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 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] 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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
LAWSON INDUSTRIES, INC. 401 K PLAN AND TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2002

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

LAWSON INDUSTRIES, INC.

8501 NW 90TH STREET
MEDLEY, FL 33166

2b Employer Identification Number (EIN) 59-2727405

2c Sponsor's telephone number 305-696-8660

2d Business code (see instructions) 332900

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.	09/26/2012	MAYDOLE ARENCIBIA
	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

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
LAWSON INDUSTRIES, INC.

8501 NW 90TH STREET
MEDLEY, FL 33166

3b Administrator's EIN
59-2727405

3c Administrator's telephone number
305-696-8660

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**	124
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**	101
b	Retired or separated participants receiving benefits	**6b**	
c	Other retired or separated participants entitled to future benefits	**6c**	27
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	128
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	
f	Total. Add lines **6d** and **6e**	**6f**	128
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	86
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	
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:
3H 3D 2K 2J 2G 2F 2E

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)	X	Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	X	Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

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

a Pension Schedules

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

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
LAWSON INDUSTRIES, INC. 401 K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LAWSON INDUSTRIES, INC.

D Employer Identification Number (EIN)
59-2727405

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
JOHN HANCOCK USA

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year (f) From	Policy or contract year (g) To
01-0233346	65838	22856	86	01/01/2011	12/31/2011

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
6030	

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

MERRILL LYNCH
2611 EAST OAKLAND PARK BLVD
FORT LAUDERDALE, FL 33306

(b) Amount of sales and base commissions paid	Fees and other commissions paid (c) Amount	Fees and other commissions paid (d) Purpose	(e) Organization code
6030			7

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid (c) Amount	Fees and other commissions paid (d) Purpose	(e) Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	31473
5	Current value of plan's interest under this contract in separate accounts at year end	5	1112603

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☒ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			7b	60635
c	Additions: (1) Contributions deposited during the year	7c(1)			
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	425		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)	799		
	▶ LOAN REPAYMENTS				
	(6) Total additions			7c(6)	1224
d	Total of balance and additions (add **b** and **c(6)**)			7d	61859
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	679		
	(2) Administration charge made by carrier	7e(2)	438		
	(3) Transferred to separate account	7e(3)	28872		
	(4) Other (specify below)	7e(4)	397		
	▶ NEGATIVE MKT VALUE ADJUSTMENT				
	(5) Total deductions			7e(5)	30386
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	31473

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance

e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug

i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract

m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in **c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
LAWSON INDUSTRIES, INC. 401 K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LAWSON INDUSTRIES, INC.

D Employer Identification Number (EIN)
59-2727405

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).. . . . . [X] 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

JOHN HANCOCK LIFE INSURANCE COMPANY
PO BOX 600
BUFFALO, NY 14201-0600

01-0233346

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

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

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

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

(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 ☐

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:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan 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
LAWSON INDUSTRIES, INC. 401 K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
LAWSON INDUSTRIES, INC.

D Employer Identification Number (EIN)
59-2727405

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)

