

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), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2011 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</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>PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST</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>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>11/01/1983</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>11/01/1983</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>11/01/1983</u>					
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>PEERLESS MANUFACTURING CO.</u> <u>14651 NORTH DALLAS PARKWAY</u> <u>SUITE 500</u> <u>DALLAS, TX 75254</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>75-0724417</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>214-357-6181</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332300</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>75-0724417</u>	2c Sponsor's telephone number <u>214-357-6181</u>	2d Business code (see instructions) <u>332300</u>	
2b Employer Identification Number (EIN) <u>75-0724417</u>					
2c Sponsor's telephone number <u>214-357-6181</u>					
2d Business code (see instructions) <u>332300</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.	07/26/2012	MIKE MCGEE
	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 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") PEERLESS MANUFACTURING CO. 14651 NORTH DALLAS PARKWAY SUITE 500 DALLAS, TX 75254	3b Administrator's EIN 75-0724417 3c Administrator's telephone number 214-357-6181
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	399
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	332
b Retired or separated participants receiving benefits.....	6b	4
c Other retired or separated participants entitled to future benefits.....	6c	51
d Subtotal. Add lines 6a , 6b , and 6c	6d	387
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	2
f Total. Add lines 6d and 6e	6f	389
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	334
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2G 2J 2K 2F 2T 3D

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE 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
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PEERLESS MANUFACTURING CO.</u>	D Employer Identification Number (EIN) <u>75-0724417</u>

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
BANK OF AMERICA, N.A.

94-1687665

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

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

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

MERRILL LYNCH, PIERCE, FENNER AND S

13-5674085

(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?
15 52 56 57 59 60 62 63 72	RECORDKEEPER	2495	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☐

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

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

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

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

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)

(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:

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="text-align: center; font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="text-align: center; font-size: small;">Department of Labor Employee Benefits Security Administration</p>	<p style="text-align: center;">DFE/Participating Plan Information</p> <p style="text-align: center; font-size: small;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center; font-weight: bold;">▶ File as an attachment to Form 5500.</p>	<p style="text-align: center; font-size: small;">OMB No. 1210-0110</p> <hr/> <p style="text-align: center; font-size: large; font-weight: bold;">2011</p> <hr/> <p style="text-align: center; font-size: small; font-weight: bold;">This Form is Open to Public Inspection.</p>
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

<p>A Name of plan PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST</p>	<p>B Three-digit plan number (PN) ▶</p>	<p>002</p>
<p>C Plan or DFE sponsor's name as shown on line 2a of Form 5500 PEERLESS MANUFACTURING CO.</p>	<p>D Employer Identification Number (EIN) 75-0724417</p>	

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

b Name of sponsor of entity listed in (a): BANK OF AMERICA, N.A.

c EIN-PN 22-6484011-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO STABLE VALUE FUND

b Name of sponsor of entity listed in (a): INVESCO NATIONAL TRUST CO.

c EIN-PN 84-1142974-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3931349
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a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PEERLESS MANUFACTURING CO.</u>	D Employer Identification Number (EIN) <u>75-0724417</u>	

	Part I Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	100	100
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)		23132
	(2) Participant contributions	1b(2)		41367
	(3) Other.....	1b(3)		16177
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1100	8591
	(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)	456744	389164
	(9) Value of interest in common/collective trusts.....	1c(9)	3444401	3931349
	(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)	13104152	12293620
	(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	17006497	16703500

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	17006497	16703500
---	-----------	----------	----------

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)	634445	
(B) Participants	2a(1)(B)	1227128	
(C) Others (including rollovers)	2a(1)(C)	27408	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1888981
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)	17974	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		17974
(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)	319897	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		319897
(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)		55414
(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)		-724618
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		1557648

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1786725	
(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)		1786725
f Corrective distributions (see instructions)	2f		22999
g Certain deemed distributions of participant loans (see instructions).....	2g		48426
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)	2495	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		2495
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1860645

