

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
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Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information			
1a Name of plan RETIREMENT PLAN OF XALOY INCORPORATED 2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC 102 XALOY WAY PULASKI, VA 24301-6113	1b Three-digit plan number (PN) ▶ <u>005</u>	1c Effective date of plan <u>08/15/2003</u>		
	2b Employer Identification Number (EIN) <u>25-1264175</u>	2c Sponsor's telephone number <u>540-994-2215</u>	2d Business code (see instructions) <u>333200</u>	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/03/2012	COLLEEN A. CHAMBERLAIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/04/2012	MARK GAIA
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC 102 XALOY WAY PULASKI, VA 24301-6113	3b Administrator's EIN 25-1264175 3c Administrator's telephone number 540-994-2215
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	271
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	90
b Retired or separated participants receiving benefits.....	6b	63
c Other retired or separated participants entitled to future benefits.....	6c	112
d Subtotal. Add lines 6a , 6b , and 6c	6d	265
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	5
f Total. Add lines 6d and 6e	6f	270
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	2

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

1B 1G 3H

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

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

a Pension Schedules

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

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☒ 1 **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **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
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For calendar plan year 2011 or fiscal plan year beginning **01/01/2011** and ending **12/31/2011**

A Name of plan RETIREMENT PLAN OF XALOY INCORPORATED	B Three-digit plan number (PN)	005
C Plan sponsor's name as shown on line 2a of Form 5500 NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC	D Employer Identification Number (EIN) 25-1264175	

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.
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1 Coverage Information:

(a) Name of insurance carrier
PRINCIPAL LIFE INSURANCE COMPANY

(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	(g) To
42-0127290	61271	450890	0	01/01/2011	09/14/2011

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
6679	194

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

MORGAN STANLEY INS SERVICES INC
ATTN JENNIFER KANG
2000 WESTCHESTER AVE
PURCHASE, NY 10577-2530

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
6679	0	PRORATED INCENTIVE, NOT DEDUCTED FROM PLAN	3

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

MORGAN STANLEY INS SERVICES INC
201 PLAZA TWO 7TH FLOOR
JERSEY CITY, NJ 07311-1234

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
0	194	PRORATED INCENTIVE, NOT DEDUCTED FROM PLAN	3

(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	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	0

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. Specify nature of costs ▶	6d	

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	0
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c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits	7c(2)		
(3) Interest credited during the year	7c(3)		
(4) Transferred from separate account	7c(4)		
(5) Other (specify below)	7c(5)		
▶			

(6) Total additions	7c(6)	0
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d Total of balance and additions (add b and c(6))	7d	0
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e Deductions:			
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier	7e(2)		
(3) Transferred to separate account	7e(3)		
(4) Other (specify below)	7e(4)		
▶			

(5) Total deductions	7e(5)	0
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f Balance at the end of the current year (subtract e(5) from d)	7f	0
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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)	0
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)	0
(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)	0
(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 SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>RETIREMENT PLAN OF XALOY INCORPORATED</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC</u>	D Employer Identification Number (EIN) <u>25-1264175</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>	
2 Assets:	
a Market value	2a <u>7354840</u>
b Actuarial value	2b <u>6849666</u>
3 Funding target/participant count breakdown:	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>59</u> <u>3679198</u>
b For terminated vested participants	3b <u>114</u> <u>2034486</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>465317</u>
(2) Vested benefits	3c(2) <u>4087578</u>
(3) Total active	3c(3) <u>96</u> <u>4552895</u>
d Total	3d <u>269</u> <u>10266579</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.34 %</u>
6 Target normal cost	6 <u>190900</u>

Statement by Enrolled Actuary

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

SIGN HERE	<u>09/05/2012</u>
Signature of actuary	Date
<u>CHRISTOPHER L. META</u>	<u>11-07107</u>
Type or print name of actuary	Most recent enrollment number
<u>PRINCIPAL FINANCIAL GROUP</u>	<u>412-394-6334</u>
Firm name	Telephone number (including area code)
<u>PO BOX 9394</u> <u>DES MOINES, IA 50306-9394</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2011
v.012611

Part II		Beginning of year carryover and prefunding balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	150489	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	150489	0
10	Interest on line 9 using prior year's actual return of <u>14.19</u> %	21354	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		114
b	Interest on (a) using prior year's effective rate of <u>6.72</u> % except as otherwise provided (see instructions)		8
c	Total available at beginning of current plan year to add to prefunding balance		122
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	171843	0

Part III		Funding percentages	
14	Funding target attainment percentage	14	65.04 %
15	Adjusted funding target attainment percentage	15	65.64 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	68.94 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	66.71 %

Part IV		Contributions and liquidity shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2011	192603	0			
07/14/2011	192603	0			
07/28/2011	97675	0			
10/13/2011	192603	0			
01/12/2012	192603	0			
08/30/2012	300643	0			
Totals ▶			18(b)	1168730	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 94313
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 1011524
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 3.78%	2nd segment: 6.31%	3rd segment: 6.57%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	190900	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	3588756	819862	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	1010762	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35)	36	1010762	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1011524	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	762	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

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

A Name of plan <u>RETIREMENT PLAN OF XALOY INCORPORATED</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC</u>	D Employer Identification Number (EIN) <u>25-1264175</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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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)

MORGAN STANLEY SMITH BARNEY LLC

26-4310632

(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?
27 28 33 51 52 68	NONE	22730	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(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?
13 50 64	CONTRACT ADMINISTRATOR	19287	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

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

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

A Name of plan <u>RETIREMENT PLAN OF XALOY INCORPORATED</u>	B Three-digit plan number (PN) ►	<u>005</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC</u>	D Employer Identification Number (EIN) <u>25-1264175</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL SMALLCAP SEP ACCT-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-014</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN U.S. PROPERTY SEP ACCT-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-027</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN TOTAL MKT STOCK IDX SA-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-033</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL GROWTH SEP ACCT-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-064</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN REAL ESTATE SECS SA-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-095</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN HIGH YIELD I SEP ACCT-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-101</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN SMCAP S&P 600 INDEX SA-R6</u>			
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>			
c EIN-PN <u>42-0127290-028</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INFLATION PROJECT SA-R6**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-099	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN CORE PLUS BOND I SA-R6**b** Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-115	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

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

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

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

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

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

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

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

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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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
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**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 <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>RETIREMENT PLAN OF XALOY INCORPORATED</u>	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC</u>	D Employer Identification Number (EIN) <u>25-1264175</u>	

	Part I Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1	Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	288258	493246
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)		10134
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		309198
	(2) U.S. Government securities.....	1c(2)		2787288
	(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)		2823714
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts.....	1c(9)		
	(10) Value of interest in pooled separate accounts.....	1c(10)	7068670	0
	(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)		1842641
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	7356928	8266221

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	7356928	8266221
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1168730	
(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)		1168730

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	231	
(B) U.S. Government securities	2b(1)(B)	315	
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		546

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	3099	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	42125	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		45224

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	168653	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		168653
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-68249
(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)		3143
c Other income.....	2c		10442
d Total income. Add all income amounts in column (b) and enter total.....	2d		1328489

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	377179	
(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)		377179
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)	19287	
(3) Investment advisory and management fees	2i(3)	22730	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		42017
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		419196

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		909293
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: BROWN, EDWARDS & COMPANY, L.L.P.