a Name of MTIA, CCT, PSA, or 103-12 IE: VS CAP APP

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

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)
01-0233346-000	P	8830

a Name of MTIA, CCT, PSA, or 103-12 IE: ENERGY

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

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)
01-0233346-000	P	18137

a Name of MTIA, CCT, PSA, or 103-12 IE: US SML CAP

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

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)
01-0233346-000	P	1257

a Name of MTIA, CCT, PSA, or 103-12 IE: LOAN

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

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)
01-0233346-000	P	42205

a Name of MTIA, CCT, PSA, or 103-12 IE: VS MC ST

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

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)
01-0233346-000	P	8

a Name of MTIA, CCT, PSA, or 103-12 IE: FUN ALLCP

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

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)
01-0233346-000	P	10

a Name of MTIA, CCT, PSA, or 103-12 IE: VS ALLCPVL

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

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)
01-0233346-000	P	5

a Name of MTIA, CCT, PSA, or 103-12 IE: VS IT VL

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3248

a Name of MTIA, CCT, PSA, or 103-12 IE: VS SML VAL

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 163

a Name of MTIA, CCT, PSA, or 103-12 IE: IDX INTL

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 635

a Name of MTIA, CCT, PSA, or 103-12 IE: MONEY

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 88990

a Name of MTIA, CCT, PSA, or 103-12 IE: IDX MID

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1346

a Name of MTIA, CCT, PSA, or 103-12 IE: IDX TOTAL

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3

a Name of MTIA, CCT, PSA, or 103-12 IE: IDX 500

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5498

a Name of MTIA, CCT, PSA, or 103-12 IE: SCIENCE TECH

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3101

a Name of MTIA, CCT, PSA, or 103-12 IE: DEVELOPING MARKET

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 135242

a Name of MTIA, CCT, PSA, or 103-12 IE: HEALTH SCIENCE

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 30923

a Name of MTIA, CCT, PSA, or 103-12 IE: SM MD GROWTH		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 175
a Name of MTIA, CCT, PSA, or 103-12 IE: BALANCE SHEET		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 183
a Name of MTIA, CCT, PSA, or 103-12 IE: JPM MCVALU		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 159649
a Name of MTIA, CCT, PSA, or 103-12 IE: GLOBAL		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12875
a Name of MTIA, CCT, PSA, or 103-12 IE: WORLD		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9453
a Name of MTIA, CCT, PSA, or 103-12 IE: AF GROWTH		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1318
a Name of MTIA, CCT, PSA, or 103-12 IE: VAL & REST		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7
a Name of MTIA, CCT, PSA, or 103-12 IE: VS BLUE CHIP		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 17653
a Name of MTIA, CCT, PSA, or 103-12 IE: INV CO AM		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 15612
a Name of MTIA, CCT, PSA, or 103-12 IE: DOMINI SOC		
b Name of sponsor of entity listed in (a): JOHN HANCOCK		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7854

a Name of MTIA, CCT, PSA, or 103-12 IE: UTILITIES

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12

a Name of MTIA, CCT, PSA, or 103-12 IE: VS RESTS

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 927

a Name of MTIA, CCT, PSA, or 103-12 IE: SHORT TERM

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3253

a Name of MTIA, CCT, PSA, or 103-12 IE: NY VENTURE

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 92

a Name of MTIA, CCT, PSA, or 103-12 IE: TRP EQ INC

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3690

a Name of MTIA, CCT, PSA, or 103-12 IE: AF WASHMUT

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 658

a Name of MTIA, CCT, PSA, or 103-12 IE: AMERICAN FUNDS AM BALANCED

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2316

a Name of MTIA, CCT, PSA, or 103-12 IE: 5 YR COMP

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13667

a Name of MTIA, CCT, PSA, or 103-12 IE: 3 YR COMP

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 17806

a Name of MTIA, CCT, PSA, or 103-12 IE: LS AGGRESSIVE

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 12305

a Name of MTIA, CCT, PSA, or 103-12 IE: LS GROWTH

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 93669

a Name of MTIA, CCT, PSA, or 103-12 IE: LS BALANCED

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 329069

a Name of MTIA, CCT, PSA, or 103-12 IE: LS MODERATE

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 41907

a Name of MTIA, CCT, PSA, or 103-12 IE: LS CONSERVATIVE

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

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 60325

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

c EIN-PN	**d** Entity 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)

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 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 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

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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
LAWSON INDUSTRIES, INC. 401 K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LAWSON INDUSTRIES, INC.

D Employer Identification Number (EIN)
59-2727405

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	17770	19758
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)	90260	88990
(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)	45092	42205
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	1011819	981408
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	60635	31473
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(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	1225576	1163834
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 through1j)	1k		
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	1225576	1163834

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)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		
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)	2299	
(F) Other	2b(1)(F)	425	
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		2724
(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)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-38095
(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)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		-35371
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	13694	
(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)		13694
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	12677	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		12677
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		26371
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-61742
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) [X] Disclaimer (4) [ ] Adverse

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

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

(1) Name: LEGACY PROFESSIONALS LLP (2) EIN: 32-0043599

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.) **4a**	X		662
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.) **4b**		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.) **4c**		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.) **4d**		X	
e	Was this plan covered by a fidelity bond? **4e**	X		100000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? **4f**		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? **4g**		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? **4h**		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.) **4i**	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.) **4j**		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? **4k**		X	
l	Has the plan failed to provide any benefit when due under the plan? **4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) **4m**		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.

