

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). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2011
		This Form is Open to Public Inspection

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>THE HILLERCOMPANIES, INC. 401K PLAN</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>01/01/1996</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>THE HILLER GROUP, INC.</u> <u>3751 JOY SPRINGS DRIVE</u> <u>MOBILE, AK 36693</u>	2b Employer Identification Number (EIN) <u>63-1007744</u> 2c Sponsor's telephone number <u>251-661-1275</u> 2d Business code (see instructions) <u>238900</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	<u>Filed with authorized/valid electronic signature.</u>	<u>08/07/2012</u>	<u>CRAIG NELSON</u>
	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)
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3a Plan administrator's name and address (if same as plan sponsor, enter "Same") THE HILLER GROUP, INC. 3751 JOY SPRINGS DRIVE MOBILE, AK 36693		3b Administrator's EIN 63-1007744
		3c Administrator's telephone number 251-661-1275
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	358
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	370
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	11
d Subtotal. Add lines 6a , 6b , and 6c	6d	381
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	381
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	170
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	6
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D 3H		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:		
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust	(3) ☒ Trust	
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules		b General Schedules
(1) ☒ R (Retirement Plan Information)	(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) ☐ I (Financial Information – Small Plan)	
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(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>THE HILLERCOMPANIES, INC. 401K 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 HILLER GROUP, INC.</u>	D Employer Identification Number (EIN) <u>63-1007744</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
FID. INV. INST.OPS.CO

04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTION

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 65 60	RECORDKEEPING	225	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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>DREYFUL S&P 400 INDX - DREYFUS</p> <p>13-2614959</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>.15%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p>		
<p>(b) Service Codes (see instructions)</p> <p>60</p>		
<p>(c) Enter amount of indirect compensation</p> <p>0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>IVK SMALL CAP VAL A - INVESCO P.O. BOX 4739 HOUSTON, TX 77210</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>.35%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p>		
<p>(b) Service Codes (see instructions)</p> <p>60</p>		
<p>(c) Enter amount of indirect compensation</p> <p>0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>JANUS OVERSEAS S - JANUS SERV</p> <p>43-1804048</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>.25%</p>		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> (d) Enter name and EIN (address) of source of indirect compensation </div> <div style="width: 40%;"> (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. </div> </div>		
MNSTY INTL EQ R2 - BOSTON FINAN P.O. BOX 8480 BOSTON, MA 02266	.25%	
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> (a) Enter service provider name as it appears on line 2 </div> <div style="width: 20%;"> (b) Service Codes (see instructions) </div> <div style="width: 20%;"> (c) Enter amount of indirect compensation </div> </div>		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> (d) Enter name and EIN (address) of source of indirect compensation </div> <div style="width: 40%;"> (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. </div> </div>		
PERKINS MID CP VAL S - JANUS SE 43-1804048	.25%	
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> (a) Enter service provider name as it appears on line 2 </div> <div style="width: 20%;"> (b) Service Codes (see instructions) </div> <div style="width: 20%;"> (c) Enter amount of indirect compensation </div> </div>		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> (d) Enter name and EIN (address) of source of indirect compensation </div> <div style="width: 40%;"> (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. </div> </div>		
PIM TOTAL RETURN A - BOSTON FIN 330 W. 9TH STREET KANSAS CITY, MO 66160	.25%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
PIONEER VULLEN VAL A - PIONEER	<div style="text-align: center;">(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</div>	
04-2890696		
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
THORNBURG VALUE R4 - BOSTON	<div style="text-align: center;">(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</div>	
P.O. BOX 8480 BOSTON, MA 02266		
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		

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
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(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) <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.	OMB No. 1210-0110 <div style="font-size: 24pt; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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>THE HILLERCOMPANIES, INC. 401K PLAN</u>	B Three-digit plan number (PN) ►	<div style="border: 1px solid black; padding: 2px; width: 60px; margin: 0 auto;">001</div>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE HILLER GROUP, INC.</u>	D Employer Identification Number (EIN) <div style="text-align: center;">63-1007744</div>	

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)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	911397	1137123
(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)	5410373	4531415
(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	6321770	5668538

