	Common Stock	685	84,747	117,512
	Johnson & Johnson	Common Stock	1,745	40,200	116,077
	Kimberly Clark Corp	Common Stock	160	9,979	10,650
	Kinder Morgan Management	Common Stock	203	10,116	13,315
	McDonalds Corp	Common Stock	170	11,638	14,334
	Metcash Ltd	Common Stock	1,050	4,568	4,515
	Microsoft Corp	Common Stock	575	15,173	14,950

(Continued)

Oak State Products, Inc. Pension Plan

Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) - (Continued)
June 30, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(c) Number of shares or principal amount	(d) Cost	(e) Current value
	Norfolk Southern Corp	Common Stock	1,300	\$ 73,432	\$ 97,409
	Northern Trust Corp	Common Stock	275	14,110	12,639
	Novartis AG ADR	Common Stock	220	11,757	13,444
	NSTAR	Common Stock	205	6,740	9,426
	Oracle Corp	Common Stock	2,000	62,750	65,820
	Overseas Shipholding Group	Common Stock	1,500	73,938	40,410
	Parker Hannifin Corp	Common Stock	135	10,188	12,115
	Philip Morris International	Common Stock	230	11,626	15,357
	Philips Electronics	Common Stock	345	11,059	8,860
	Potash Corp of Saskatchewan Inc	Common Stock	1,200	65,293	68,388
	PPG Industries Inc	Common Stock	130	10,047	11,803
	Proctor & Gamble	Common Stock	1,235	71,429	78,509
	Qualcomm Inc	Common Stock	1,000	39,070	56,790
	Raytheon Co	Common Stock	220	10,101	10,967
	Royal Dutch Shell PLC CL B	Common Stock	900	70,759	64,575
	Schlumberger Ltd	Common Stock	900	75,578	77,760
	Siemens A.G.	Common Stock	80	10,440	11,002
	Southern Company	Common Stock	300	10,597	12,114
	Spectra Energy Corp Com	Common Stock	2,500	61,360	68,525
	Telephonica De Espana SA	Common Stock	525	13,189	12,857
	Texas Instruments	Common Stock	2,500	65,833	82,074
	Total SA	Common Stock	185	10,585	10,700
	Transcanada Corp	Common Stock	1,700	64,547	74,528
	United Parcel Service	Common Stock	175	10,627	12,763
	United Tech Corp	Common Stock	145	9,766	12,834
	V F Corp	Common Stock	140	10,505	15,198
	Verizon Communications	Common Stock	2,270	85,988	84,512
	Walgreen Company	Common Stock	315	10,188	13,375
	Waste Management Inc	Common Stock	350	11,713	13,045
	Wells Fargo Company	Common Stock	500	15,193	14,030
				<u>2,622,954</u>	<u>3,144,775</u>
	Alps ETF TR Alerian MLP	Exchange Traded Fund	940	15,237	15,078
	JP Morgan Chase & Company Alerian Index	Exchange Traded Fund	430	12,697	15,966
	Tortoise Energy ETF	Exchange Traded Fund	315	9,244	11,973
	Wisdomtree Emerg Mkts Equity Income	Exchange Traded Fund	205	12,020	12,501
				<u>49,198</u>	<u>55,518</u>
	United States Government	Treasury note, 5.00% interest rate, maturity date of August 15, 2011	200,000	200,284	204,963
	United States Government	Treasury note, 4.00% interest rate, maturity date of November 15, 2012	150,000	150,183	158,285
	United States Government	Treasury note, 4.25% interest rate, maturity date of November 15, 2013	90,000	88,509	98,178
	United States Government	Treasury note, 4.00% interest rate, maturity date of February 15, 2014	100,000	103,867	110,117
	United States Government	Treasury note, 4.25% interest rate, maturity date of August 15, 2015	100,000	105,146	113,217
				<u>647,989</u>	<u>684,760</u>
	Morgan Stanley Smith Barney	Interest-bearing Cash	103,970	103,970	103,970
	TD Ameritrade	Interest-bearing Cash	16,063	16,063	16,063
				<u>120,033</u>	<u>120,033</u>
	Total Investments			<u>\$ 3,440,174</u>	<u>\$ 4,005,086</u>

Schedule SB, Part V – Summary of Plan Provisions

This summary of plan provisions as of July 1, 2010, has been prepared for valuation purposes only. It outlines the major plan provisions used to perform the actuarial valuation.

