

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
---	--	--

Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>09/01/2010</u> and ending <u>08/31/2011</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>THE OHIO ART COMPANY RETIREMENT INCOME 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>09/01/1953</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>09/01/1953</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>09/01/1953</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>THE OHIO ART COMPANY</u> <u>PO BOX 111</u> <u>BRYAN, OH 43506-0111</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>34-4319140</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>419-636-3141</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>423920</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-4319140</u>	2c Sponsor's telephone number <u>419-636-3141</u>	2d Business code (see instructions) <u>423920</u>	
2b Employer Identification Number (EIN) <u>34-4319140</u>					
2c Sponsor's telephone number <u>419-636-3141</u>					
2d Business code (see instructions) <u>423920</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.	06/12/2012	DAVID WHITE
	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") THE OHIO ART COMPANY PO BOX 111 BRYAN, OH 43506-0111	3b Administrator's EIN 34-4319140 3c Administrator's telephone number 419-636-3141
---	---

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
---	-----------------------------------

5 Total number of participants at the beginning of the plan year	5	383
---	----------	-----

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	73
b Retired or separated participants receiving benefits.....	6b	128
c Other retired or separated participants entitled to future benefits.....	6c	162
d Subtotal. Add lines 6a , 6b , and 6c	6d	363
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	15
f Total. Add lines 6d and 6e	6f	378
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	4

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
--	----------	--

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

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

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

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

a Pension Schedules

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

b General Schedules

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

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

For calendar plan year 2010 or fiscal plan year beginning 09/01/2010 and ending 08/31/2011

▶ **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 <u>THE OHIO ART COMPANY RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>THE OHIO ART COMPANY</u>	D Employer Identification Number (EIN) <u>34-4319140</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>09</u> Day <u>01</u> Year <u>2010</u>	
2 Assets:	
a Market value	2a <u>5570320</u>
b Actuarial value	2b <u>5663372</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>132</u> <u>3304324</u>
b For terminated vested participants	3b <u>173</u> <u>1711448</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>91594</u>
(2) Vested benefits	3c(2) <u>1637559</u>
(3) Total active	3c(3) <u>82</u> <u>1729153</u>
d Total	3d <u>387</u> <u>6744925</u>
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.25</u> %
6 Target normal cost	6 <u>62451</u>

Statement by Enrolled Actuary

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

SIGN HERE	<u>06/06/2012</u>
Signature of actuary <u>CHARLES D. MUNSELL, III, EA, MSPA</u>	Date <u>11-04745</u>
Type or print name of actuary <u>NYHART</u>	Most recent enrollment number <u>317-845-3570</u>
Firm name <u>8415 ALLISON POINTE BOULEVARD</u> <u>SUITE 300</u> <u>INDIANAPOLIS, IN 46250-4159</u>	Telephone number (including area code)
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>10.51</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>7.02</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	83.96 %
15 Adjusted funding target attainment percentage.....	15	83.96 %
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	93.30 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV	Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:						
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	
09/09/2010	0	212	02/09/2011	0	167	
10/18/2010	0	210	03/07/2011	0	190	
12/02/2010	0	257	03/24/2011	33747	0	
12/07/2010	0	369	04/20/2011	0	200	
12/13/2010	33747	0	05/16/2011	0	265	
02/07/2011	0	216	06/08/2011	0	210	
Totals ▶			18(b)	282139	18(c)	2603

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 262490
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 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)		
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)		
9 Amount remaining (Item 7 minus item 8).....		
10 Interest on item 9 using prior year's actual return of _____%		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		
b Interest on (a) using prior year's effective rate of _____%		
c Total available at beginning of current plan year to add to prefunding balance		
d Portion of (c) to be added to prefunding balance.....		
12 Reduction in balances due to elections or deemed elections.....		
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....		

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

Part IV	Contributions and liquidity shortfalls				
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
06/09/2011	33747	0			
07/20/2011	0	212			
09/01/2011	0	95			
09/08/2011	33747	0			
05/11/2012	147151	0			
Totals ▶			18(b)		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
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c
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

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

21 Discount rate:				
a Segment rates:	1st segment: 3.78 %	2nd segment: 6.31 %	3rd segment: 6.57 %	☐ 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	62451
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	1081553	199951
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	262402
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	262402
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	262490
38 Interest-adjusted excess contributions for current year (see instructions).....	38	88
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.
For calendar plan year 2010 or fiscal plan year beginning 09/01/2010 and ending 08/31/2011		
A Name of plan THE OHIO ART COMPANY RETIREMENT INCOME PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE OHIO ART COMPANY	D Employer Identification Number (EIN) 34-4319140	

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
THE VANGUARD GROUP, INC.
23-1945930