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

A Name of plan
LAWSON INDUSTRIES, INC. 401 K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LAWSON INDUSTRIES, INC.

D Employer Identification Number (EIN)
59-2727405

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**

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): 01-0233346

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** 4

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 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**

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):

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To the Trustees of
Lawson Industries, Inc.
401(k) Plan and Trust

We have completed a DOL limited-scope audit of the financial statements and supplemental information of Lawson Industries, Inc. 401(k) Plan and Trust for the year ended December 31, 2011 and have issued our report thereon dated September 21, 2012. 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 7 to those financial statements. Because of the significance of the information that we did not audit, we are unable to, and have not, expressed an opinion on those financial statements and supplemental information taken as a whole. We did, however, audit the form and content of the information included in the financial statements as well as the required supplemental schedules attached to the Plan's Form 5500, other than that derived from the information certified by the custodians, in accordance with auditing standards generally accepted in the United States of America and found them to be presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated June 1, 2012, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with the modified cash basis of accounting. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit and except that we did not, as part of the scope limitation discussed in the first paragraph, include a consideration of internal control relating to the information summarized in Note 7 to those financial statements, we considered the internal controls of Lawson Industries, Inc. 401(k) Plan and Trust. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal controls.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter and in any meetings concerning planning matters.

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Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Lawson Industries, Inc. 401(k) Plan and Trust are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2011. We noted no transactions entered into by the Plan during the year that were both significant and unusual, or transactions for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements are the investments whose fair values were estimated. Management's estimates of investments that do not have quoted market price are based on estimates by the investment manager. We evaluated the key factors and assumptions used to develop the fair value of investments whose fair values were estimated and other accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Disclosures

The disclosures in the financial statements are neutral, consistent, and clear. There are no financial statement disclosures that are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Misstatements corrected by management represent those adjustments proposed by us as directed by management and were not detected as a result of audit procedures. In addition, none of the misstatements were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 21, 2012.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplemental information accompanying the financial statements, we made certain inquires of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with generally accepted accounting principles in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplemental information on to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Intended Use of this Letter

This information is intended solely for the information and use of the Trustees and management of the Plan and is not intended to be and should not be used by anyone other than these specified parties.

Legacy Professionals LLP

September 21, 2012

LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

FINANCIAL STATEMENTS

DECEMBER 31, 2011

LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION

DECEMBER 31, 2011 AND 2010

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REPORT OF INDEPENDENT AUDITORS

To the Trustees of
Lawson Industries, Inc.
401(k) Plan and Trust

We were engaged to audit the accompanying financial statements of Lawson Industries, Inc. 401(k) Plan and Trust (the Plan) as of and for the years ended December 31, 2011 and 2010 and the accompanying supplemental information as of December 31, 2011 as listed in the table of contents. These financial statements and supplemental information 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's administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by John Hancock Life Insurance Company (U.S.A.), the Trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental information. We have been informed by the Plan's administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan's administrator has obtained certification from the Trustee that the information, as of and for the years ended December 31, 2011 and 2010, provided to the Plan's administrator is complete and accurate.

As described in Note 1, these financial statements and supplemental information were prepared using the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Because of the significance of the information that we did not audit, we are unable to express, and do not express, an opinion on the accompanying financial statements and supplemental information. The accompanying supplemental information on pages 12 through 14 is presented for purposes 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 information, other than that derived from the information certified by John Hancock Life Insurance Company (U.S.A.), 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.

Legacy Professionals LLP

September 21, 2012

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LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
MODIFIED CASH BASIS

DECEMBER 31, 2011 AND 2010

	2011	2010
ASSETS		
INVESTMENTS - at fair value		
Insurance contract pooled separate accounts	$ 981,408	$ 1,011,819
Guaranteed investment accounts	31,619	60,990
Money market fund	88,990	90,260
Total investments	1,102,017	1,163,069
NOTES RECEIVABLE FROM PARTICIPANTS	42,205	45,092
CASH	19,758	17,770
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	1,163,980	1,225,931
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT	(146)	(355)
NET ASSETS AVAILABLE FOR BENEFITS	$ 1,163,834	$ 1,225,576

See accompanying notes to financial statements.

LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
MODIFIED CASH BASIS

YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
ADDITIONS		
Investment income (loss)		
Net appreciation (depreciation) in fair value of investments	$ (38,095)	$ 132,972
Interest and dividends	425	1,473
Total investment income (loss)	(37,670)	134,445
Interest income on notes receivable from participants	2,299	2,420
Total additions	(35,371)	136,865
DEDUCTIONS		
Distributions	13,694	44,068
Deemed distributions of loans	-	1,612
Administrative expenses	12,677	12,525
Total deductions	26,371	58,205
NET INCREASE (DECREASE)	(61,742)	78,660
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	1,225,576	1,146,916
End of year	$ 1,163,834	$ 1,225,576

See accompanying notes to financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting - The financial statements are prepared on the modified cash basis of accounting. Except for assets and liabilities which arise from cash transactions and the recognition of net appreciation (depreciation) in fair value of investments, revenue is recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred.

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

Investments - The investments of the Plan are reported at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price).

Purchases and sales of investments are recorded on a trade date basis.

Notes Receivable from Participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Plan Administration - The Plan is maintained under a trust agreement. John Hancock Life Insurance Company (U.S.A.) manages the Plan's operations and administration and has custody of the Plan's assets. Benefits Outsource handles preparation of tax filings and tax compliance.

Distributions - Benefits are recorded when paid.

Administrative Expenses - The Plan sponsor provides and pays certain expenses of maintaining the Plan without charge or reimbursement.

Estimates - The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Subsequent Events - Subsequent events have been evaluated through September 21, 2012, which is the date the financial statements were available to be issued.

NOTE 2. DESCRIPTION OF THE PLAN

Lawson Industries, Inc. 401(k) Plan and Trust was established January 1, 2002, and has been adopted by two related companies collectively referred to herein as the "Companies": Lawson Industries, Inc. and Sunco Plastics, Inc. The Plan was established to provide employees of the Companies with the opportunity to save for retirement on a tax-deferred basis. The Plan is financed by contributions from the participants and voluntary contributions by the Companies, and by net earnings of the investments of the Plan. The Plan is a defined contribution plan covering all nonunion employees who have at least one year of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Participants may elect to voluntarily defer up to 18 percent of their pretax annual base compensation, subject to certain limitations. Rollovers from another employer's qualified retirement plan are accepted. The Companies, at their discretion, may match the participant's elective deferral contributions not to exceed five percent of the participant's compensation. Additional profit sharing contributions are made at the option of the Companies.

Each participant's account is credited with the participant's contribution and any employer matching contribution. Plan earnings or losses are allocated on a daily basis. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Contributions to the Plan are invested as directed by the participant into various investment options. Participants must evaluate their own investment goals and objectives and choose the investments best suited to achieve their goals and objectives.

Poor investment performance by the investment accounts selected by the participants may cause their vested balances to be lower than the amounts contributed to the Plan on their behalf.

Participants are immediately vested in their voluntary compensation deferrals plus actual earnings thereon. Participants become 20 percent vested in the Companies' contributions plus actual earnings thereon after 2 years of service with an additional 20 percent for each year thereafter, achieving 100 percent vesting after 6 years of service. Participants' accounts become fully vested upon retirement, permanent disability or death. Forfeited nonvested accounts are used to reduce administrative expenses of the Plan first and any excess will reduce future employer contributions. At December 31, 2011 and 2010 forfeited nonvested accounts were not material in total.

Participants may borrow from their accounts a minimum of $500 up to a maximum equal to the lower of $50,000 or 50 percent of a participant's vested account balance. Five years is the maximum length of the loan, unless it qualifies as a home loan, which may be for a reasonable period of time in excess of five years. The balance of the loans outstanding at December 31, 2011 and 2010 were $42,205 and $45,092 with interest rates ranging from approximately five to six percent. Principal and interest is paid ratably through monthly payroll deductions.

Participants should refer to the summary plan description for more information.