Summary of Plan Provisions	
Plan effective date:	July 1, 1965.
Last plan amendment:	Plan entry was frozen effective January 29, 2004. In addition, effective June 30, 2005 all future benefit accruals under the plan were frozen.
Plan year anniversary date:	July 1.
Employees covered:	All persons employed by Oak State Products, Inc.
Eligibility requirements:	Age 21 and one (1) year period of service.
Plan entry date:	First day of the month following completion of the eligibility requirements.
Periods of service:	The aggregate of all periods commencing with the Employee's first day of employment or reemployment with the Employer and ending on the date a 1-Year Break in service begins. An Employee will also receive credit for any Period of Severance of less than twelve (12) consecutive months. Periods of Service are computed on the basis of whole years.
Vesting service:	The number of whole year Periods of Service.
Normal retirement date:	First day of the month coinciding with or next following the later of the participant's 65 th birthday or 5 th anniversary of plan participation.
Late retirement date:	First day of any month following age 65.
Early retirement date:	First day of any month (prior to normal retirement date) coinciding with or next following the date on which a participant or former participant attains his 60 th birthday. If still employed, a participant shall become fully vested upon satisfying the requirements for Early Retirement.

Schedule SB, Part V – Summary of Plan Provisions (continued)

Summary of Plan Provisions (continued)	
Average monthly compensation:	The participant's average monthly compensation for the five highest consecutive plan years out of the last ten completed years of participation preceding retirement, termination or the plan freeze.
Covered compensation:	With respect to a given participant, the average of the taxable wage bases for the 35 calendar years ending with the year when Social Security retirement age is attained. In determining current covered compensation, the taxable wage base in effect at the beginning of the plan year containing the plan freeze date remains the same for all future years.
Normal retirement benefit:	<p>A monthly benefit, commencing at normal retirement age equal to the sum of (i) and (ii) below, computed to the nearest dollar:</p> <ul style="list-style-type: none"> (i) 1.67% of average monthly compensation multiplied by the Participant's total number of Periods of Service (up to a maximum of 25 periods) (ii) .585% of average monthly compensation in excess of 1/12 of Covered Compensation multiplied by the Participant's total number of Periods of Service (up to a maximum of 25 periods)
Early retirement benefit:	Monthly benefit determined above, actuarially reduced for early commencement.
Deferred retirement:	Greater of the actuarial equivalent of the prior year's retirement benefit or the amount determined as of the participant's late retirement date.
Disability benefit:	If a participant is Totally and Permanently Disabled for a period of 6 consecutive months, then the participant is entitled to receive the Actuarial Equivalent of his Accrued Benefit. The benefit shall commence as though the participant retired. The benefit is computed as of the July 1st subsequent to termination of employment. If a terminated participant becomes Totally and Permanently Disabled subsequent to termination, then the participant is entitled to receive the Actuarial Equivalent of his Accrued Benefit as if he retired.

Schedule SB, Part V – Summary of Plan Provisions (continued)

Summary of Plan Provisions (continued)		
Disability benefit (continued):	Total and Permanent Disability results when a participant is incapable of continuing any gainful occupation and is considered disabled under Social Security.	
Normal form of benefit:	10-Year Certain and Life annuity. For participants who are legally married for one year prior to retirement, the normal form of benefit will be a joint and 50% to joint annuitant form unless the participant and the spouse elect otherwise. This is the actuarial equivalent of the normal form.	
Accrued benefit:	A monthly benefit, commencing at normal retirement age multiplied by a fraction, not greater than (1), the numerator of which is the Participant's Periods of Service as of the determination date and the denominator of which is the aggregate Periods of Service the Participant would have accumulated if he continued in employment until his Normal Retirement Date.	
Vesting:	<u>Periods of Service</u>	<u>Vesting Percentage</u>
	Less than 2	0%
	2	20%
	3	40%
	4	60%
	5	80%
	6	100%
Pre retirement death benefit:	For vested participants who are legally married for at least one year at the time of death, the surviving spouse would be eligible for the 50% joint annuitant benefit determined at the date of death. This benefit is equal to 50% of the early retirement benefit actuarially adjusted to joint and survivor form of payment. The benefit would commence at the participant's earliest retirement date.	
Actuarial equivalence:	Pre-retirement: Mortality – None, Interest – 7.5% Post-retirement: Mortality – UP 84, Interest – 7.5%	