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

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

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

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

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

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

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

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

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

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

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

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

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

VANGUARD FIDUCIARY TRUST COMPANY

16-1539354

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 27 50	NONE	19011	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 ☐

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

For calendar plan year 2010 or fiscal plan year beginning 09/01/2010 and ending 08/31/2011		
A Name of plan THE OHIO ART COMPANY RETIREMENT INCOME PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE OHIO ART COMPANY	D Employer Identification Number (EIN) 34-4319140	

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)	27161	180898
(2) Participant contributions	1b(2)	397	95
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	43768
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(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)	5543230	5907137
(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	5570788	6131898

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	5570788	6131898
---	-----------	---------	---------

Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	282139	
(B) Participants	2a(1)(B)	2206	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		284345
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	205073	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		205073
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		455685
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		945103

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	364982	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		364982
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	19011	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		19011
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		383993

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		561110
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: **BADEN, GAGE & SCHROEDER, LLC**

(2) EIN: **35-1939627**

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.).....	☒	☐	185
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.).....	☐	☒	
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.)	☐	☒	
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.).....	☐	☒	
e Was this plan covered by a fidelity bond?.....	☒	☐	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?	☐	☒	
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?	☐	☒	
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?	☐	☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	☒	☐	
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.).....	☒	☐	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	☐	☒	
l Has the plan failed to provide any benefit when due under the plan?	☐	☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	☐	☐	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	☐	☐	

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

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

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

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

For calendar plan year 2010 or fiscal plan year beginning 09/01/2010 and ending 08/31/2011

A Name of plan <u>THE OHIO ART COMPANY RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE OHIO ART COMPANY</u>	D Employer Identification Number (EIN) <u>34-4319140</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>34-1907064</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>0</u>

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

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

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

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

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): _____

Financial Statements

**The Ohio Art Company Retirement
Income Plan**

August 31, 2011

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Financial Statements with Supplemental Schedules
August 31, 2011 and 2010

INDEX

	PAGE
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	2
Statements of Changes in Net Assets Available for Benefits	3
Statements of Accumulated Plan Benefits	4
Statements of Changes in Actuarial Present Value of Accumulated Plan Benefits	5
Notes to Financial Statements	6 - 13
SUPPLEMENTAL SCHEDULES	
Schedule of Assets (Held at End of Year)	14
Schedule of Reportable Transactions	15

Independent Auditors' Report

Plan Administrator
The Ohio Art Company Retirement Income Plan
Bryan, Ohio

We were engaged to audit the financial statements and schedules of The Ohio Art Company Retirement Income Plan as of August 31, 2011 and 2010 and for the years then ended, as listed in the index. These financial statements and schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended August 31, 2011 and 2010, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Baden, Gage & Schroeder, LLC

BADEN, GAGE & SCHROEDER, LLC

Fort Wayne, Indiana
June 8, 2012

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Statements of Net Assets Available for Benefits **August 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Investments - at fair market value:		
Money market fund	\$ 43,768	\$ 27,154
Mutual funds - equity	2,776,564	2,633,071
Mutual funds - bonds	<u>3,130,573</u>	<u>2,883,005</u>
Total Investments	5,950,905	5,543,230
Receivables:		
Employer contribution	180,898	27,161
Employee contribution	<u>95</u>	<u>397</u>
Total Receivables	<u>180,993</u>	<u>27,558</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 6,131,898</u>	<u>\$ 5,570,788</u>

See Notes to Financial Statements.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Statements of Changes in Net Assets Available for Benefits **Years Ended August 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
CONTRIBUTIONS		
Employer	\$ 282,139	\$ 140,825
Employee	<u>2,206</u>	<u>2,777</u>
Total Contributions	284,345	143,602
INVESTMENT INCOME		
Interest and dividends	205,073	159,618
Net realized and unrealized appreciation in fair value of investments	<u>455,685</u>	<u>371,115</u>
Total Investment Income	<u>660,758</u>	<u>530,733</u>
TOTAL ADDITIONS	945,103	674,335
DEDUCTIONS		
Benefit payments	(364,982)	(348,140)
Administrative expenses	<u>(19,011)</u>	<u>(17,673)</u>
TOTAL DEDUCTIONS	<u>(383,993)</u>	<u>(365,813)</u>
NET INCREASE	561,110	308,522
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>5,570,788</u>	<u>5,262,266</u>
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	<u>\$ 6,131,898</u>	<u>\$ 5,570,788</u>

See Notes to Financial Statements.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Statements of Accumulated Plan Benefits **August 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS		
Vested Benefits		
Participants and beneficiaries currently receiving benefits	\$ 3,249,042	\$ 2,977,219
Other participants	<u>2,763,958</u>	<u>2,875,521</u>
	6,013,000	5,852,740
Nonvested benefits	<u>83,262</u>	<u>77,371</u>
TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS	<u>\$ 6,096,262</u>	<u>\$ 5,930,111</u>