NOTE 2. DESCRIPTION OF THE PLAN (CONTINUED)

Effective February 2009, all contributions to the Plan were suspended. This decision was made in direct response to the then current business conditions. During 2011 and 2010, the Companies did not reinstate contributions. Such suspension will remain in effect indefinitely or until lifted by the Companies.

NOTE 3. PLAN TERMINATION

Although it has not expressed any intent to do so, the Companies as the Plan sponsor have the right to terminate the Plan subject to the provisions set forth in ERISA.

More than 20% of the Plan's participants were terminated due to downsizing efforts made by the Companies in 2008 and 2009. This resulted in a partial termination of the Plan, and all affected participants became fully vested in their benefits regardless of whether they met the vesting requirements of the Plan.

NOTE 4. TAX STATUS

The Internal Revenue Service has issued a determination letter indicating that the Plan (a prototype plan), as designed, is a qualified plan under Internal Revenue Code Section 401(a). Management believes that the Plan, as designed, is being operated in accordance with applicable regulations and, therefore, is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code.

The Plan files Form 5500, *Annual Return/Report of Employee Benefit Plan*, which is subject to examination by the Internal Revenue Service until the applicable statute of limitations expires.

NOTE 5. INVESTMENTS

The following summary presents the aggregate fair value for each of the Plan's investment categories. Individual investments that represent 5% or more of the Plan's net assets available for benefits are separately identified.

	2011	2010
Insurance contract pooled separate accounts:		
Oppenheimer Developing Market	$ 135,242	$ 166,576
John Hancock II		
Lifestyle Conservative Fund	60,325	64,390
Lifestyle Balanced Fund	329,069	310,917
Lifestyle Growth Fund	93,669	93,873
JPM Mid Cap Value Fund	159,649	157,932
Others	203,454	218,131
Guaranteed investment accounts	31,619	60,990
Money market fund:		
Manulife Money Market Fund	88,990	90,260
Total	$ 1,102,017	$ 1,163,069

Net appreciation (depreciation) of the Plan's investments including investments bought, sold, and held during the year of ($38,095) and $132,972 for 2011 and 2010, respectively is entirely due to insurance contract pooled separate accounts.

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

NOTE 6. FAIR VALUE MEASUREMENTS

The Plan prepares its financial statements on the modified cash basis of accounting. Because one of the modifications to the cash basis that the Plan has made is to carry its investments at fair value, the *Fair Value Measurements and Disclosures* Topic of the FASB Accounting Standards Codification, which established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, has been implemented by the Plan. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurement

Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities
Level 2	Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly
Level 3	Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable

The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth, by level within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2011 and 2010. As required, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. At December 31, 2011 and 2010, the Plan held no assets at fair value classified within Level 3.

NOTE 6. FAIR VALUE MEASUREMENTS (CONTINUED)

		Fair Value Measurements at Year End Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2011:				
Insurance contract pooled separate accounts				
Lifestyle funds	$ 537,275	$ -	$ 537,275	$ -
Mid cap value	159,649	-	159,649	-
Others	284,484	-	284,484	-
Guaranteed investment accounts	31,619	-	31,619	-
Money market fund	88,990	-	88,990	-
Total	$ 1,102,017	$ -	$ 1,102,017	$ -
December 31, 2010:				
Insurance contract pooled separate accounts				
Lifestyle funds	$ 537,025	$ -	$ 537,025	$ -
Mid cap value	157,932	-	157,932	-
Others	316,862	-	316,862	-
Guaranteed investment accounts	60,990	-	60,990	-
Money market fund	90,260	-	90,260	-
Total	$ 1,163,069	$ -	$ 1,163,069	$ -

The fair values of insurance contract pooled separate accounts are determined by reference to the accounts' underlying assets, which are principally marketable equity and fixed income securities. Units held in the insurance contract pooled separate accounts and guaranteed investment accounts are valued at the unit value as reported by the investment manager as of December 31, 2011 and 2010. Redemptions are available on a daily basis without notice.

The money market fund is valued at cost which approximates fair value.