(2) EIN: 54-0504608

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
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 RETIREMENT PLAN OF XALOY INCORPORATED		B Three-digit plan number (PN) ► 005
C Plan sponsor's name as shown on line 2a of Form 5500 NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC		D Employer Identification Number (EIN) 25-1264175
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 0
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): 42-0127290 27-1228437		
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 1
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☒ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☒ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2011 v.012611		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____



**RETIREMENT PLAN OF
XALOY INCORPORATED**

FINANCIAL REPORT

DECEMBER 31, 2011



RETIREMENT PLAN OF XALOY INCORPORATED

FINANCIAL REPORT

December 31, 2011

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INDEPENDENT AUDITOR'S REPORT

The Retirement Plans Investment Committee of the
Retirement Plan of Xaloy Incorporated
New Castle, Pennsylvania

We were engaged to audit the accompanying statements of net assets available for benefits of the Retirement Plan of Xaloy Incorporated as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended, and the statement of accumulated Plan benefits as of December 31, 2010, and the related statement of changes in accumulated Plan benefits for the year then ended, and the supplemental schedules as of December 31, 2011, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 9, which was certified by Wilmington Trust Company and Principal Trust Company, the Custodians of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan Administrator that Wilmington Trust Company held the Plan's investment assets and executed investment transactions from September 16, 2011 through December 31, 2011, and that Principal Trust Company held the Plan's investment assets and executed investment transactions from January 1, 2010 through September 15, 2011. The Plan Administrator has obtained certifications from the Custodians as of and for the years ended December 31, 2011 and 2010, that the information provided to the Plan Administrator by the Custodians is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the financial statements but are 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 schedules, other than that derived from the information certified by the Custodians, 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.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
September 18, 2012

Your Success is Our Focus

RETIREMENT PLAN OF XALOY INCORPORATED

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Investments at fair value (Notes 3, 4, 5, and 9):		
Pooled separate accounts	\$ -	\$ 7,068,670
Mutual funds	2,124,839	-
Exchange traded funds	2,823,714	-
U.S. government securities	<u>2,787,287</u>	<u>-</u>
	7,735,840	7,068,670
Cash and cash equivalents	27,275	-
Receivables		
Employer contributions	493,246	288,258
Accrued interest	<u>10,134</u>	<u>-</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 8,266,495</u></u>	<u><u>\$ 7,356,928</u></u>

RETIREMENT PLAN OF XALOY INCORPORATED

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income (Notes 3, 4, and 9)		
Net appreciation in fair value of investments	\$ 84,349	\$ 859,161
Dividends and interest	<u>75,375</u>	<u>-</u>
	159,724	859,161
Employer contributions	<u>1,168,730</u>	<u>896,112</u>
Total additions	<u>1,328,454</u>	<u>1,755,273</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid directly to participants	377,179	365,492
Administrative expenses	<u>41,708</u>	<u>30,906</u>
Total deductions	<u>418,887</u>	<u>396,398</u>
Net increase	909,567	1,358,875
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>7,356,928</u>	<u>5,998,053</u>
End of year	<u><u>\$ 8,266,495</u></u>	<u><u>\$ 7,356,928</u></u>

RETIREMENT PLAN OF XALOY INCORPORATED
STATEMENT OF ACCUMULATED PLAN BENEFITS
December 31, 2010*

**ACTUARIAL PRESENT VALUE OF ACCUMULATED
PLAN BENEFITS (Note 2)**

Vested benefits:

Participants and beneficiaries currently receiving payments	\$ 3,197,807
Other participants	<u>4,686,564</u>

7,884,371

Nonvested benefits

657,996

**TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED
PLAN BENEFITS**

\$ 8,542,367

*Latest valuation date – January 1, 2011

RETIREMENT PLAN OF XALOY INCORPORATED
STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS
Year Ended December 31, 2010*

ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT BEGINNING OF YEAR	<u>\$ 8,283,625</u>
Increase (decrease) during the year attributable to:	
Increase for interest due to decrease in discount period	648,352
Benefits paid	(365,492)
Benefits accumulated and plan experience	(70,298)
Change in actuarial assumptions	-
Plan amendment	<u>46,180</u>
Net increase	<u>258,742</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT END OF YEAR	<u><u>\$ 8,542,367</u></u>

*Latest valuation date – January 1, 2011

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 1. Description of the Plan

The following brief description of the Retirement Plan of Xaloy Incorporated (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

General:

The Plan is a defined benefit pension plan covering employees of New Castle Industries and each of its divisions (the “Company”). Certain Company divisions are covered by collective bargaining agreements and eligible employees covered under these agreements participate in the Plan. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Pension benefits:

Under the terms of the Plan agreement, employees are eligible to participate in the Plan upon their date of hire. Benefits of all salaried employees of New Castle Industries were frozen as of January 31, 2005, although benefits continue to accrue for employees of other active divisions. Participants are 100% vested in their accumulated benefits after five years of service.

Participating employees with five or more years of service are entitled to annual pension benefits beginning at normal retirement age (65) equal to an amount as determined under the Plan provisions for each division. The Plan includes incremental changes to the benefit formula of the Tanner location by raising the multiplier for years of service after 1971 over several years. The multiplier changed from \$23 to \$24 effective June 1, 2010, and to \$25 effective August 1, 2011. The Plan was amended in 2010 to change the benefit formula of the Feed Screws location from a multiplier of \$31 to \$32, effective August 1, 2010, and to \$33 effective August 1, 2011, and to raise the service cap from 35 to 40 years. The Plan permits early retirement benefits if the participating employee has completed the minimum amount of service and has attained the age specified in the Plan for its division. Under the terms of the Plan agreement, participants may elect to receive the value of their accumulated Plan benefits as a lump-sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity.

Effective September 16, 2011, the Plan’s assets were transferred to Wilmington Trust Company, the new Custodian, from The Principal Life Insurance Company. The recordkeeping function was transferred to The Newport Group. There were no significant changes to Plan provisions.

Death and disability benefits:

If a participating employee dies before the retirement benefit would be payable to him or her, a death benefit payable to the surviving spouse will be equal to the spouse’s death benefit as defined by the Plan. Active, participating employees who become totally and permanently disabled will be entitled to receive a benefit equal to the retirement benefit as defined by the Plan.

Contributions:

Contributions from the Company, which are actuarially computed in accordance with the provisions of ERISA, are designed to fund the Plan’s normal service cost on a current basis and to fund prior service cost plus interest in accordance with ERISA’s minimum funding standards. The Company has fulfilled the minimum funding requirements of ERISA.

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 2. Summary of Significant Accounting Policies

Basis of accounting:

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

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Accordingly, actual results may differ from those estimates.

Investments valuation and income recognition:

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

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

Actuarial present value of accumulated plan benefits:

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

The accumulated plan benefits for active employees are based on their respective plan provisions ending on the date as of which the benefit information is presented. Benefits payable upon retirement, death, disability, and termination of employment are included, to the extent they are deemed attributable to employee service rendered to the valuation date. The actuarial present value of accumulated plan benefits was determined by the consulting actuary and is that amount which results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 2. Summary of Significant Accounting Policies (Continued)

Actuarial present value of accumulated plan benefits: (Continued)

The significant actuarial assumptions used in determining accumulated plan benefits as of December 31, 2010 and 2009 (determined as of January 1, 2011 and 2010, respectively) are as follows:

	2010	2009
Mortality:	2011 IRS Prescribed Mortality Table	2010 IRS Prescribed Mortality Table
Retirement age:	Earlier of age 65 and five years of service (if required based on Plan provision for each division) or age and years of service based on Plan document for its division (for eligible divisions).	Earlier of age 65 and five years of service (if required based on Plan provision for each division) or age and years of service based on Plan document for its division (for eligible divisions).
Discount rate:	8.00%	8.00%
Investment return:	3.78% for 0-5 years service, 6.31% for 5-20 years service, and 6.57% for 20+ years.	5.03% for 0-5 years service, 6.73% for 5-20 years service, and 6.82% for 20+ years.