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		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	6321770	5668538
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	69500	
(B) Participants	2a(1)(B)	797095	
(C) Others (including rollovers)	2a(1)(C)	71290	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		937885
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	102	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		102
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	134895	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		134895
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(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)	0	
(B) Other	2b(5)(B)	0	
(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)		-292729
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		780153

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1373549	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1373549
f Corrective distributions (see instructions)	2f		59498
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	338	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		338
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1433385

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-653232
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: RUSSELL THOMPSON BUTLER & HOUSTON

(2) EIN: 63-0965059

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.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

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

5b(1) Name of plan(s)

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 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>THE HILLERCOMPANIES, INC. 401K 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 HILLER GROUP, INC.</u>	D Employer Identification Number (EIN) <u>63-1007744</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<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 (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
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

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) 2011
v.012611

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): _____

THE HILLER COMPANIES, INC.
401(k) PLAN

Financial Statements
and
Accompanying Information

as of
December 31, 2011 and 2010

**THE HILLER COMPANIES, INC.
401(k) PLAN**

Contents

	Page
Independent Auditor's Report	2-3
Statement of Net Assets Available for Benefits	4
Statement of Changes in Net Assets Available for Benefits	5
Notes to Financial Statements	6-15
Accompanying Information	
Schedule H – Schedule of Assets Held for Investment Purposes	16-17



RUSSELL THOMPSON BUTLER & HOUSTON, LLP

Independent Auditor's Report

The Trustees
The Hiller Companies, Inc.
401(k) Plan
Mobile, Alabama

We were engaged to audit the accompanying statement of net assets available for benefits of The Hiller Companies, Inc. 401(k) Plan as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedule as of December 31, 2011 as listed in the accompanying table of contents. The financial statements and the 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 9, which was certified by Fidelity Management Trust Company, the trustee of the Plan, 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 and for the years ended December 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 schedule taken as a whole. The supplemental schedule is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. 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.

Russell Thompson Butler & Houston, LLP

Mobile, Alabama
July 16, 2012

THE HILLER COMPANIES, INC.
401(K) PLAN

Statement of Net Assets Available for Benefits

		December 31	
		2011	2010
Assets			
Investments at fair value			
Mutual funds	\$ 5,668,538	\$ 6,321,769	
Total investments	5,668,538	6,321,769	
Receivables			
Employer contribution receivable	1,419	1,412	
Employee contribution receivable	14,190	14,123	
	<u>15,609</u>	<u>15,535</u>	
Total assets	5,684,147	6,337,304	
Liabilities			
Excess contributions payable	30,886	83,388	
Total liabilities	30,886	83,388	
Net assets available for benefits	\$ 5,653,261	\$ 6,253,916	

See notes to financial statements

THE HILLER COMPANIES, INC.
401(K) PLAN

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

Additions to net assets attributable to:

Investment income	
Dividends	<u>\$ 134,997</u>
Contributions	
Employer	66,699
Employee	794,149
Rollovers	<u>71,290</u>
	<u>932,138</u>
Total additions	<u>1,067,135</u>

Deductions from net assets attributable to:

Net depreciation in fair value of investments	292,728
Participant distributions	1,374,724
Administrative fees	<u>338</u>
Total deductions	<u>1,667,790</u>
Net decrease	(600,655)

Net assets available for benefits

Beginning of year	<u>6,253,916</u>
End of year	<u><u>\$ 5,653,261</u></u>

See notes to financial statements

**THE HILLER COMPANIES, INC.
401(K) PLAN**

Notes to Financial Statements
December 31, 2011 and 2010

Note 1 - Plan description

The following description of the The Hiller Companies, Inc. 401(k) Plan ("the Plan") is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

General

The Plan is a defined contribution plan established by The Hiller Companies, Inc. (the "Company") under the provisions of Section 401(a) of the Internal Revenue Code ("IRC"), which includes a qualified deferred arrangement as described in Section 401(k) of the IRC, for the benefit of eligible employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions

Eligible employees can contribute an amount up to 60%, but not less than 1%, of compensation as defined by the Plan, limited by requirements of the IRC. The Company has the option of providing a discretionary 401(k) matching contribution on behalf of those participants who are making salary deferral contributions. The Company may also make a profit sharing contribution to the Plan. This amount is discretionary and is available to all employees who have been credited with 1,000 hours of service and are employed on the last day of the year. The Company's profit sharing contributions are allocated among all participants based on each participant's compensation relative to the total compensation paid to all participants for that year.