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-302997
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: TRAVIS WOLFF, LLP

(2) EIN: 20-8185533

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

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

Part IV Compliance Questions

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

During the plan year:

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

- 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 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PEERLESS MANUFACTURING CO.</u>	D Employer Identification Number (EIN) <u>75-0724417</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>94-1687665</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	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 or other authority 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. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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): _____

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Financial Statements and Supplemental Schedule
with
Independent Auditors' Report

December 31, 2011 and 2010

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

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INDEPENDENT AUDITORS' REPORT

The Investment Committee
The Peerless Mfg. Co. Retirement Savings Plan & Trust
Dallas, Texas

We were engaged to audit the accompanying statement of net assets available for benefits of Peerless Mfg. Co. Retirement Savings Plan & Trust (the Plan) as of December 31, 2011 and 2010, the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedule of assets held at December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Bank of America, N.A. (the Trustee), except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the Trustee as of December 31, 2011 and 2010, and for the year ended December 31, 2011, 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 schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Travis Wolff, LLP

July 23, 2012

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

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

	<u>2011</u>	<u>2010</u>
ASSETS		
Investments, at fair value	\$ 16,115,125	\$ 16,549,753
Participant loans receivable	389,164	456,744
Participant contributions receivable	41,367	-
Employer contributions receivable	<u>39,309</u>	<u>-</u>
	16,584,965	17,006,497
LIABILITIES		
Corrective distributions payable	<u>8,020</u>	<u>22,999</u>
Net assets available for benefits, at fair value	16,576,945	16,983,498
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>118,535</u>	<u>-</u>
	<u>\$ 16,695,480</u>	<u>\$ 16,983,498</u>

See accompanying notes to financial statements

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

**Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2011**

Additions:

Investment loss:

Interest and dividends	\$ 375,311
Net depreciation in fair value of investments	<u>(724,618)</u>

Total investment loss (349,307)

Loan interest	17,974
Participants' contributions	1,227,128
Employer contributions	626,425
Rollover contributions	<u>27,408</u>

Total additions 1,549,628

Deductions:

Benefits paid to participants	1,786,725
Deemed distributions	48,426
Administrative expenses	<u>2,495</u>

Total deductions 1,837,646

Net decrease in net assets available for benefits (288,018)

Net assets available for benefits:

Beginning of year 16,983,498

End of year \$ 16,695,480

See accompanying notes to financial statements

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 1 - Description of Plan

The following description of Peerless Mfg. Retirement Savings Plan & Trust Plan (the Plan) provides only general information. Participants should refer to the Plan agreement or Summary Plan Description for a more comprehensive description of the Plan's provisions.

General

The Plan was established effective January 1, 1984, and is a defined contribution plan covering substantially all employees of Peerless Mfg. Co. (the Company or Employer). The Plan was amended and restated effective February 5, 2009. The Plan is designed to comply with the Employee Retirement Income Security Act of 1974 (ERISA), and the Internal Revenue Code (IRC). The Plan was adopted to enable eligible employees to defer compensation and share in employer contributions and to save and invest funds for retirement. Bank of America, N.A. (the Trustee) is responsible for recordkeeping and executing transactions. The Plan is administered by an investment committee. The duties of the committee are to select and monitor the investment options of the Plan and to oversee the operations of the Plan. Accordingly, the committee has been granted discretionary authority concerning investment and management activities.

Eligibility

All employees of the Company who have completed three months of service and attained the age of 18 are eligible to participate in the Plan.

Contributions

Participants may contribute up to 70% of their annual compensation as defined in the Plan, but are limited to the maximum dollar amount allowable under the IRC. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants also may contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Company may make a matching contribution equal to a percentage of the participant's salary deferrals as determined by the Company. Effective July 5, 2010, the Company reinstituted employer matching contributions, matching the first 3% of deferred compensation and 50% of the next 2% of deferred compensation for each participant. The Company made no matching contributions for the period January 1, 2010, through July 4, 2010. The Company continued this matching contribution throughout 2011.