See Notes to Financial Statements.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Statements of Changes in Actuarial Present Value of Accumulated Plan Benefits Years Ended August 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS, BEGINNING OF YEAR	\$ 5,930,111	\$ 5,898,697
INCREASE (DECREASE) IN PLAN BENEFITS		
Benefits accumulated	101,202	(59,452)
Increase for interest due to the decrease in the discount period	429,931	429,583
Benefit payments to participants	(364,982)	(348,140)
Increase for changes in actuarial assumptions	<u>-</u>	<u>9,423</u>
NET INCREASE	<u>166,151</u>	<u>31,414</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS, END OF YEAR	<u>\$ 6,096,262</u>	<u>\$ 5,930,111</u>

See Notes to Financial Statements.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Notes to Financial Statements **August 31, 2011 and 2010**

Note 1. Description of Plan

The following brief description of The Ohio Art Company Retirement Income Plan (the "Plan") is intended to give a general summary of its principal provisions. Participants should refer to the Plan Agreement for more complete information.

The Plan is a defined benefit pension plan covering all eligible employees of The Ohio Art Company (the "Company") and former employees of Strydel, Incorporated. Effective December 31, 2007, the Plan was amended to freeze participation and benefit accruals for non-union employees. Effective June 30, 2011, the Plan was amended to freeze participation and benefit accruals for union employees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974.

Pension Benefits

Employees with five or more years of credited service are entitled to pension benefits beginning at the normal retirement age of 65. Monthly pension benefits are determined based on a participant's number of years and completed months of benefit service immediately preceding retirement, not to exceed 30 years, multiplied by amounts varying from \$20 to \$9.75 for years and months of service for various periods as specified in the Plan Agreement. The Plan permits early retirement at age 55 with 10 years of credited service. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees are terminated before rendering five years of service, they forfeit the right to receive any portion of their accumulated plan benefits. Employees whose employment is terminated for a reason other than normal retirement or death, but who have five years of credited service, will be entitled to receive a monthly deferred benefit for life commencing at their normal retirement date.

Note 2. Significant Accounting Policies

Basis of Financial Statements

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Estimates

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

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Notes to Financial Statements (Continued)
August 31, 2011 and 2010

Note 2. Significant Accounting Policies (Continued)

Investment Valuation and Income Recognition

The Plan's investments are stated 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 8 for discussion of fair value measurements. Interest income is accrued as earned. Dividend income is accrued on the ex-dividend date. Purchases and sales of securities are recorded as of the trade date. All investments of the Plan are non-participant-directed.

The Plan presents in the statement of changes in net assets available for benefits the net appreciation of the fair market value of its investments, which consists of the unrealized appreciation (depreciation) of investments held during the year and the realized gain or loss on investments sold during the year.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. 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.

The actuarial present value of accumulated plan benefits is determined by an actuary from the Findley Davies Company 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.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Notes to Financial Statements (Continued)
August 31, 2011 and 2010

Note 2. Significant Accounting Policies (Continued)

Actuarial Present Value of Accumulated Plan Benefits (Continued)

The principal methods and assumptions used by the Plan's actuary are summarized below:

	<u>August 31, 2011</u>	<u>August 31, 2010</u>
Interest rates:		
Discount rate	7.5%	7.5%
Mortality	RP-2000 Static Tables	IRS 2010 Mortality Tables
Average retirement age	65	65
Form of benefit - single	Life only annuity	Life only annuity
Form of benefit - married	Joint and survivor annuity	Joint and survivor annuity
Asset valuation	Market value	Market value

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.

Risks and Uncertainties

Contributions to the Plan and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, the effect of such changes could be material to the financial statements.

The Plan provides for investment in various securities that 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 could materially affect the amounts reported in the statement of net assets available for plan benefits.

Subsequent Events

The plan administrator has evaluated events and transactions for possible recognition or disclosure through June 8, 2012, the date the financial statements were available to be issued.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Notes to Financial Statements (Continued) **August 31, 2011 and 2010**

Note 3. Funding Policy

Participant contributions are withheld from earnings at a rate of four cents per hour worked up to 40 hours a week. Participants' accumulated contributions and interest at August 31, 2011 and 2010 approximated \$465,000 and \$478,500, respectively, including interest credit on an interest rate of 2.33% and 3.45%, respectively. There were no accumulated employee contributions payable due to terminated participants at August 31, 2011 and 2010. The Company makes annual contributions to the Plan in an amount equal to or greater than the minimum amount required to meet the minimum funding standards of ERISA. Contributions from the Company are determined prospectively through actuarial valuations as of the beginning of the plan year. As of August 31, 2011 and 2010, the Plan has met the minimum funding requirements of ERISA.