Schedule SB, Part V – Summary of Plan Provisions (continued)

Summary of any changes in principal eligibility or benefit provisions since the last valuation:

There were no changes since the last valuation.

Description of any significant events:

To the best of our knowledge, there were no significant events that occurred during the year.

Benefits not included in the valuation:

To the best of our knowledge, no benefits that materially affected liability were excluded from the valuation.

Statement of changes in assumptions and/or methods and justifications for such changes:

The mortality table and interest rate were updated as required by PPA. All other assumptions are identical to the assumptions used in the prior valuation.

Schedule SB, Line 22 – Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The average retirement age is 65, which is developed below.

(A)	(B)	(C)	(D)	(E)
Retirement Age	Number of Remaining Lives	Rate of Retirement	Number Expected to Retire: (B) x (C)	(A) x (D)
60	30,000	5%	1,500	90,000
61	28,500	2%	570	34,770
62	27,930	5%	1,397	86,614
63	26,533	2%	531	33,453
64	26,002	2%	520	33,280
65	25,482	100%	25,482	1,656,330
Total			30,000	1,934,447
Average				64.5

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	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 07/01/2010 and ending 06/30/2011

► **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 Oak State Products, Inc. Pension Plan	B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Oak State Products, Inc.	D Employer Identification Number (EIN) <u>36-2341822</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>7</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value.....	2a		3,169,222
b Actuarial value.....	2b		3,169,222
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	1	433,571
b For terminated vested participants.....	3b	81	732,797
c For active participants:			
(1) Non-vested benefits.....	3c(1)		0
(2) Vested benefits.....	3c(2)		3,678,285
(3) Total active.....	3c(3)	125	3,678,285
d Total.....	3d	207	4,844,653
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	6.49 %	
6 Target normal cost.....	6	32,000	

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	 Signature of actuary	<u>January 26, 2012</u> Date 11-07459 Most recent enrollment number (312) 488-6758 Telephone number (including area code)
Karl K. Oman Type or print name of actuary Verisight, Inc. Firm name 135 South LaSalle Street Suite 2225 Chicago IL 60603 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	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of <u>9.73 %</u>		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of <u>6.66 %</u>		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages			
14	Funding target attainment percentage	14	65.41 %
15	Adjusted funding target attainment percentage	15	68.82 %
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	64.35 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	65.41 %

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
10/19/2010	68,843				
01/19/2011	68,843				
04/13/2011	68,843				
07/13/2011	68,843				
12/05/2011	53,389				
			Totals ▶	18(b)	328,761
				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	312,816

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: 4.05 %	2nd segment: 6.47 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
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	32,000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	1,481,645	280,816
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	312,816
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	312,816
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c).....	37	312,816
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210-0110
1210-0089**2010****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2010 or fiscal plan year beginning 07/01/2010 and ending 06/30/2011**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 Oak State Products, Inc. Pension Plan**1b** Three-digit plan number (PN) ▶ 001**1c** Effective date of plan 07/01/1965**2a** Plan sponsor's name and address (employer, if for a single-employer plan)(Address should include room or suite no.)
Oak State Products, Inc.**2b** Employer Identification Number (EIN)
36-2341822**2c** Sponsor's telephone number
(815) 853-4348P.O. Box 549, Highway 251**2d** Business code (see instructions)
311800WenonaIL 61377**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		<u>1/27/12</u>	PATRICK DONNELLY
	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