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 1 - Description of Plan - (Continued)

Participant accounts

Each participant's account is credited with the participant's contributions, any employer contributions, and an allocation of Plan earnings or losses. Allocations of Plan earnings or losses are based on a participant's account balance as a percentage of the total participants' account balances in the investment options selected.

Vesting

All employee and employer contributions and earnings thereon are immediately vested.

Payment of benefits

The benefit to which a participant is entitled is the benefit that can be provided from the participant's account balance. Upon death, disability, or retirement, a participant is entitled to receive a single lump-sum payment from the Plan. Upon termination of employment, participants with account balances less than \$1,000 receive a lump sum payment. If the participant's account balance is between \$1,000 and \$5,000 and no election is made by the participant to receive a lump sum payment or roll over the balance to another qualified retirement plan, the Plan will automatically roll over the account balance to an individual retirement rollover account for the benefit of the participant. If a participant's account balance exceeds \$5,000, they may elect to receive a lump-sum distribution for all or a portion of the account balance, stay in the Plan, or roll over to another qualified retirement plan.

Administrative expenses

Administrative expenses are generally paid by the Employer.

Participant loans

Loans may be made to participants at their request subject to certain statutory and Plan limitations on principal and repayment provisions. Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to \$50,000 or 50 percent of their vested account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at prime plus 2%. Participant loans are valued at cost, which approximates fair value.

Basis of accounting

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 (US GAAP) and present the net assets available for benefits and changes in those net assets.

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 2 - Significant Accounting Policies

Use of estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions to and deductions from net assets during the reporting period. Accordingly, actual results could differ from those estimates. See discussion below of significant estimates used to measure fair value of investments.

Risks and uncertainties

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

Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. US GAAP also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

An asset or liability's classification within the fair value hierarchy is based on the lowest level of significant input to its valuation.

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 2 - Significant Accounting Policies - (Continued)

Fair value measurements - continued

Fair value estimates are made at a specific point in time, the methods described may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair value. 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 different fair value measurements at the reporting date.

Investments valuation and income recognition

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

Through October 2010, the Plan invested in a common collective trust, which invested in Guaranteed Investment Contracts issued by insurance companies and other financial institutions. Contract value is the relevant measurement attribute for this investment. The common collective trust liquidated the investments requiring contract value presentation during October 2010. In 2011 the Company invested in a stable value fund for which contract value is the relevant measurement attribute. Contract value represents contributions made under the contract, plus earnings or losses, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment in the common collective trust at contract value.

Payment of benefits

Benefits paid to participants are recorded as a reduction of net assets available for benefits when paid.

Subsequent events

The Plan Administrator has evaluated subsequent events through July 23, 2012, the date the financial statements were available to be issued.

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 3 - Fair Value Measurements

At December 31, 2011, plan investments are held in mutual funds, a stable value fund and a money market account. Fair value is measured at the net asset value of shares held by the Plan at year-end. The following tables present the Plan's fair value hierarchy by asset class for those assets measured at fair value as of December 31, 2011 and 2010:

Class of Investment	Assets Measured at Fair Value at 12/31/11	Fair Value Measurements at 12/31/11		
		Level 1	Level 2	Level 3
Cash	\$ 8,691	\$ 8,691	\$ -	\$ -
Equity	8,575,767	8,575,767	-	-
Fixed income	5,916,040	2,103,227	-	3,812,813
Balanced funds	1,614,627	1,614,627	-	-
	<u>\$ 16,115,125</u>	<u>\$ 12,302,312</u>	<u>\$ -</u>	<u>\$ 3,812,813</u>

Class of Investment	Assets Measured at Fair Value at 12/31/10	Fair Value Measurements at 12/31/10		
		Level 1	Level 2	Level 3
Cash	\$ 1,200	\$ 1,200	\$ -	\$ -
Equity	8,978,247	8,978,247	-	-
Fixed income	5,644,680	5,644,680	-	-
Balanced funds	1,925,626	1,925,626	-	-
	<u>\$ 16,549,753</u>	<u>\$ 16,549,753</u>	<u>\$ -</u>	<u>\$ -</u>