Note 4. Plan Termination

While the Company has not expressed any intent to terminate the Plan or to discontinue contributions, it may do so at any time, subject to the provisions set forth in ERISA. Should the Plan be terminated at some future time, all participants would become fully vested in benefits earned as of the termination date.

Pursuant to ERISA requirements, if a termination is the result of the bankruptcy or near-bankruptcy of the Plan's sponsor and the Plan's assets are not adequate to pay all benefits vested prior to the termination, the Pension Benefit Guaranty Corporation (PBGC) will take over the Plan and will pay those benefits which it guarantees. In this case, some participants may receive a smaller benefit than if the Plan had continued. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits (as described in the Plan) and the level of benefits guaranteed by the PBGC at that time.

If the Plan is terminated for any reason other than the bankruptcy or near-bankruptcy of the Plan's sponsor and the Plan has insufficient assets, the sponsor will be required to pay to the Plan an amount which together with plan assets will satisfy all benefits accumulated to the date of the plan termination.

Note 5. Information Certified by the Trustee

During 2011 and 2010, the trustee of the Plan (Vanguard Fiduciary Trust Company) held investment assets and executed transactions therein, and all information pertaining to investments included in the financial statements has been certified as complete and accurate by the trustee. This information has not been audited by independent accountants. The related financial information included in the financial statements and supplemental schedules is based solely on information provided by the trustee.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Notes to Financial Statements (Continued)

August 31, 2011 and 2010

Note 6. Significant Investments

The market value of investments that represent 5% or more of the Plan's net assets are summarized below:

As of August 31, 2011:

Growth and Income Fund Investor	\$	787,262
Total Stock Market Index Fund Investor		978,796
Total International Stock Index Fund		819,995
Long-Term Bond Index Fund		3,130,573

As of August 31, 2010:

Growth and Income Fund Investor	\$	723,677
Total Stock Market Index Fund Investor		912,921
Total International Stock Index Fund		817,250
Total Bond Market Index Fund Investor		1,130,746
Long-Term Bond Index Fund		1,752,259

Note 7. Net Realized and Unrealized Gains and Losses

The net appreciation (depreciation) in the fair value of the Plan's investments (including investments bought, sold, and held) during the years ended August 31, 2011 and 2010 were as follows:

	<u>2011</u>	<u>2010</u>
Mutual funds - equity	\$ 416,448	\$ 92,605
Mutual funds - bonds	<u>39,238</u>	<u>278,510</u>
	<u>\$ 455,686</u>	<u>\$ 371,115</u>

Note 8. Fair Value Measurements

The Plan utilizes the Fair Value Measurements 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 OHIO ART COMPANY RETIREMENT INCOME PLAN

Notes to Financial Statements (Continued)

August 31, 2011 and 2010

Note 8. Fair Value Measurements (Continued)

The three levels of the fair value hierarchy are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
Level 2	Inputs to the valuation methodology include: • quoted prices for similar assets or liabilities in active markets; • quoted prices for identical or similar assets or liabilities in inactive markets; • inputs other than quoted prices that are observable for the asset or liability; • inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at August 31, 2011 and 2010.

Money market account and mutual 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, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Notes to Financial Statements (Continued)

August 31, 2011 and 2010

Note 8. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets measured at fair value on a recurring basis as of August 31, 2011 and 2010.

	Assets at Fair Value as of August 31, 2011			
	Level 1	Level 2	Level 3	Total
Money Market Fund	\$ 43,768	\$ -	\$ -	\$ 43,768
Mutual funds				
Long term bond	3,130,573	-	-	3,130,573
Mid-cap blend	190,511	-	-	190,511
Large-cap blend	1,766,058	-	-	1,766,058
Foreign large-cap blend	819,995	-	-	819,995
Total mutual funds	<u>5,907,137</u>	<u>-</u>	<u>-</u>	<u>5,907,137</u>
Total assets at fair value	<u>\$ 5,950,905</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,950,905</u>

	Assets at Fair Value as of August 31, 2010			
	Level 1	Level 2	Level 3	Total
Money Market Fund	\$ 27,154	\$ -	\$ -	\$ 27,154
Mutual funds				
Intermediate term bond	1,130,746	-	-	1,130,746
Long term bond	1,752,259	-	-	1,752,259
Mid-cap blend	179,223	-	-	179,223
Large-cap blend	1,636,598	-	-	1,636,598
Foreign large-cap blend	817,250	-	-	817,250
Total mutual funds	<u>5,516,076</u>	<u>-</u>	<u>-</u>	<u>5,516,076</u>
Total assets at fair value	<u>\$ 5,543,230</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,543,230</u>

Note 9. Income Tax Status

The Plan has received a favorable determination letter from the Internal Revenue Service, dated March 26, 2003, relating to the amendments adopted by the Plan effective prior to the date thereof. The Plan has subsequently been amended. In the opinion of the plan administrator, the Plan and its underlying trust have operated within the terms of the Plan and should remain qualified under the applicable provisions of the Internal Revenue Code.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Notes to Financial Statements (Continued)

August 31, 2011 and 2010

Note 9. Income Tax Status (Continued)

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of August 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

Note 10. Transactions with Parties in Interest

The Company provides certain accounting, recordkeeping, and administrative services for the Plan for which it receives no compensation. Administrative expenses for legal, accounting, and other services are rendered by parties-in-interest and are paid by the Company.