Vesting

Participants are fully vested in their contributions and the earnings thereon. Vesting in employer matching and profit sharing is based on years of continuous service. A participant vests according to the following schedule:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5	100%

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 1 - Plan description (continued)

Forfeitures can be used to reduce employer contributions to the Plan. Total forfeitures for the year ended December 31, 2011 were \$9,951. During 2011, the Company used \$10,211 of existing forfeitures toward employer contributions.

Benefits

Upon termination of service due to death, disability, or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account. The form of payment is a lump-sum distribution.

Participant accounts

Individual accounts are maintained for each of the Plan's participants to reflect the participant's share of the Plan's income, the Company's contribution, and the participant's contribution. Allocations are based on participant account balances, as defined in the plan document.

Investment options

Participants direct contributions, including employer matching contributions, into various investment options. Participants may change their investment elections quarterly. A description of each investment option is provided below:

Fidelity Advisor Equity Growth Fund - This fund invests principally in common stocks of growing companies with an emphasis on capital growth.

Fidelity Advisor Prime Fund - This fund invests primarily in money market accounts.

Fidelity Advisor Intermediate Bond Fund - This fund invests primarily in corporate debt securities.

Fidelity Advisor Equity Income Fund - This fund invests principally in common stocks of growing companies with an emphasis on current income.

Fidelity Advisor Growth Opportunity Fund - This fund invests primarily in companies with above-average growth in sales or earnings.

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 1 - Plan description (continued)

Fidelity Advisor Balanced Fund - This fund invests in a balance between U.S. Treasury securities, corporate bonds, foreign investments, and convertible securities and stocks.

Fidelity Advisor Overseas Fund - This fund invests approximately 65% of assets in foreign securities consisting mostly of common stock.

Fidelity Advisor Leveraged Fund – This fund invests primarily in the common stock of leveraged companies.

Dreyfus S & P Index Fund - This fund invests primarily in U.S. corporate stocks.

Fidelity Advisor Small Cap Fund - This fund seeks long-term growth of capital by investing primarily in equity securities of companies with small market capitalizations.

Fidelity Advisor Mid Cap II Fund – This fund seeks long-term growth of capital by investing primarily in equity securities of companies with mid market capitalizations.

Fidelity Advisor Strategic Income Fund - This fund seeks a high return of current income by investing primarily in debt securities.

Fidelity Freedom Targeted Date Funds – These funds invest in a combination of Fidelity equity, fixed-income, and money market funds risk based on a targeted retirement date.

Fidelity Freedom Income Fund - Invests in a combination of Fidelity equity, fixed-income, and money market funds.

Fidelity New Insights Fund - This large growth fund invests approximately 76% of assets in bonds.

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 1 - Plan description (continued)

Thornburg Value Fund – This fund seeks long-term growth of capital by investing primarily in U.S. equity securities selected on a value basis.

Van Kampen Small Cap Value Fund – This fund seeks capital growth by investing primarily in equity securities of small capitalization companies.

Pioneer Cullen Value Fund – This fund uses a disciplined strategy to seek capital appreciation, investing primarily in the equity securities of U.S. companies believed to be undervalued in relation to earnings.

Mainstay International Equity Fund – This fund seeks long-term growth of capital by investing primarily in equity securities of companies doing business outside the U.S.

Pimco Total Return Fund – This fund seeks maximum total return by investing primarily in fixed-income instruments of varying maturities.

Janus Overseas Fund – This fund seeks long-term growth of capital by investing primarily in securities of companies doing business outside the U.S.

Perkins Mid Cap Value Fund – This fund seeks capital appreciation by investing primarily in common stocks of mid-sized companies believed to be undervalued.

Note 2 - Summary of significant accounting policies

Basis of accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Income recognition

Interest and dividend income is recorded as earned on the accrual basis.

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 2 - Summary of significant accounting policies (continued)

Investment valuation

Investments of the Plan are stated at fair value. Securities traded in public markets are valued at their quoted market prices. Purchases and sales of securities are reflected on a trade-date basis. The difference between cost and market value from one period to the next is recognized as net appreciation (depreciation) in fair value of investments in the accompanying statement of changes in net assets available for benefits.