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 4 - Investments

The Plan's investments, at fair value, representing 5% or more of net assets available for benefits are comprised of the following at December 31:

	<u>2011</u>	<u>2010</u>
Invesco Stable Value Return Class 4	\$ 3,812,813	\$ *
ML Retirement Preservation Trust	*	3,444,401
The Oakmark Equity & Income Fund Class II	1,614,627	1,925,626
American Growth Fund of America R3	1,407,001	1,554,764
PIMCO Total Return Fund Class A	1,636,026	1,618,283
Blackrock S&P 500 Index I	879,843	*
Goldman Sachs Mid-Cap Value A	907,069	1,051,846
Thornburg International Value Fund A	1,658,449	1,978,999
Eaton Vance Large Cap Value Fund A	1,212,294	1,364,845

*Represents less than 5% of net assets available for benefits at the period reported.

Note 5 - Information Certified by Trustee (Unaudited)

The Plan administrator has elected the method of annual reporting permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such an election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Bank of America, N.A, the Trustee, except for comparing such information certified by the Trustee to information included in the Plan's financial statements and supplemental schedule.

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 5 - Information Certified by Trustee (Unaudited) - Continued

The Trustee has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate as of December 31:

	<u>2011</u>	<u>2010</u>
Investments	\$ 16,115,125	\$ 16,549,753
Participant loans receivable	<u>389,164</u>	<u>456,744</u>
	<u>\$ 16,504,289</u>	<u>\$ 17,006,497</u>
	<u>Year Ended December 31, 2011</u>	
Investment loss:		
Interest and dividend income	\$ 375,311	
Loan interest	17,974	
Net depreciation in fair value of investments	<u>(724,618)</u>	
	<u>\$ (331,333)</u>	

Note 6 - Plan Termination

Although it has not expressed any intent to do so, the Employer has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would have various options for the disposition of their 100% vested accounts.

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 7 - Income Tax Status

The Plan is based on a prototype plan document sponsored by Merrill Lynch, a subsidiary of Bank of America, N.A. (the Trustee). Merrill Lynch received an opinion letter from the Internal Revenue Service dated March 31, 2008, which states that the prototype document satisfies the applicable provisions of the Internal Revenue Code. The Plan itself has not received a determination letter from the IRS. However, the Plan's management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRS. Therefore no provision for income tax has been included in the Plan's financial statements.

Note 8 - Corrective Distributions

To satisfy the required nondiscrimination provisions, the Plan made corrective distributions of \$8,020 and \$22,999 to appropriate participants for 2011 and 2010, respectively.

Note 9 - Party-In-Interest Transactions

Parties-in-interest are defined under Department of Labor Regulations as any fiduciary of the Plan, any party rendering services to the Plan, the Employer, and certain others. As such, transactions conducted by the Trustee and its affiliates qualify as party-in-interest transactions.

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Notes to Financial Statements
December 31, 2011 and 2010

Note 10 - Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 at December 31:

	<u>2011</u>	<u>2010</u>
Net assets available for benefits:		
Per the financial statements	\$ 16,695,480	\$ 16,983,498
Corrective distributions payable	<u>8,020</u>	<u>22,999</u>
Per the Form 5500	\$ <u>16,703,500</u>	\$ <u>17,006,497</u>

The following is a reconciliation of changes in net assets available for benefits per the financial statements to Form 5500 for the year ended December 31, 2011:

Net decrease in net assets:	
Per the financial statements	\$ (288,018)
Current year corrective distributions payable	8,020
Prior year corrective distributions payable	<u>(22,999)</u>
Per the Form 5500	\$ <u>(302,997)</u>

SUPPLEMENTAL SCHEDULE

PEERLESS MFG. CO. RETIREMENT SAVINGS PLAN & TRUST

Form 5500 - Schedule H - Line 4i
Schedule of Assets Held at End of Year
December 31, 2011