Note 11. Plan Sponsor Uncertainty - Sponsor Going Concern

The financial statements for the year ended August 31, 2011, have been prepared assuming that the Plan and the Plan Sponsor will continue as a going concern. The Plan Sponsor has suffered recurring losses from operations and reductions in equity over the past few years. The extent of losses raises substantial doubt as to the going concern of the Plan Sponsor. The Plan Sponsor has met all obligations of the Plan through August 31, 2011. Management of the Plan Sponsor has no intent to terminate the Plan and plans to make all required contributions. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Plan 001, EIN: 34-4319140

Schedule of Assets (Held at End of Year)

Schedule H, Part IV, Line 41

August 31, 2011

(a)	(b) Identity	(c) Description of Investment	(d) Cost	(e) Current Value
☒	Money Market Fund Vanguard Fiduciary Trust Company	Prime Money Market Fund	\$ 43,768	\$ 43,768
☒	Mutual Funds - Equity - Domestic: Vanguard Fiduciary Trust Company	Growth and Income Fund Investor	672,984	787,262
☒	Vanguard Fiduciary Trust Company	Strategic Equity Fund	154,501	190,511
☒	Vanguard Fiduciary Trust Company	Total Stock Market Index Fund Investor	<u>838,132</u>	<u>978,796</u>
	Total Mutual Funds - Equity - Domestic		1,665,617	1,956,569
☒	Mutual Funds - Equity - International: Vanguard Fiduciary Trust Company	Total International Stock Index Fund	<u>755,506</u>	<u>819,995</u>
	Total Mutual Funds Equity		2,421,123	2,776,564
☒	Mutual Funds - Bonds: Vanguard Fiduciary Trust Company	Long-Term Bond Index Fund	<u>3,072,382</u>	<u>3,130,573</u>
	Total Investments		<u>\$ 5,537,273</u>	<u>\$ 5,950,905</u>

☒ Party in interest

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Plan 001, EIN: 34-4319140

Schedule of Reportable Transactions

Schedule H, Line 4j

Year Ended August 31, 2011

(a) Identity of Party Involved	(b) Description of Securities	Number of Transactions	(c) Transactions Aggregate Purchase Price	(d) Transactions Aggregate Sale Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Vanguard Fiduciary Trust Company	Vanguard Total Bond Market Index Fund						
	Sales	6	\$ -	\$ 1,134,081	\$ 1,071,076	\$ 1,134,081	\$ 63,005
	Purchases	5	11,910	-	11,910	11,910	-
Vanguard Fiduciary Trust Company	Vanguard Long-Term Bond Index Fund						
	Sales	5	-	65,766	61,927	65,766	3,839
	Purchases	16	1,242,169	-	1,242,169	1,242,169	-
Vanguard Fiduciary Trust Company	Vanguard Prime Money Market						
	Sales	17	-	368,531	368,531	368,531	-
	Purchases	13	385,145	-	385,145	385,145	-

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 8059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form Is Open to Public Inspection
---	--	--

For calendar plan year 2010 or fiscal plan year beginning 09/01/2010 and ending 08/31/2011

▶ 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 The Ohio Art Company Retirement Income Plan	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF The Ohio Art Company	D Employer Identification Number (EIN) 34-4319140	
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>09</u> Day <u>01</u> Year <u>2010</u>			
2 Assets:			
a Market value.....	2a		5570320
b Actuarial value.....	2b		5663372
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	132	3304324
b For terminated vested participants	3b	173	1711448
c For active participants:			
(1) Non-vested benefits	3c(1)		91594
(2) Vested benefits	3c(2)		1637559
(3) Total active	3c(3)	82	1729153
d Total	3d	387	6744925
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		6.25%
6 Target normal cost	6		62451

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 Charles D. Munsell, III, EA, MSPA Type or print name of actuary Nyhart Firm name 8415 Allison Pointe Boulevard Suite 300 Indianapolis IN 46250-4159 Address of the firm	06/06/2012 Date 1104745 Most recent enrollment number 317-845-3570 Telephone number (including area code)
------------------	--	--

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 (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of 10.51%	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38 from prior year)		0
b Interest on (a) using prior year's effective rate of 7.02% except as otherwise provided (see instructions)		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 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	0