Retirement Actuarial Services of Principal Financial Group, the Plan's actuary, changed their valuation liability software during the year. This is considered a change in actuarial method. The effect of this change was to increase annual cost by less than 2%.

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

Administrative expenses:

Administrative expenses of the Plan may be paid by either the Plan or the Company as provided in the Plan document. For the years ended December 31, 2011 and 2010, the Plan paid a portion of the administrative expenses.

Payment of benefits:

Benefit payments are recorded when paid.

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 3. Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. 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 value. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

		Fair Value Measurements at Reporting Date Using:	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
	Fair Value		
December 31, 2011			
Mutual funds			
Equity	\$ 1,129,176	\$ 1,129,176	\$ -
Fixed income	660,751	660,751	-
Other	334,912	334,912	-
U.S Government securities			
Agency notes	1,020,868	-	1,020,868
U.S. Treasury notes	1,766,419	-	1,766,419
Exchange traded funds			
Equity	2,478,311	-	2,478,311
Fixed income	345,403	-	345,403
	<u>\$ 7,735,840</u>	<u>\$ 2,124,839</u>	<u>\$ 5,611,001</u>
December 31, 2010			
Pooled separate accounts			
Fixed income	\$ 2,268,270	\$ 2,032,908	\$ 235,362
International equity	893,912	893,912	-
Large U.S. equity	3,346,354	3,346,354	-
Small/Mid U.S. equity	560,134	560,134	-
	<u>\$ 7,068,670</u>	<u>\$ 6,833,308</u>	<u>\$ 235,362</u>

(Continued)

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 3. Fair Value Measurements (Continued)

Level 1 Fair Value Measurements

The fair values of mutual funds are based on quoted net asset values of the shares held by the Plan at year-end.

Level 2 Fair Value Measurements

The fair values of U.S. government securities, exchange traded funds, and pooled separate accounts, other than those included in Level 3, are based on inputs that are observable for valuing the asset or liability, either directly or indirectly (i.e. interest rate and yield curves observable at commonly quoted intervals, default rates, etc.). Observable inputs include quoted price for similar assets or liabilities in active or non-active markets. Level 2 inputs may also include insignificant adjustments to market observable inputs.

The exchange traded funds and pooled separate accounts in Level 2 invest in securities that have observable pricing inputs, including quoted prices for similar assets in active or non-active markets. While underlying asset values are quoted prices, the net asset value (NAV) of a unit in a pooled separate account or exchange traded fund is not publicly quoted. Units can be issued and redeemed on any business day at the NAV. All earnings and losses are reflected in the computation of the NAV and are realized by the participant upon withdrawal. No distributions of income and gain or loss are made to participants.

Level 3 Fair Value Measurements

The pooled separate account included in Level 3 is not actively traded and significant other observable inputs are not available. Fair values are derived from other valuation methodologies, including pricing models, discounted cash flow models, and similar techniques, and are not based on market, exchange, dealer, or broker-transactions.

The Plan invested in a pooled separate account that invested primarily in commercial real estate and included mortgage loans. These underlying real estate investments have unobservable Level 3 pricing inputs. The NAV per unit is estimated using discounted cash flow valuation models that utilize public real estate market data inputs. Previously, this separate account had a temporary withdrawal limitation related to turmoil in the credit markets. This restriction had been in place from September 2008 through early 2011. The restriction ended March 25, 2011, returning this entire investment to Level 2.

The following table provides further details of Level 3 fair value measurements.

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 3. Fair Value Measurements (Continued)

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

	<u>Pooled Separate Accounts</u>
<u>December 31, 2011</u>	
Beginning balance	\$ 235,362
Total gains or losses (realized and unrealized included in changes in net assets available for benefits)	5,904
Transfers to Level 2	<u>(241,266)</u>
Ending balance	<u><u>\$ -</u></u>
<u>December 31, 2010</u>	
Beginning balance	\$ 203,014
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	<u>32,348</u>
Ending balance	<u><u>\$ 235,362</u></u>
Total gains or losses for the year included in changes in net assets available for benefits attributable to the change in unrealized gains or losses relating to investments still held at the reporting date	<u><u>\$ 32,348</u></u>

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the years ended December 31, 2011 and 2010 are reported in net appreciation in fair value of investments.

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 4. Investments

The following investments at December 31, 2011 and 2010 represent 5% or more of the Plan's net assets.

	<u>2011</u>
Lazard Developing Equity	\$ 556,957
BlackRock High Yield Bond	\$ 572,219
FHLMC Note at 2.875%, due 02/09/15	\$ 438,801
FNMA Note at 1.500%, due 06/26/13	\$ 582,067
U.S. Treasury Note/Bond at 2.250%, 03/31/16	\$ 587,977
U.S. Treasury Note/Bond at 0.500%, 05/31/13	\$ 669,970
U.S. Treasury Note/Bond at 3.500%, 05/15/20	\$ 508,472
SPDR S&P 500 ETF Trust	\$ 2,107,647
	<u>2010</u>
Principal Core Plus Bond I Separate Account	\$ 2,032,908
Principal International Growth Separate Account	\$ 403,364
Principal Total Market Stock Index Separate Account	\$ 3,346,354
Principal International Small-Cap Separate Account	\$ 490,548
Principal Real Estate Securities Separate Account	\$ 560,134

During 2011 and 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	<u>2011</u>	<u>2010</u>
Fair value determined by quoted prices in an active market:		
Mutual funds	\$ 3,418	\$ -
Fair value otherwise determined:		
Exchange traded funds	151,760	-
U.S. Government securities	16,932	-
Pooled separate accounts	<u>(87,761)</u>	<u>859,161</u>
	<u>\$ 84,349</u>	<u>\$ 859,161</u>

Note 5. Investment Contract with Insurance Company

For 2010 and a portion of 2011, the Plan maintained an investment contract with Principal Life Insurance Company (Principal). Principal maintained the contributions in pooled separate accounts. The accounts were credited with earnings on the underlying investments and charged for Plan withdrawals. The investment contract was not benefit responsive. The contract was liquidated on September 16, 2011 and the proceeds were transferred to the new Custodian.

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 5. Investment Contract with Insurance Company (Continued)

Separate accounts were maintained on a “unit” basis. The unit value was adjusted daily to reflect investment results under the separate accounts. The Plan’s account provided a cumulative record of the number of units credited to each of the separate accounts and the number of units withdrawn from each of the separate accounts. The value of each account on any date was determined by multiplying the number of units held by the unit value at the close of business on that particular date.

Note 6. Funding Policy

The Company is required to contribute to the Plan an amount determined by the actuary at least sufficient to maintain the Plan as a qualified employee defined benefit plan meeting the minimum funding standard requirements of ERISA. The Company met the minimum funding requirements for the years ended December 31, 2011 and 2010.