EIN: 75-0724417

Plan 002

(a)	(b) Identity of issue, borrower lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current Value
	Invesco	Invesco Stable Value Return Class 4	\$ 3,812,813
	JP Morgan	JP Morgan Dividend Mid Cap Growth A	753,569
	The Oakmark	The Oakmark Equity & Income Fund Class II	1,614,627
	UBS	UBS U.S. Small Cap Growth Fund	391,090
	American	American Cap World Growth & Income R3	61,776
	American	American Growth Fund of America R3	1,407,001
	ING	ING Global Real Estate Fund Class A	18,173
	Principal	Principal High Yield Fund	101,317
	JP Morgan	JP Morgan Small Cap Equity Fund Class A	537,586
	Oppenheimer	Oppenheimer Dev Mkts Fund Class A	186,970
	PIMCO	PIMCO Total Return Fund Class A	1,636,026
	Blackrock	Blackrock S&P 500 Index 1	879,843
	Allianz NFJ	Allianz NFJ Small Cap Value Class A	449,776
	Goldman Sachs	Goldman Sachs Government Income Fund A	365,884
	Goldman Sachs	Goldman Sachs Mid Cap Value A	907,069
	Legg Mason	Legg Mason Clearbridge Appreciation Fund Class A	29,270
	Thornburg	Thornburg International Value Fund A	1,658,449
	Victory	Victory Special Value Fund Class A	82,901
	Eaton Vance	Eaton Vance Large-Cap Value Fund A	1,212,294
		BIF Money Fund	8,691
			<u>16,115,125</u>
*		Participant loans, interest at 4.00% to 9.75%	<u>389,164</u>
			<u>\$ 16,504,289</u>

Column (d) Cost is not required since all investments are directed by participants.

* A party-in-interest as defined by ERISA.

See independent auditors' report.

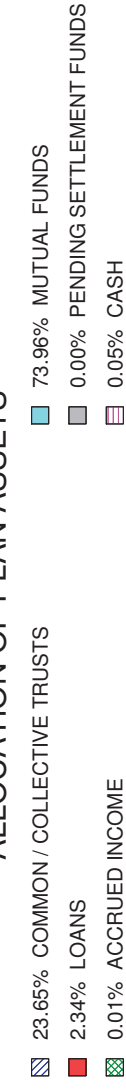
STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2011 - 12/31/2011

PEERLESS MFG. CO. RETIREMENT
SAVINGS PLAN AND TRUST
CONSOLIDATION

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ALLOCATION OF PLAN ASSETS



Investment Category	Shares/Units	Price/NAV	Cost/Book Value	Market Value	% Total Value
<u>COMMON / COLLECTIVE TRUSTS</u>					
INVESCO STABLE VALUE RET CL 4	3,611,994.7000	1.000	3,611,994.70	3,611,994.70	21.73%
INVESCO STABLE VAL RET GM CL 4	319,354.4600	1.000	319,354.46	319,354.46	1.92%
TOTAL COMMON / COLLECTIVE TRUSTS			3,931,349.16	3,931,349.16	23.65%
<u>MUTUAL FUNDS</u>					
JPMORGAN DIV MID CAP GR A	32,394.8927	18.100	531,201.54	586,347.56	3.53%
JPMORGAN DIV MID CAP GR A GM	9,238.7516	18.100	170,864.02	167,221.40	1.01%
THE OAKMARK EQ & INC FD CL II	59,978.7191	26.920	1,354,305.74	1,614,627.12	9.71%
UBS U.S. SMALL CAP GROWTH FUND	20,232.0377	14.460	255,391.14	292,555.27	1.76%
UBS U.S. SMALL CAP GRWTH FD GM	6,814.3013	14.460	80,254.92	98,534.80	0.59%
AMERICAN CAP WORLD GR & INC R3	1,933.5060	31.950	56,295.27	61,775.52	0.37%