Part III Funding percentages

14 Funding target attainment percentage	14	83.96%
15 Adjusted funding target attainment percentage	15	83.96%
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	93.30%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/09/2010	0	212	09/01/2011	0	95
10/18/2010	0	210	09/08/2011	33747	0
12/02/2010	0	257	05/11/2012	147151	0
12/07/2010	0	369			
12/13/2010	33747	0			
02/07/2011	0	216			
02/09/2011	0	167			
03/07/2011	0	190			
03/24/2011	33747	0			
04/20/2011	0	200			
05/16/2011	0	265			
06/08/2011	0	210			
06/09/2011	33747	0			
07/20/2011	0	212			
Totals			18(b)	282139	18(c) 2603

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 contributions 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	262490

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	0

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

21 Discount rate:				
a Segment rates:	1st segment: 3.78%	2nd segment: 6.31%	3rd segment: 6.57%	☐ 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	62451
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	1081553	199951
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	262402
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (Item 34 minus Item 35)	36	262402
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	262490
38 Interest-adjusted excess contributions for current year (see instructions)	38	88
39 Unpaid minimum required contribution for current year (excess, if any, of Item 36 over Item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE SB -- STATEMENT BY ENROLLED ACTUARY

The Ohio Art Company
The Ohio Art Company Retirement Income Plan
Plan Year Ending August 31, 2011

EIN: 34-4319140
Plan No.: 001

To the best of our knowledge the information supplied in the attached Schedule SB is complete and accurate. In our opinion, the assumptions are reasonably related to the experience of the plan and to reasonable expectations, and in combination represent our best estimate of anticipated experience under the plan.

The information on which this Schedule SB is based has been reconciled and reviewed for reasonableness and we are not aware of any material inadequacy in employee census or asset values which have been furnished by the employer and the trustee, respectively. Our review was not performed at the source, and we therefore do not accept responsibility for the accuracy or completeness of the data.

Since the last valuation there have been changes in principal eligibility or benefit provisions. Specifically, all benefit accruals were frozen as of July 1, 2011.

The actuarial assumptions used to measure the plan's liabilities have been changed from those used last year. Specifically, the funding interest rate has been changed to use the IRC 430(h) funding segment rates with 0 month setback. This change does not require IRS approval.

To the best of our knowledge, no event has occurred after the last valuation date which will have a significant impact on the results the next valuation.

Nyhart



Charles D. Munsell, III, EA, MSPA
Enrolled Actuary No. 11-04745

May 31, 2012

Schedule SB, line 19 - Discounted Employer Contributions

Effective Interest Rate 6.25%				Late Quarterly Interest Rate 11.25%	
Contribution Year	Contribution Date Mo Day		Quarterly Due Dates	Contribution	Discounted Contribution
2010	12	13	12/15/2010	\$33,747	\$33,175
2011	3	24	03/15/2011	\$33,747	\$32,586
2011	6	9	06/15/2011	\$33,747	\$32,208
2011	9	8	09/15/2011	\$33,747	\$31,725
2012	5	11	N/A	<u>\$147,151</u>	<u>\$132,796</u>
				\$282,139	\$262,490

Name of Plan: The Ohio Art Company Retirement Income Plan
Plan Sponsor's EIN: 34-4319140
Plan Number: 001

Retirement Rates

<u>Age</u>	<u>Rate</u>
65	100%

Mortality Rates

Healthy	IRS 2010 Combined Static Mortality
Disabled	IRS 2010 Combined Static Mortality
Lump Sum Mortality	2010 Applicable Mortality

Disability Rates

<u>Age</u>	<u>Rate</u>
20	0.15%
30	0.15%
40	0.20%
50	0.64%

Withdrawal Rates

Table T-5 less GA51 Male

<u>Age</u>	<u>Rate</u>
20	7.9%
30	7.2%
40	5.2%
50	2.6%

Annual Pay Increases

N/A

The Ohio Art Company
Actuarial Valuation as of September 1, 2010
Actuarial Assumptions

Interest Rates

	1 st Segment (0-5 years)	2 nd Segment (5-20 years)	3 rd Segment (20+ years)
Funding	3.78%	6.31%	6.57%
Lump Sum	3.78%	6.31%	6.57%
PBGC	3.78%	6.31%	6.57%
Actuary's Long Term Rate	7.50%	7.50%	7.50%
FAS35	7.50%	7.50%	7.50%

Payment Form Election

Lump Sum
Annuity

95% (for return of employee contributions only)
5%

Expense and/or Contingency Loading

\$16,298 assumed to be paid from trust

Marital Status and Ages

80% of participants assumed to be married. Wife assumed to be three years younger than husband.

Asset Valuation Method

PPA Smoothed Value of Assets. Gains and losses are recognized over three years, subject to a 10% corridor.