NOTE 7. INFORMATION CERTIFIED BY THE TRUSTEE (UNAUDITED)

The following is a summary of the unaudited information regarding the Plan included in the Plan's financial statements that was prepared or derived from information provided by John Hancock Life Insurance Company (U.S.A.). The Plan has obtained certification from John Hancock Life Insurance Company (U.S.A.) that such information is complete and accurate for the years ended December 31, 2011 and 2010.

	2011	2010
Statement of Net Assets Available for Benefits:		
Insurance contract pooled separate accounts	$ 981,408	$ 1,011,819
Guaranteed investment accounts at contract value	$ 31,473	$ 60,635
Guaranteed investment accounts at fair value	$ 31,619	$ 60,990
Money market fund	$ 88,990	$ 90,260
Statement of Changes in Net Assets Available for Benefits:		
Net appreciation (depreciation) in fair value of investments	$ (38,095)	$ 132,972
Interest and dividends	$ 425	$ 1,473

NOTE 8. GUARANTEED INVESTMENT ACCOUNTS

The Plan has entered into a benefit-responsive investment contract with John Hancock Life Insurance Company (U.S.A.) who maintains the contributions in a separate account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is included in the statement of net assets available for benefits at fair value as determined using the market approach. The adjustment from fair value to contract value for the investment contract is based on the contract value as reported to the Plan by John Hancock Life Insurance Company (U.S.A.). Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. The Plan may ordinarily direct the withdrawal or transfer of all or a portion of its investment at contract value.

The contract value of the guaranteed investment accounts at December 31, 2011 and 2010 was $31,473 and $60,635 respectively. The crediting interest rate at December 31, 2011 and 2010 was 4.97% and 5.73%, respectively. The average composite yield rate at December 31, 2011 and 2010 was 1.41% and 2.08%, respectively.

Certain events, such as the premature termination of the contract by the Plan or the termination of the Plan, would limit the Plan's ability to transact at contract value with John Hancock Life Insurance Company (U.S.A.). The Plan administrator believes the occurrence of such events that would also limit the Plan's ability to transact at contract value with Plan participants is not probable.

The guaranteed investment accounts contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

NOTE 9. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by John Hancock Life Insurance Company (U.S.A.), the Trustee as defined by the Plan, and therefore, these transactions qualify as party-in-interest transactions.

NOTE 10. PROHIBITED TRANSACTIONS

During 2011, the Companies failed to remit certain loan repayments totaling $662 to the Plan within the period prescribed by Department of Labor regulations. Delays in remitting loan repayments to the Trustee were due to administrative errors.

SUPPLEMENTAL INFORMATION

LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

IRS Plan Number: 001
Plan Year End: 12/31/11

SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN: 59-2727405

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost**	(e) Current Value
*	500 Index	Pooled Fund		$ 5,498
*	All Cap Value	Pooled Fund		5
*	American Balanced	Pooled Fund		2,316
*	Blue Chip Growth	Pooled Fund		17,653
*	Capital Appreciation	Pooled Fund		8,830
*	Columbia Value & Restructuring	Pooled Fund		7
*	Davis New York Venture	Pooled Fund		92
*	DFA U.S. Small Cap	Pooled Fund		1,257
*	Domini Social Equity	Pooled Fund		7,854
*	Vanguard Energy	Pooled Fund		18,137
*	Franklin Balance Sheet	Pooled Fund		183
*	Franklin Small-Mid Growth	Pooled Fund		175
*	Fundamental All Cap Core	Pooled Fund		10
*	Growth Fund of America	Pooled Fund		1,318
*	International Equity Index	Pooled Fund		635
*	International Value	Pooled Fund		3,248
*	Investment Company of America	Pooled Fund		15,612
	John Hancock II			
*	Lifestyle Aggressive	Pooled Fund		12,305
*	Lifestyle Balanced	Pooled Fund		329,069
*	Lifestyle Conservative	Pooled Fund		60,325
*	Lifestyle Growth	Pooled Fund		93,669
*	Lifestyle Moderate	Pooled Fund		41,907
	John Hancock Life Insurance Co.			
*	3 Year Compound	Guaranteed Investment Account		17,806
*	5 Year Compound	Guaranteed Investment Account		13,667
*	JPM Mid Cap Value	Pooled Fund		159,649
*	MFS Utilities	Pooled Fund		12
*	Manulife Money Market Fund	Money Market Fund		88,990
*	Mid Cap Index	Pooled Fund		1,346
*	Mid Cap Stock	Pooled Fund		8

* Represents a party-in-interest.
** Cost information is not required for participant-directed investments and, therefore, is not included.

LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

IRS Plan Number: 001
Plan Year End: 12/31/11

SCHEDULE H, ITEM 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN: 59-2727405

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost**	(e) Current Value
*	Oppenheimer Developing Market	Pooled Fund		$ 135,242
*	Oppenheimer Global	Pooled Fund		12,875
*	Real Estate Securities	Pooled Fund		927
*	Short Term Federal	Pooled Fund		3,253
*	Small Cap Value	Pooled Fund		163
*	T. Rowe Price Equity Incorporated	Pooled Fund		3,690
*	T. Rowe Price Health Science	Pooled Fund		30,923
*	T. Rowe Price Science & Technology	Pooled Fund		3,101
*	Templeton World	Pooled Fund		9,453
*	Total Stock Market Index	Pooled Fund		3
*	Washington Mutual Investors	Pooled Fund		658
				1,101,871
*	Participant loans	Interest rates 5.00% - 6.00%		42,205
	Total investments per Form 5500			$ 1,144,076

* Represents a party-in-interest.
** Cost information is not required for participant-directed investments and, therefore, is not included.

IRS Plan Number: 001
Plan Year End: 12/31/11

LAWSON INDUSTRIES, INC. 401(K) PLAN AND TRUST

SCHEDULE H, LINE 4A, SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

DECEMBER 31, 2011

EIN: 59-2727405

Participant Contributions Transferred Late to Plan	Total that Constitute NonExempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: X	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
		$ 662		

Statement 1
Schedule H, Page 4, Line 4i
Schedule Of Assets (Held At End Of Year)
LAWSON INDUSTRIES, INC. 401(k) PLAN AND TRUST 59-2727405 001

Party In Interest	Identification	Description	Cost	Current Amount
	Loan Account			$ 42,205.
	3 Year Comp	Pooled Fund		17,806.
	5 Year Comp	Pooled Fund		13,667.
	AF Growth	Pooled Fund		1,318.
	AF WashMut	Pooled Fund		658.
	Amer Fds Am Bal	Pooled Fund		2,316.
	Balance Sheet	Pooled Fund		183.
	Cash Account	Pooled Fund		19,758.
	Develop Mkt	Pooled Fund		135,242.
	Domini Soc	Pooled Fund		7,854.
	Energy	Pooled Fund		18,137.
	Fun AllCp	Pooled Fund		10.
	Global	Pooled Fund		12,875.
	Health Sci	Pooled Fund		30,923.
	IDX 500	Pooled Fund		5,498.
	IDX Int'l	Pooled Fund		635.
	IDX Mid	Pooled Fund		1,346.
	IDX Total	Pooled Fund		3.
	Inv Co Am	Pooled Fund		15,612.
	JPM McValu	Pooled Fund		159,649.
	LS Aggressive	Pooled Fund		12,305.
	LS Balanced	Pooled Fund		329,069.
	LS Conserve	Pooled Fund		60,325.
	LS Growth	Pooled Fund		93,669.
	LS Moderate	Pooled Fund		41,907.
	Money	Pooled Fund		88,990.
	New York Venture	Pooled Fund		92.
	Sci Tech	Pooled Fund		3,101.
	Short Term Fed	Pooled Fund		3,253.
	SM-MD Growth	Pooled Fund		175.
	T. Rowe Pr Eq In	Pooled Fund		3,690.
	US Small Cap	Pooled Fund		1,256.
	Utilities	Pooled Fund		12.
	Val & Rest	Pooled Fund		7.
	VS ALCPVALU	Pooled Fund		5.
	VS Blue Chip	Pooled Fund		17,653.
	VS Cap App	Pooled Fund		8,830.
	VS IT VL	Pooled Fund		3,248.
	VS MC St	Pooled Fund		8.
	VS Rests	Pooled Fund		924.
	VS Sml Val	Pooled Fund		163.
	World	Pooled Fund		9,453.