Fair values are measured on a recurring basis at December 31, 2011 and 2010 and are based on quoted prices in active markets for identical assets (Level 1 as required by FASB ASC 820 Fair Value Measurements and Disclosures).

Administrative expenses

The Plan sponsor pays most of the administrative expenses for the Plan.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Subsequent events

The plan sponsor's evaluation of subsequent events through July 16, 2012, which is the date the financial statements were available to be issued, revealed no significant matters to be recorded or disclosed.

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 3 - Investments

The following table represents the fair values of investments. Investments that represent five percent (5%) or more of the Plan's net assets are separately identified.

Fair Value of Investments

	December 31	
	2011	2010
Investments at fair value as determined by quoted market price		
Mutual funds		
Fidelity Advisor Equity Growth	\$ 543,141	\$ 798,700
Fidelity Advisor Prime Fund	1,137,123	911,397
Fidelity Advisor Equity Income	449,931	527,716
Fidelity Advisor Growth Opportunity	359,984	439,402
Fidelity Advisor Balanced	287,102	264,136
Fidelity Advisor Small Cap Fund	501,723	536,464
Fidelity Advisor New Insights	386,396	329,141
Fidelity Advisor Mid Cap II Fund	256,312	365,963
All others	1,746,826	2,148,850
	<u>\$ 5,668,538</u>	<u>\$ 6,321,769</u>

During 2011, the Plan's investments, including investments bought, sold, and held during the year, depreciated in value by \$157,731 as follows:

	Year Ended December 31, 2011
Net increase (decrease) in fair value	
Fidelity Advisor Equity Growth	\$ (4,431)
Fidelity Advisor Intermediate Bond	16,570
Fidelity Advisor Equity Income	8
Fidelity Advisor Growth Opportunity	6,173
Fidelity Advisor Balanced	2,917
Fidelity Advisor Overseas	(12,357)
Fidelity Advisor Leveraged	(11,601)
Dreyfus S & P Index	977

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 3 - Investments (continued)

Fidelity Advisor Small Cap	(29,196)
Fidelity Advisor Mid Cap II	(33,977)
Fidelity Advisor Strategic Income	9,664
Fidelity Prime	102
Fidelity Freedom 2010	1
Fidelity Freedom 2020	(838)
Fidelity Freedom 2030	(3,349)
Fidelity Freedom 2040	(2,666)
Fidelity Freedom 2050	(2,138)
Fidelity Freedom Income	8
Fidelity New Insights	(7,008)
Fidelity Freedom 2005	(7)
Fidelity Freedom 2015	(1,507)
Fidelity Freedom 2025	(1,749)
Fidelity Freedom 2035	(3,708)
Fidelity Freedom 2045	(1,981)
Van Kampen Small Cap Value A	(10,358)
Pioneer Cullen Value A	(7,639)
Thornburg Value R4	(2,036)
Mainstay International Equity R2	(12,052)
Pimco Total Return A	7,094
Janus Overseas S	(51,650)
Perkins Mid Cap Value S	(997)
	<u>\$ (157,731)</u>

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 4 - Excess contributions

Contributions received from participants for 2011 and 2010 are net of payments of \$30,886 and \$83,388 made in January 2012 and 2011, respectively, to certain active participants to return to them excess deferral contributions that are required to satisfy the relevant nondiscrimination provisions of the Plan. That amount is also included in the Plan's statement of net assets available for benefits as excess contributions payable at December 31, 2011 and 2010.

Note 5 - Reconciliation to Form 5500

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

	December 31	
	2011	2010
Net assets available for benefits per Form 5500	\$ 5,668,538	\$ 6,321,769
Employer contributions receivable	1,419	1,412
Employee contributions receivable	14,190	14,123
Excess contributions payable	(30,886)	(83,388)
Net assets available for benefits per the accompanying financial statements	<u>\$ 5,653,261</u>	<u>\$ 6,253,916</u>

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

Net (decrease) in net assets available for benefits per Form 5500	\$ (653,231)
Increase in employer contribution receivable	7
Increase in employee contribution receivable	67
Decrease in accrual of excess contributions	<u>52,502</u>
Net (decrease) in net assets available for benefits per the accompanying financial statements	<u>\$ (600,655)</u>

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 6 - Tax status

The Internal Revenue Service issued a determination letter dated October 1, 2001 stating that the prototype plan that was adopted by the Plan was designed in accordance with applicable IRC requirements as of that date. The plan administrator has not applied for a separate determination letter on the Plan; however, the plan administrator believes that the Plan is currently designed and is being operated in compliance with the applicable requirements of the IRC. Therefore, the plan administrator believes that the Plan was qualified and the related trust was tax exempt as of the financial statement dates.