Retirement Rates

<u>Age</u>	<u>Rate</u>
65	100%

Mortality Rates

Healthy
Disabled
Lump Sum Mortality

IRS 2010 Combined Static Mortality
IRS 2010 Combined Static Mortality
2010 Applicable Mortality

Disability Rates

<u>Age</u>	<u>Rate</u>
20	0.15%
30	0.15%
40	0.20%
50	0.64%

Withdrawal Rates

Table T-5 less GA51 Male

<u>Age</u>	<u>Rate</u>
20	7.9%
30	7.2%
40	5.2%
50	2.6%

Annual Pay Increases

N/A

The Ohio Art Company
Actuarial Valuation as of September 1, 2010
Actuarial Assumptions

Interest Rates	1 st Segment (0-5 years)	2 nd Segment (5-20 years)	3 rd Segment (20+ years)
Funding	3.78%	6.31%	6.57%
Lump Sum	3.78%	6.31%	6.57%
PBGC	3.78%	6.31%	6.57%
Actuary's Long Term Rate	7.50%	7.50%	7.50%
FAS35	7.50%	7.50%	7.50%

Payment Form Election

Lump Sum
Annuity

95% (for return of employee contributions only)
5 %

Expense and/or Contingency Loading

\$16,298 assumed to be paid from trust

Marital Status and Ages

80% of participants assumed to be married. Wife assumed to be three years younger than husband.

Asset Valuation Method

PPA Smoothed Value of Assets. Gains and losses are recognized over three years, subject to a 10% corridor.

The Ohio Art Company
Actuarial Valuation as of September 1, 2010
Plan Provisions

Eligibility for Participation

A covered employee shall become a participant on the March 1st or September 1st coincident with or next following (1) completion of one year of service (1,000 or more hours of service in the first twelve months of employment or during any subsequent plan year), and (2) reaching age 21. A covered employee is one who is a member of a group of employees of an Employer to which the plan has been and continues to be extended either by his Employer unilaterally or by collective bargaining.

Effective December 31, 2007, the plan was closed to new participants unless he is part of a group of employees to which the plan is extended by collective bargaining.

Accrual of Benefits

A participant shall accumulate a benefit payable at normal retirement date based on benefit service as of the date of determination and the benefit level in effect as of the date of determination. In no event shall additional benefit service earned after December 31, 2007 be used in the determination of the accrued benefit unless he is part of a group of employees to which the plan is extended by collective bargaining.

Benefits

Normal Retirement

Eligibility Age 65.

Benefit

For participants retiring on a normal retirement date on or after March 16, 1993, a monthly benefit equal to the participant's number of years and completed months of benefit service immediately preceding retirement date not in excess of 30 years, multiplied by (i) \$20.00 for years and months of benefit service completed after to August 31, 2006 ; (ii) \$19.00 for years and months of benefit service completed from September 1, 2003 to August 31, 2006; (iii) \$17.00 for years and months of benefit service completed from September 2, 1999 to August 31, 2003 ; (iv) \$15.00 for years and months of benefit service completed from September 2, 1996 to September 1, 1999; (v) \$14.00 for years and months of benefit service completed from September 15, 1993 to September 1, 1996; (vi) \$13.00 for years and months of benefit service completed from September 16, 1990 to September 14, 1993; (vii) \$11.75 for years and months of benefit service completed prior to September 16, 1985 to September 15, 1990, and (viii) \$9.75 for years and months of benefit service completed prior to September 16, 1985. In computing the maximum years of benefit service, a participant's most recent years and months of benefit service shall be taken into account. Benefits for non union employees are frozen as of December 31, 2007.

The Ohio Art Company
Actuarial Valuation as of September 1, 2010
Plan Provisions

Early Retirement

Eligibility Age 55 and 10 years of vesting service.

Benefit Accrued retirement benefit reduced 1/180 per month for 1st 60 months and 1/360 per month for next 60 months by which a participant's early retirement date precedes his normal retirement date.

Late Retirement

Eligibility Participation continues after normal retirement date.

Benefit Greater of accrued retirement benefit commencing as of the first day of the month following his late retirement date based on benefit service at such date or accrued benefit as of normal retirement date actuarially increased for delayed commencement.

Death before Retirement

Eligibility (1) Active participant, not eligible for benefit under (2).

(2) Active participant with vested benefit. In addition, the participant must have been married one year.

Benefit (1) Beneficiary receives return of participant's contribution.

(2) Spouse receives the qualified pre-retirement survivor annuity.

Termination Benefit

Eligibility

Fully vested after 5 years of credited service with respect to the accrued benefit derived from employer contributions. A participant is always fully vested in the present value of the lump sum actuarial equivalent of his accrued benefit derived from participant contributions.