Balances include the effect of pending trades

STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2011 - 12/31/2011

PEERLESS MFG. CO. RETIREMENT
SAVINGS PLAN AND TRUST
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Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
AMERICAN GROWTH FD OF AMER R3	30,361.6132	28.330	802,801.74	860,144.50	5.17%
AMERICAN GRTH FD OF AMER R3 GM	19,303.1102	28.330	546,853.05	546,857.11	3.29%
ING GLOBAL REAL ESTATE FD CL A	1,211.5296	15.000	16,847.26	18,172.94	0.11%
PRINCIPAL HIGH YIELD FUND	13,709.9932	7.390	96,334.78	101,316.85	0.61%
JPMORGAN SMALL CAP EQTY FD CLA	16,404.8135	32.770	381,994.18	537,585.74	3.23%
OPPENHEIMER DEV MKTS FD CL A	1,037.0868	29.320	34,332.74	30,407.38	0.18%
OPPENHEIMER DEV MKTS CL A-GM	5,339.7855	29.320	181,897.41	156,562.51	0.94%
PIMCO TOTAL RETURN FUND CL A	71,135.2469	10.870	749,088.84	773,240.13	4.65%
PIMCO TOT RET FD CL A GM	79,373.1117	10.870	851,111.55	862,785.72	5.19%
BLACKROCK S&P500 INDEX I	57,281.4428	15.360	743,871.30	879,842.96	5.29%
ALLIANZ NFJ SM-CAP VALUE CL A	11,345.1481	27.820	279,247.24	315,622.02	1.90%
ALLIANZ NFJ SM-CAP VL CL A GM	4,822.2030	27.820	122,804.76	134,153.69	0.81%
GOLDMAN SACHS GOVT INC FD A	23,727.9045	15.420	358,637.84	365,884.29	2.20%
GOLDMAN SACHS MID CAP VAL A	19,551.1365	33.360	566,864.93	652,225.91	3.92%
GOLDMAN SACHS MID CAP VAL A GM	7,639.1647	33.360	252,837.38	254,842.53	1.53%
LEGG MASON CLRBRG APPR CL A	2,117.9727	13.820	22,069.50	29,270.38	0.18%
THORNBURG INTER VALUE FD A	44,538.9689	24.060	981,625.82	1,071,607.59	6.45%
THORNBURG INTER VALUE FD A GM	24,390.7305	24.060	599,795.19	586,840.98	3.53%
VICTORY SPECL VAL FD C-A	5,697.6337	14.550	60,855.93	82,900.57	0.50%
EATON VANCE LG-CAP VALUE FD A	29,812.5709	17.130	446,231.55	510,689.34	3.07%

Balances include the effect of pending trades

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STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2011 - 12/31/2011

PEERLESS MFG. CO. RETIREMENT
SAVINGS PLAN AND TRUST
CONSOLIDATION

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Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
EATON VANCE LG-CAP VAL FD A GM	40,957.6769	17.130	682,685.79	701,605.01	4.22%
TOTAL MUTUAL FUNDS			11,227,101.41	12,293,619.82	73.96%
<u>LOANS</u>					
LOAN FUND	389,164.4100	1.000	389,164.41	389,164.41	2.34%
<u>PENDING SETTLEMENT FUNDS</u>					
PENDING SETTLEMENT FUND	100.0000	1.000	100.00	100.00	0.00%
INVESTMENT TOTAL			15,547,714.98	16,614,233.39	99.95%
UNINVESTED CASH			0.00	0.00	0.00%
ACCRUED INCOME			1,015.17	1,015.17	0.01%
CASH			7,575.77	7,575.77	0.05%
TOTAL ASSETS			15,556,305.92	16,622,824.33	100.00%

The balance in the cash fund may be temporarily invested in the BIF Money Fund. Additional amounts not reported as cash may also be invested in the BIF Money Fund pending settlement of trades.

Balances include the effect of pending trades