Note 7 - Plan termination

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

Note 8 - Amounts allocated to withdrawn participants

Net assets available for benefits at December 31, 2011 include \$16,045 allocated to the accounts of participants who as of and prior to that date had withdrawn from participating in the earnings and operations of the Plan.

Note 9 - Information certified by the Plan's trustee

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

- Investments, as shown in the Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010.
- Investment activity, as shown in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2011.
- The Schedule of Assets (held at end of year) December 31, 2011, as shown on the supplemental schedule.

THE HILLER COMPANIES, INC.
401(k) PLAN

Notes to Financial Statements (continued)
December 31, 2011 and 2010

Note 9 - Information certified by the Plan's trustee (continued)

The Plan's independent auditor did not perform any auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and schedule.

Note 10 - Additional disclosure

The Plan contains none of the following:

1. Loans or Fixed Income Obligations in Default or Classified as Uncollectible.
2. Leases in Default or Classified as Uncollectible.
3. Nonexempt Transactions.
4. Reportable Transactions.
5. Delinquent Participant Contributions.

THE HILLER COMPANIES, INC.
§401(k) PLAN

EIN No.: 63-1007744
Form 5500, Schedule H
December 31, 2011

Part IV, Item 4i: Schedule of Assets Held for Investment Purposes at End of Year

(a)	<u>(b) Identity of issue</u>	<u>(c) Description of investment</u>	<u>(e) Current value</u>
	Fidelity	Prime Fund	\$ 1,137,123
	Fidelity	Adv. Equity Growth Fund	543,141
	Fidelity	Adv. Intermediate Bond Fund	248,039
	Fidelity	Adv. Equity Income Fund	449,931
	Fidelity	Adv. Growth Opportunity Fund	359,984
	Fidelity	Adv. Balanced Fund	287,102
	Fidelity	Adv. Overseas Fund	66,263
	Fidelity	Adv. Leveraged Fund	86,832
	Dreyfus	S & P Index Fund	148,569
	Fidelity	Adv. Small Cap Fund	501,723
	Fidelity	Adv. Mid Cap II Fund	256,312
	Fidelity	Adv. Strategic Income Fund	246,444
	Fidelity	Freedom 2010	19
	Fidelity	Freedom 2020	28,360
	Fidelity	Freedom 2030	107,708
	Fidelity	Freedom 2040	66,094
	Fidelity	Freedom 2050	34,623
	Fidelity	Adv. Freedom Income	271
	Fidelity	Adv. New Insights	386,396
	Fidelity	Freedom 2005	5,396
	Fidelity	Freedom 2015	9,899
	Fidelity	Freedom 2025	38,614
	Fidelity	Freedom 2035	84,773

THE HILLER COMPANIES, INC.
§401(k) PLAN

EIN No.: 63-1007744
Form 5500, Schedule H (continued)
December 31, 2011

Part IV, Item 4i: Schedule of Assets Held for Investment Purposes at End of Year

(a)	<u>(b) Identity of issue</u>	<u>(c) Description of investment</u>	<u>(e) Current value</u>
	Fidelity	Freedom 2045	38,379
	Janus	Overseas Fund	78,500
	Mainstay	International Equity Fund	59,724
	Perkins	Mid Cap Value Fund	38,796
	Pimco	Total Return	198,125
	Pioneer Cullen	Value Fund	65,708
	Thornburg	Value Fund	31,813
	Van Kampen	Small Cap Value Fund	63,877
			<u>\$ 5,668,538</u>

THE HILLER COMPANIES, INC.
§401(k) PLAN

EIN No.: 63-1007744
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December 31, 2011

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THE HILLER COMPANIES, INC.
§401(k) PLAN

EIN No.: 63-1007744
Form 5500, Schedule H (continued)
December 31, 2011

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