Benefit Accrued retirement benefit payable at participant's normal retirement date.

Credited Service

Service for all purposes is currently credited on the basis of completed years and months of employment, excluding any portion of employment during which a participant was eligible to join the plan but did not or was required to make contributions under the plan but declined to do so. Service for accrual purposes is frozen as of December 31, 2007 for all non union employees.

Employee Contributions

Mandatory contributions equal to four cents for each hour worked, excluding hours in excess of 40 in any work week.

Payment Forms

Normal Form

A single life annuity for single participants. The normal retirement benefit shall be payable to married participants in the form of an actuarially equivalent qualified joint and 50% survivor annuity.

Optional Forms

5, 10 or 15 Year Certain and Life Annuity and 50%, 75% and 100% Joint and Survivor Annuity.

Changes since Prior Valuation and Key Notes

There have been no changes to the plan provisions since the last valuation.

The interest rates and mortality assumptions have been updated as required under the Pension Protection Act and IRS Regulations.

Changes since Prior Valuation and Key Notes

There have been no changes to the plan provisions since the last valuation.

The interest rates and mortality assumptions have been updated as required under the Pension Protection Act and IRS Regulations.

Active Participant Schedule

Active participant information grouped based on age and service.

Service

Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	0	0	0	0	0	0	0	0	0	0
25 to 29	1	1	0	0	0	0	0	0	0	0
30 to 34	1	2	2	0	0	0	0	0	0	0
35 to 39	0	4	0	1	0	0	0	0	0	0
40 to 44	0	2	2	1	2	0	0	0	0	0
45 to 49	0	3	1	0	2	7	2	0	0	0
50 to 54	1	3	0	1	1	3	3	4	0	0
55 to 59	1	1	0	0	0	1	0	8	0	1
60 to 64	1	1	1	0	0	0	1	1	2	9
65 to 69	0	0	1	0	0	0	0	1	0	1
70 & up	0	0	0	0	0	0	0	1	0	0

Development of Shortfall Amortization Charge (continued)

Type of Base	Present Value of Remaining Installments	Valuation Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 715,986	9/1/2010	7	\$ 117,801
Shortfall	\$(119,423)	9/1/2009	6	\$(22,176)
Shortfall	\$ 484,990	9/1/2008	5	\$ 104,326
	<u>\$ 1,081,553</u>			<u>\$ 199,951</u>

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Plan 001, EIN: 34-4319140

Schedule of Assets (Held at End of Year)

Schedule H, Part IV, Line 41

August 31, 2011

(a)	(b) Identity	(c) Description of Investment	(d) Cost	(e) Current Value
☒	Money Market Fund Vanguard Fiduciary Trust Company	Prime Money Market Fund	\$ 43,768	\$ 43,768
☒	Mutual Funds - Equity - Domestic: Vanguard Fiduciary Trust Company	Growth and Income Fund Investor	672,984	787,262
☒	Vanguard Fiduciary Trust Company	Strategic Equity Fund	154,501	190,511
☒	Vanguard Fiduciary Trust Company	Total Stock Market Index Fund Investor	<u>838,132</u>	<u>978,796</u>
	Total Mutual Funds - Equity - Domestic		1,665,617	1,956,569
☒	Mutual Funds - Equity - International: Vanguard Fiduciary Trust Company	Total International Stock Index Fund	<u>755,506</u>	<u>819,995</u>
	Total Mutual Funds Equity		2,421,123	2,776,564
☒	Mutual Funds - Bonds: Vanguard Fiduciary Trust Company	Long-Term Bond Index Fund	<u>3,072,382</u>	<u>3,130,573</u>
	Total Investments		<u>\$ 5,537,273</u>	<u>\$ 5,950,905</u>

☒ Party in interest

THE OHIO ART COMPANY RETIREMENT INCOME PLAN

Plan 001, EIN: 34-4319140

Schedule of Reportable Transactions

Schedule H, Line 4j

Year Ended August 31, 2011

(a) Identity of Party Involved	(b) Description of Securities	Number of Transactions	(c) Transactions Aggregate Purchase Price	(d) Transactions Aggregate Sale Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Vanguard Fiduciary Trust Company	Vanguard Total Bond Market Index Fund						
	Sales	6	\$ -	\$ 1,134,081	\$ 1,071,076	\$ 1,134,081	\$ 63,005
	Purchases	5	11,910	-	11,910	11,910	-
Vanguard Fiduciary Trust Company	Vanguard Long-Term Bond Index Fund						
	Sales	5	-	65,766	61,927	65,766	3,839
	Purchases	16	1,242,169	-	1,242,169	1,242,169	-
Vanguard Fiduciary Trust Company	Vanguard Prime Money Market						
	Sales	17	-	368,531	368,531	368,531	-
	Purchases	13	385,145	-	385,145	385,145	-