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA and subject to provisions of active collective bargaining agreements.

Note 7. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated May 9, 2006, that the Plan and related trust are designed in accordance with applicable sections of the *Internal Revenue Code (IRC)*. Therefore, no provision for federal income taxes has been made in the accompanying financial statements. Although, the Plan has been amended since receiving the determination letter; the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the *IRC*.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The federal annual returns of the Plan are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

Note 8. Plan Termination

In the event the Plan terminates, the net assets of the Plan will not be available on a pro rata basis to provide participant’s benefits. Whether a particular participant’s accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all. Participants should refer to the Plan agreement for more complete information.

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 8. Plan Termination (Continued)

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2011, that ceiling is \$4,500 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or Plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations, and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

Note 9. Custodians' Certifications

Certain information was certified as complete and accurate by the Plan's Custodians. This information is as follows:

- Investment assets
- Investment transactions
- Investment income
- Schedule of Assets (Held at End of Year)
- Schedule of Reportable Transactions

Note 10. Related Party Transactions

Certain administrative functions are performed by officers or employees of the Company. These employees may also be Plan participants. No such officer or employee receives compensation from the Plan.

For the year ended December 31, 2010 and through September 15, 2011, all Plan assets were invested in pooled separate accounts managed by the Plan's Custodian. Since September 16, 2011, the Plan assets are invested in funds held by the Plan's Custodian, and managed by other management companies. Fees paid by the Plan to the Custodians for investment management and administrative services amounted to \$41,708 and \$30,906 for the years ended December 31, 2011 and 2010, respectively.

RETIREMENT PLAN OF XALOY INCORPORATED

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

Note 11. Risk and Uncertainties

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

Plan contributions are made and the actuarial present value of accumulated Plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

Note 12. Reconciliation of Financial Statements to Schedule H of Form 5500

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

	December 31	
	2011	2010
Net assets available for benefits per the financial statements	\$ 8,266,495	\$ 7,356,928
Adjustment to income	(274)	-
Net assets available for benefits per Schedule H of Form 5500	<u>\$ 8,266,221</u>	<u>\$ 7,356,928</u>

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

	2011
Net increase in net assets available for benefits per the financial statements	\$ 909,567
Adjustment to income	(274)
Net income per Schedule H of Form 5500	<u>\$ 909,293</u>

Note 13. Subsequent events

In June 2012, the Company was sold to another manufacturing entity. Management believes the plan will continue for employees, either as a continuation of the existing Plan or a merger with the plan of the new owners.

Evaluation of subsequent events was considered through the date of the independent auditor's report, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

RETIREMENT PLAN OF XALOY INCORPORATED
(Sponsor EIN: 25-1264175) (Plan: 005)

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2011

(a)	(b) Identity of Issuer	(c) Description of Investment Including Maturity Date, Rate of Interest, Par, or Maturity Value	(d) Cost	(e) Current Value
	Lazard	Developing Equity	\$ 604,995	\$ 556,957
	Morgan Stanley	Bank Deposit Program	\$ 281,923	\$ 281,923
	BlackRock	High Yield Bond	\$ 547,799	\$ 572,219
	DWS	RREEF Real Estate Securities A	\$ 338,467	\$ 378,828
	Templeton	Global Bond A	\$ 339,572	\$ 326,169
	Templeton	Global Bond Fund – Ad	\$ 8,665	\$ 8,743
	FHLMC	Note at 2.875%, due 02/09/15	\$ 437,996	\$ 438,801
	FNMA	Note at 1.500%, due 06/26/13	\$ 582,501	\$ 582,067
	U.S. Treasury	Note/Bond at 2.250%, due 03/31/16	\$ 583,093	\$ 587,977
	U.S. Treasury	Note/Bond at 0.500%, due 05/31/13	\$ 669,842	\$ 669,970
	U.S. Treasury	Note/Bond at 3.500%, due 05/15/20	\$ 496,923	\$ 508,472
	Ishares	Barclays TIPS Bond	\$ 336,876	\$ 345,403
	Ishares	S&P Smallcap 600 Index	\$ 337,007	\$ 370,664
	SPDR	S&P 500 ETF Trust	\$ 1,998,110	\$ 2,107,647

RETIREMENT PLAN OF XALOY INCORPORATED
(Sponsor EIN: 25-1264175) (Plan: 005)

SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2011

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expenses Incurred In Connection With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
<i>Series of Transactions in excess of 5% of net assets:</i>								
Principal Life Insurance Company	Inflation Protection Separate Account	\$ 800,986	\$ -	\$ -	\$ -	\$ 800,986	\$ 800,986	\$ -
Principal Life Insurance Company	Inflation Protection Separate Account	\$ -	\$ 868,745	\$ -	\$ -	\$ 800,986	\$ 868,745	\$ 67,759
Principal Life Insurance Company	High Yield I Separate Account	\$ 798,725	\$ -	\$ -	\$ -	\$ 798,725	\$ 798,725	\$ -
Principal Life Insurance Company	High Yield I Separate Account	\$ -	\$ 766,150	\$ -	\$ -	\$ 798,725	\$ 766,150	\$ (32,575)
Principal Life Insurance Company	Core Plus Bond I Separate Account	\$ -	\$ 2,259,842	\$ -	\$ -	\$ 1,990,306	\$ 2,259,842	\$ 269,536
Principal Life Insurance Company	Total Market Stock Index Separate Account	\$ -	\$ 3,625,635	\$ -	\$ -	\$ 2,985,216	\$ 3,625,635	\$ 640,419
Principal Life Insurance Company	Smallcap S&P 600 Index Separate Account	\$ 399,362	\$ -	\$ -	\$ -	\$ 399,362	\$ 399,362	\$ -
Principal Life Insurance Company	Real Estate Securities Separate Account	\$ -	\$ 777,604	\$ -	\$ -	\$ 533,709	\$ 777,604	\$ 243,895
Principal Life Insurance Company	International Growth Separate Account	\$ -	\$ 423,701	\$ -	\$ -	\$ 316,537	\$ 423,701	\$ 107,164

(Continued)

RETIREMENT PLAN OF XALOY INCORPORATED
(Sponsor EIN: 25-1264175) (Plan: 005)

SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2011

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expenses Incurred In Connection With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
<i>Series of Transactions in excess of 5% of net assets: (Continued)</i>								
Principal Life Insurance Company	International Smallcap Separate Account	\$ -	\$ 516,243	\$ -	\$ -	\$ 312,635	\$ 516,243	\$ 203,608
DWS	Enhanced Emerging Markets	\$ 1,217,599	\$ -	\$ -	\$ -	\$ 1,217,599	\$ 1,217,599	\$ -
DWS	Enhanced Emerging Markets	\$ -	\$ 1,171,314	\$ -	\$ -	\$ 1,217,600	\$ 1,171,314	\$ (46,286)
Oppenheimer	Developing Markets	\$ 798,725	\$ -	\$ -	\$ -	\$ 798,725	\$ 798,725	\$ -
Oppenheimer	Developing Markets	\$ -	\$ 729,670	\$ -	\$ -	\$ 798,725	\$ 729,670	\$ (69,055)
UBS	International Equity C Fund	\$ 399,362	\$ -	\$ -	\$ -	\$ 399,362	\$ 399,362	\$ -
Lazard	Developing Equity	\$ 604,995	\$ -	\$ -	\$ -	\$ 604,995	\$ 604,995	\$ -
Morgan Stanley	Bank Deposit Program	\$ 7,705,642	\$ -	\$ -	\$ -	\$ 7,705,642	\$ 7,705,642	\$ -
Morgan Stanley	Bank Deposit Program	\$ -	\$ 7,423,718	\$ -	\$ -	\$ 7,423,718	\$ 7,423,718	\$ -
BlackRock	High Yield Bond	\$ 547,799	\$ -	\$ -	\$ -	\$ 547,799	\$ 547,799	\$ -

RETIREMENT PLAN OF XALOY INCORPORATED
(Sponsor EIN: 25-1264175) (Plan: 005)

SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2011

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expenses Incurred In Connection With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
<i>Single Transactions in excess of 5% of net assets:</i>								
FHLMC	Note at 2.875%, Due 02/09/15	\$ 437,996	\$ -	\$ -	\$ -	\$ 437,996	\$ 437,996	\$ -
FNMA	Note at 1.500%, Due 06/26/13	\$ 582,501	\$ -	\$ -	\$ -	\$ 582,501	\$ 582,501	\$ -
Lazard	Developing Equity	\$ 585,221	\$ -	\$ -	\$ -	\$ 585,221	\$ 585,221	\$ -
Morgan Stanley	Bank Deposit Program	\$ 3,512,712	\$ -	\$ -	\$ -	\$ 3,512,712	\$ 3,512,712	\$ -
Morgan Stanley	Bank Deposit Program	\$ 3,961,144	\$ -	\$ -	\$ -	\$ 3,961,144	\$ 3,961,144	\$ -
Morgan Stanley	Bank Deposit Program	\$ -	\$ 585,221	\$ -	\$ -	\$ 585,221	\$ 585,221	\$ -
Morgan Stanley	Bank Deposit Program	\$ -	\$ 2,783,733	\$ -	\$ -	\$ 2,783,733	\$ 2,783,733	\$ -
Morgan Stanley	Bank Deposit Program	\$ -	\$ 3,880,722	\$ -	\$ -	\$ 3,880,722	\$ 3,880,722	\$ -
U.S. Treasury	Note/Bond at 3.500%, Due 05/15/20	\$ 496,923	\$ -	\$ -	\$ -	\$ 496,923	\$ 496,923	\$ -
U.S. Treasury	Note/Bond at 2.250%, Due 03/13/16	\$ 583,093	\$ -	\$ -	\$ -	\$ 583,093	\$ 583,093	\$ -
U.S. Treasury	Note/Bond at 0.500%, Due 05/31/13	\$ 669,842	\$ -	\$ -	\$ -	\$ 669,842	\$ 669,842	\$ -
BlackRock	High Yield Bond	\$ 538,743	\$ -	\$ -	\$ -	\$ 538,743	\$ 538,743	\$ -
SPDR	S&P 500 ETF Trust	\$ 1,998,110	\$ -	\$ -	\$ -	\$ 1,998,110	\$ 1,998,110	\$ -

Schedule SB, Line 26 - Schedule of Active Participant Data
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

Form 5500 - Schedule of Active Participation Data Valuation Date 01/01/2011												
YEARS OF CREDITED SERVICE												
Attained Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up		
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.		
Under 25	1	0	0	0	0	0	0	0	0	0		
25 to 29	0	0	0	0	0	0	0	0	0	0		
30 to 34	0	1	0	0	0	0	0	0	0	0		
35 to 39	0	1	1	0	0	0	0	0	0	0		
40 to 44	0	1	2	2	1	0	0	0	0	0		
45 to 49	0	2	3	2	0	5	2	2	2	0		
50 to 54	0	4	7	2	3	9	3	2	1	0		
55 to 59	0	7	2	2	4	4	7	4	2	0		
60 to 64	0	4	0	1	0	0	1	1	3	0		
65 to 69	0	0	0	0	1	0	0	0	0	0		
70 & up	0	0	0	0	0	0	0	0	0	0		

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

Assumptions Prescribed by Law				
Mortality	During Benefit Payment Period			
	IRS Prescribed Mortality-Optional Combined Table for Small Plans, male and female.			
	Before Benefit Payment Period			
	IRS Prescribed Mortality-Optional Combined Table for Small Plans, male and female.			
Assumptions Selected by Actuary				
Asset Return	8.00% for the current plan year.			
Retirement Age	Normal Retirement Age as defined in <u>Plan Provisions</u>			
Disability	Sample disability rates (male) are shown below:			
	<u>Age</u>	<u>Rate of disability</u>	<u>Age</u> <u>Rate of disability</u>	
	25	0.056%	45	0.270%
	30	0.071%	50	0.493%
	35	0.099%	55	0.914%
	40	0.162%	60	1.470%
Marriage	80% married; husbands are 3 years older than wives.			
Withdrawal for Tanner and Feed Screws locations	Sample withdrawal rates (male) are shown below:			
	<u>Age</u>	<u>Rate of withdrawal</u>	<u>Age</u> <u>Rate of withdrawal</u>	
	25	3.482%	45	0.810%
	30	2.767%	50	0.100%
	35	2.494%	55	0.050%
	40	2.041%	60	0.000%
Withdrawal for Bimex and New Castle locations	Sample withdrawal rates (male) are shown below:			
	<u>Age</u>	<u>Rate of withdrawal</u>	<u>Age</u> <u>Rate of withdrawal</u>	
	25	13.84%	45	3.00%
	30	11.58%	50	2.00%
	35	9.50%	55	0.00%
	40	6.00%	60	0.00%
Form of Benefit	Participants are assumed to receive their benefits on the normal form at the assumed retirement age.			

Methods Prescribed by Law	
Liability Measure	Funding target is the present value of the benefits accrued on the valuation date. Target Normal Cost is based on benefits expected to accrue during the current plan year and includes an estimate of plan expenses for the year.
Benefit Accrual	All benefits paid at decrement are considered in total and then split to determine how much is included in Funding Target. The following pieces are included in the Funding Target. • The portion based on the plan's definition of accrued benefit. • The benefit portion in excess of the accrued benefit based on the ratio of the participant's years of service on the valuation date to the years of service the participant will have at the time of decrement. The benefits included in Target Normal Cost are calculated similarly, by splitting the benefits. The Target Normal Cost is based on the difference between the amount included in Funding Target and an amount calculated assuming the participant accrues service through the end of the plan year.
Methods Selected by Plan Sponsor	
Asset Method	The asset valuation method is prescribed by law for plans that elect to use a value other than market value. For each of the preceding two years, an expected value of assets at the end of the year is compared to the end of year market value. The resulting gain or loss is recognized evenly over three plan years. The expected value includes contributions, distributions, any deducted administrative expenses, and expected earnings (based on the lesser of the assumed interest rate or the Maximum Allowable Rate). The deferred gains and losses are added to the current market value and then restricted to no more than 110% and no less than 90% of that market value. When actual returns exceed the assumed return, the actuarial value of assets will lag below market value. The lag and the smoothing effect are limited since the value must be within 10% of market value.
Segment Rates	24 month average with no weighting to prior law basis. Use rates where August is the last month included in the average.
PBGC Premium Basis	Premiums are calculated using the funding target rates used for the plan year. This method was elected with the 01/01/2010 plan year and must continue for five years before a change can be made.

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

Methods Elected by Actuary	
Retirees	Assets and liabilities for current and future retirees are included.
HCE Benefit Payment Restrictions	A ratio of the market value of assets and funding target is used to determine if restrictions apply. Assets and Funding Target are as of the valuation date and are reduced by: • any retiree benefit index or floor • amounts for HCEs who were previously restricted • an amount for the retiring HCE
Vested Benefits	A benefit is included in vested benefits when the participant will meet age and service eligibility requirements at the valuation date. The benefit is multiplied by the participant's vesting percentage applicable to each benefit on the valuation date. The following ancillary benefits are always treated as nonvested: disability benefits payable to retirement age unless in pay status, and pre-retirement death benefits in excess of the Survivor Annuity Death Benefit except as noted in the Plan Provisions.
Assumptions and Methods Elected by Actuary Plan Accounting (formerly known as SFAS No. 35)	
With the exceptions below, all assumptions and methods are the same as those used in determining your plan's regular Funding Target and Target Normal Cost.	
Interest Rate Used to Value Liabilities	8.00%

RETIREMENT PLAN OF XALOY INCORPORATED
(Sponsor EIN: 25-1264175) (Plan: 005)

SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2011

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expenses Incurred In Connection With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
<i>Series of Transactions in excess of 5% of net assets:</i>								
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Principal Life Insurance Company	Inflation Protection Separate Account	\$ -	\$ 868,745	\$ -	\$ -	\$ 800,986	\$ 868,745	\$ 67,759
Principal Life Insurance Company	High Yield I Separate Account	\$ 798,725	\$ -	\$ -	\$ -	\$ 798,725	\$ 798,725	\$ -
Principal Life Insurance Company	High Yield I Separate Account	\$ -	\$ 766,150	\$ -	\$ -	\$ 798,725	\$ 766,150	\$ (32,575)
Principal Life Insurance Company	Core Plus Bond I Separate Account	\$ -	\$ 2,259,842	\$ -	\$ -	\$ 1,990,306	\$ 2,259,842	\$ 269,536
Principal Life Insurance Company	Total Market Stock Index Separate Account	\$ -	\$ 3,625,635	\$ -	\$ -	\$ 2,985,216	\$ 3,625,635	\$ 640,419
Principal Life Insurance Company	Smallcap S&P 600 Index Separate Account	\$ 399,362	\$ -	\$ -	\$ -	\$ 399,362	\$ 399,362	\$ -
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Principal Life Insurance Company	International Growth Separate Account	\$ -	\$ 423,701	\$ -	\$ -	\$ 316,537	\$ 423,701	\$ 107,164

(Continued)

RETIREMENT PLAN OF XALOY INCORPORATED
(Sponsor EIN: 25-1264175) (Plan: 005)

SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2011

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expenses Incurred In Connection With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
<i>Series of Transactions in excess of 5% of net assets: (Continued)</i>								
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DWS	Enhanced Emerging Markets	\$ 1,217,599	\$ -	\$ -	\$ -	\$ 1,217,599	\$ 1,217,599	\$ -
DWS	Enhanced Emerging Markets	\$ -	\$ 1,171,314	\$ -	\$ -	\$ 1,217,600	\$ 1,171,314	\$ (46,286)
Oppenheimer	Developing Markets	\$ 798,725	\$ -	\$ -	\$ -	\$ 798,725	\$ 798,725	\$ -
Oppenheimer	Developing Markets	\$ -	\$ 729,670	\$ -	\$ -	\$ 798,725	\$ 729,670	\$ (69,055)
UBS	International Equity C Fund	\$ 399,362	\$ -	\$ -	\$ -	\$ 399,362	\$ 399,362	\$ -
Lazard	Developing Equity	\$ 604,995	\$ -	\$ -	\$ -	\$ 604,995	\$ 604,995	\$ -
Morgan Stanley	Bank Deposit Program	\$ 7,705,642	\$ -	\$ -	\$ -	\$ 7,705,642	\$ 7,705,642	\$ -
Morgan Stanley	Bank Deposit Program	\$ -	\$ 7,423,718	\$ -	\$ -	\$ 7,423,718	\$ 7,423,718	\$ -
BlackRock	High Yield Bond	\$ 547,799	\$ -	\$ -	\$ -	\$ 547,799	\$ 547,799	\$ -

RETIREMENT PLAN OF XALOY INCORPORATED
(Sponsor EIN: 25-1264175) (Plan: 005)

SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2011

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expenses Incurred In Connection With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
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FNMA	Note at 1.500%, Due 06/26/13	\$ 582,501	\$ -	\$ -	\$ -	\$ 582,501	\$ 582,501	\$ -
Lazard	Developing Equity	\$ 585,221	\$ -	\$ -	\$ -	\$ 585,221	\$ 585,221	\$ -
Morgan Stanley	Bank Deposit Program	\$ 3,512,712	\$ -	\$ -	\$ -	\$ 3,512,712	\$ 3,512,712	\$ -
Morgan Stanley	Bank Deposit Program	\$ 3,961,144	\$ -	\$ -	\$ -	\$ 3,961,144	\$ 3,961,144	\$ -
Morgan Stanley	Bank Deposit Program	\$ -	\$ 585,221	\$ -	\$ -	\$ 585,221	\$ 585,221	\$ -
Morgan Stanley	Bank Deposit Program	\$ -	\$ 2,783,733	\$ -	\$ -	\$ 2,783,733	\$ 2,783,733	\$ -
Morgan Stanley	Bank Deposit Program	\$ -	\$ 3,880,722	\$ -	\$ -	\$ 3,880,722	\$ 3,880,722	\$ -
U.S. Treasury	Note/Bond at 3.500%, Due 05/15/20	\$ 496,923	\$ -	\$ -	\$ -	\$ 496,923	\$ 496,923	\$ -
U.S. Treasury	Note/Bond at 2.250%, Due 03/13/16	\$ 583,093	\$ -	\$ -	\$ -	\$ 583,093	\$ 583,093	\$ -
U.S. Treasury	Note/Bond at 0.500%, Due 05/31/13	\$ 669,842	\$ -	\$ -	\$ -	\$ 669,842	\$ 669,842	\$ -
BlackRock	High Yield Bond	\$ 538,743	\$ -	\$ -	\$ -	\$ 538,743	\$ 538,743	\$ -
SPDR	S&P 500 ETF Trust	\$ 1,998,110	\$ -	\$ -	\$ -	\$ 1,998,110	\$ 1,998,110	\$ -

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ Round off amounts to nearest dollar.

▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan RETIREMENT PLAN OF XALOY INCORPORATED	B Three-digit plan number (PN) ▶	005
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF NEW CASTLE INDUSTRIES-A SUB OF XALOY, INC	D Employer Identification Number (EIN) 25-1264175	

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500
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Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>			
2 Assets:			
a Market value.....	2a	7354840	
b Actuarial value.....	2b	6849666	
3 Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	59	3679198
b For terminated vested participants.....	3b	114	2034486
c For active participants:			
(1) Non-vested benefits.....	3c(1)		465317
(2) Vested benefits.....	3c(2)		4087578
(3) Total active.....	3c(3)	96	4552895
d Total.....	3d	269	10266579
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	6.34 %	
6 Target normal cost.....	6	190900	

Statement by Enrolled Actuary

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

SIGN HERE	 Signature of actuary Christopher L. Meta Type or print name of actuary Principal Financial Group Firm name PO Box 9394 Des Moines, IA 50306-9394 Address of the firm	 Date 1107107 Most recent enrollment number 412-394-6334 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2011
v.012611

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	150489	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	150489	0
10	Interest on line 9 using prior year's actual return of <u>14.19 %</u>	21354	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		114
b	Interest on (a) using prior year's effective rate of <u>6.72 %</u> except as otherwise provided (see instructions)		8
c	Total available at beginning of current plan year to add to prefunding balance		122
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	171843	0

Part III Funding percentages			
14	Funding target attainment percentage	14	65.04 %
15	Adjusted funding target attainment percentage	15	65.64 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	68.94 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	66.71 %

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2011	192603	0			
07/14/2011	192603	0			
07/28/2011	97675	0			
10/13/2011	192603	0			
01/12/2012	192603	0			
08/30/2012	300643	0			
Totals ►			18(b)	1168730	18(c)
0					
19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:					
a Contributions allocated toward unpaid minimum required contributions from prior years				19a	0
b Contributions made to avoid restrictions adjusted to valuation date				19b	94313
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date				19c	1011524
20 Quarterly contributions and liquidity shortfalls:					
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No					
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No					
c If 20a is "Yes," see instructions and complete the following table as applicable:					
Liquidity shortfall as of end of quarter of this plan year					
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th		
0	0	0	0		

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

21 Discount rate:			
a Segment rates:	1st segment: 3.78 %	2nd segment: 6.31 %	3rd segment: 6.57 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	190900	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	3588756	819862	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	1010762	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	1010762	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1011524	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	762	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

Schedule SB, Line 22 - Description Of Weighted Average Retirement Age
RETIREMENT PLAN OF XALOY INCORPORATED
EIN 25-1264175 Plan No. 005

All active participants are expected to retire at the plan's assumed retirement age.

Schedule SB, Line 2a - Explanation of Assets
RETIREMENT PLAN OF XALOY INCORPORATED
EIN 25-1264175 Plan No. 005

The market value of assets on line 2a does not equal assets shown on Schedule H, Schedule I or Form 5500-SF. Schedule H, Schedule I and Form 5500-SF use the full value of contributions received after plan year end. Line 2a includes the value of \$288,258 contributions received after the plan year end with a discounted value of \$286,170.

Schedule SB, Line 19 - Discounted Employer Contributions
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

The attached schedule shows the date and amount of individual employer contributions, interest adjusted contribution, year to which the contributions are applied, applicable effective interest rate and amount applied to each quarterly contribution.

Contributions made to avoid benefit restrictions (Line 19b)

Date	Full Amount of Contribution by Employer	Interest Adjusted Amount of Contribution	Plan Year Applied	Effective Interest Rate
07/28/2011	\$97,675	\$94,313	2011	6.34%

Schedule SB, Part V - Summary of Plan Provisions
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

This report reflects the maximum benefit limits under Internal Revenue Code (IRC) Section 415 and maximum compensation limits under IRC Section 401 in effect on the first day of each plan year.

The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document. This report reflects the provisions of the plan document including amendments through the EGTRRA amendment signed 12/30/2010. However, only those benefit increases through 08/01/2011 are recognized in Funding Target and Normal Cost for the calculation of Annual Cost. Benefit increases scheduled after this date need to be tested to see if they are allowed to take effect.

Tanner Location	
Plan Eligibility	
Eligibility	Date of hire for collectively bargained employees of Tanner Division.
Normal Retirement Benefit	
Age	Attained age 65.
Form	Monthly annuity guaranteed for 10 years and payable for life thereafter (optional forms may be elected prior to retirement).
Amount (accrued benefit)	The sum of (a) and (b): (a) Prior to 06/01/2007, \$21.00 times Credited Service after 06/01/1971 Effective 06/01/2007, \$22.00 times Credited Service after 06/01/1971 Effective 06/01/2009, \$23.00 times Credited Service after 06/01/1971 Effective 06/01/2010, \$24.00 times Credited Service after 06/01/1971 Effective 08/01/2011, \$25.00 times Credited Service after 06/01/1971 Effective 08/01/2012, \$26.00 times Credited Service after 06/01/1971 Effective 08/01/2013, \$27.00 times Credited Service after 06/01/1971 (b) \$5.50 times Credited Service prior to 06/01/1971.
Supplemental Benefit	
	\$20.00 for those hired between 06/01/1969 and 06/01/1971; \$15.00 if hired before 06/01/1969.

Schedule SB, Part V - Summary of Plan Provisions
RETIREMENT PLAN OF XALOY INCORPORATED
EIN 25-1264175 Plan No. 005

Early Retirement Benefit	
Age	Attained age 55.
Service	Ten years of service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced by 6% per year for each year than early retirement date precedes normal retirement date.

Late Retirement Benefit	
Age	No maximum age.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on late retirement date.

Termination Benefit	
Vesting Percentage	100% after five years of vesting service.
Form	Same as normal retirement benefit with income deferred until normal retirement date.
Amount	Accrued benefit on date of termination multiplied by the vesting percentage.
Death benefit coverage	Death benefit coverage after date of termination must be elected by the participant.

Disability Benefit	
Age	Attained age 50.
Service	Ten years of service.
Form	Monthly income payable until normal retirement, death, or recovery and a deferred annuity payable at normal retirement date.
Amount	Accrued benefit on date of disability.

Pre-Retirement Death Benefits	
A) plus the greater of B) or C):	
A. Lump Sum Death Benefit (a nonvested benefit)	
Eligibility	Active participant on date of death.
Form	A single sum amount paid to the beneficiary.
Amount	\$100 times Credited Service (limited to 20 years).
B. Qualified Pre-Retirement Survivor Annuity (a vested benefit)	
Eligibility	Qualified married participant who has completed ten years of service.
Form	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.
C. Pre-Retirement Spouse Benefit (a vested benefit)	
Eligibility	Active plan participant who has been married at least one year and is eligible for early retirement.
Form	Immediate monthly annuity payable to spouse. 100% of the benefit is payable for ten years, and then 50% thereafter.
Amount	Accrued benefit on date of death reduced by 6% for each year that date of death precedes normal retirement date, and reduced for spouse coverage.

Definitions	
Credited service	All service from date of hire.
Optional Forms of Benefit Payments	The optional forms of benefit payments are: • Monthly annuity payable for life, or 5, 10, or 15 years certain and life • Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 66 2/3, 75, or 100. The optional form conversion basis is 7.5% interest and the mortality table in Revenue Ruling 95-6 for payments other than lump sums.

Feed Screws Location

Plan Eligibility

Eligibility	Date of hire for collectively bargained employees of the Feed Screws Division.
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Normal Retirement Benefit

Age	Attained age 65.
Service	Five years of participation.
Form	Monthly annuity payable for life (optional forms may be elected prior to retirement).
Amount (accrued benefit)	\$26.00 times Credited Service, limited to 35 years. Effective 08/01/2005, the multiplier is increased to \$27.00. Effective 08/01/2006, the multiplier is increased to \$28.00. Effective 08/01/2007, the multiplier is increased to \$29.00. Effective 08/01/2008, the multiplier is increased to \$31.00. Effective 08/01/2010, the multiplier is increased to \$32.00. Effective 08/01/2011, the multiplier is increased to \$33.00. Effective 08/01/2012, the multiplier is increased to \$34.00. Effective 08/01/2013, the multiplier is increased to \$36.00. Credited service shall not exceed 40 years (35 years before 09/01/2009) on such date.

Early Retirement Benefit

Age	Attained age 55.
Service	Ten years of service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced by 6% per year for each year that early retirement date precedes normal retirement date.

Late Retirement Benefit

Age	No maximum age.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on late retirement date.

Schedule SB, Part V - Summary of Plan Provisions
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

Termination Benefit	
Vesting Percentage	100% after five years of vesting service.
Form	Same as normal retirement benefit with income deferred until normal retirement date.
Amount	Accrued benefit on date of termination multiplied by the vesting percentage.
Death benefit coverage	Death benefit coverage after date of termination must be elected by the participant.

Disability Benefit	
Service	Fifteen years of service.
Form	Monthly income payable until normal retirement, death, or recovery and a deferred annuity payable at normal retirement date.
Amount	Accrued benefit on date of disability.

Survivor Annuity Death Benefit (a vested benefit)	
Eligibility	Qualified married participant fully or partially vested in an accrued benefit.
Form	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.

Definitions	
Credited Service	A year of service for each computation period in which 1,000 hours of service are credited.
Optional Forms of Benefit Payments	The optional forms of benefit payments are: - Monthly annuity payable for life, or 5, 10, or 15 years certain and life - Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 66 2/3, 75, or 100. The optional form conversion basis is 7.5% interest and the mortality table in Revenue Ruling 95-6 for payments other than lump sums.

Schedule SB, Part V - Summary of Plan Provisions
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

Bimex Location	
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Plan Eligibility	
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Eligibility	Date of hire for all salaried, non-bargaining employees of the Bimex division.
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Normal Retirement Benefit	
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Age	Attained age 65.
Form	Monthly annuity payable for life (optional forms may be elected prior to retirement).
Amount (accrued benefit)	The sum of (a), (b), and (c): (a) 1.1% of Final Average Earnings times Credited Service after 01/01/1989 (b) \$24.00 times Credited Service before 01/01/1989 (c) 66 2/3% of accumulated employee contributions

Early Retirement Benefit	
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Age	Attained age 55.
Service	Fifteen years of continuous service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced by 6% per year for each of the first 5 years and 4% per year for each of the next 5 years that early retirement date precedes normal retirement date. However, if a participant has attained age 62 with 30 years of continuous service, he may receive his full unreduced accrued benefit on early retirement date.

Late Retirement Benefit	
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Age	No maximum age.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on late retirement date.

Schedule SB, Part V - Summary of Plan Provisions
RETIREMENT PLAN OF XALOY INCORPORATED
EIN 25-1264175 Plan No. 005

Termination Benefit	
Vesting Percentage	100% after five years of vesting service.
Form	Same as normal retirement benefit with income deferred until normal retirement date.
Amount	Accrued benefit on date of termination multiplied by the vesting percentage.

Disability Benefit	
Age	Attained age 50.
Form	Monthly income payable on date of disability.
Amount	Accrued benefit on date of disability.

Survivor Annuity Death Benefit (a vested benefit)	
Eligibility	Qualified married participant fully or partially vested in an accrued benefit.
Form	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.

Definitions	
Credited service	All service as an eligible employee including periods of disability and leave of absence. No credited service will be counted prior to 10/06/1995 for participants employed by Bimex Industries.
Final Average Earnings	Average of the highest 60 consecutive months of earnings out of the last 120 consecutive months included in credited service. Earnings are defined as total federal taxable compensation. No more than 5 bonuses shall be counted as earnings in the 60 month period.
Optional Forms of Benefit Payments	The optional forms of benefit payments are: - Monthly annuity payable for life, or 5, 10, or 15 years certain and life - Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 66 2/3, 75, or 100. The optional form conversion basis is 7.5% interest and the mortality table in Revenue Ruling 95-6 for payments other than lump sums.

New Castle Location

Plan Eligibility

Eligibility	Date of hire for all salaried, non-bargaining employees of the New Castle UES division. Effective 01/31/2005, no additional participants shall be eligible for this plan.
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Normal Retirement Benefit

Age	Attained age 65.
Form	Monthly annuity payable for life (optional forms may be elected prior to retirement).
Amount (accrued benefit)	The sum of (a) and (b): (a) 1.0% of Final Average Earnings up to the Social Security Earnings Level times Credited Service (b) 1.5% of Final Average Earnings over the Social Security Earnings Level times Credited Service. Effective 01/31/2005, no further benefits shall accrue.

Early Retirement Benefit

Age	Attained age 55.
Service	Fifteen years of continuous service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced by 6% per year for each of the first 5 years and 4% per year for each of the next 5 years that early retirement date precedes normal retirement date. If a participant has attained age 62 with 30 years of continuous service, he may receive his full unreduced accrued benefit on early retirement date.

Late Retirement Benefit

Age	No maximum age.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on late retirement date.

Schedule SB, Part V - Summary of Plan Provisions
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

Termination Benefit	
Vesting Percentage	100% after five years of vesting service.
Form	Same as normal retirement benefit with income deferred until normal retirement date.
Amount	Accrued benefit on date of termination multiplied by the vesting percentage.

Disability Benefit	
Age	Attained age 65.
Form	Monthly income payable on date of disability.
Amount	Accrued benefit on date of disability.

Survivor Annuity Death Benefit (a vested benefit)	
Eligibility	Qualified married participant fully or partially vested in an accrued benefit.
Form	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 50% survivor annuity in effect, then died the next day.

Definitions	
Credited Service	All service as an eligible employee including periods of disability and leave of absence.
Final Average Earnings	Average of the highest 60 consecutive months of earnings out of the last 120 consecutive months included in credited service. Earnings are defined as total federal taxable compensation. No more than 5 bonuses shall be counted as earnings in the 60 month period.
Optional Forms of Benefit Payments	The optional forms of benefit payments are: • Monthly annuity payable for life, or 5, 10, or 15 years certain and life • Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 66 2/3, 75, or 100. The optional form conversion basis is 7.5% interest and the mortality table in Revenue Ruling 95-6 for payments other than lump sums.
Social Security Earnings Level	A flat dollar amount determined based on year of birth as defined in the plan document.

Significant Event

The enrolled actuary has not been made aware that any significant events have occurred during the year.

Changes in Principal Eligibility or Benefit Provisions

The actuarial valuation for this plan year recognized the following eligibility and/or benefit changes:

- This report reflects changes in maximum benefit limits under Internal Revenue Code (IRC) Section 415 and in maximum compensation limits under IRC Section 401.
- Increases in benefit level for the Tanner location from \$23 to \$24 (06/1/2010), \$25 (08/01/2011), \$26 (08/01/2012), and \$27 (08/01/2013).

RETIREMENT PLAN OF XALOY INCORPORATED
(Sponsor EIN: 25-1264175) (Plan: 005)

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2011

(a)	(b) Identity of Issuer	(c) Description of Investment Including Maturity Date, Rate of Interest, Par, or Maturity Value	(d) Cost	(e) Current Value
	Lazard	Developing Equity	\$ 604,995	\$ 556,957
	Morgan Stanley	Bank Deposit Program	\$ 281,923	\$ 281,923
	BlackRock	High Yield Bond	\$ 547,799	\$ 572,219
	DWS	RREEF Real Estate Securities A	\$ 338,467	\$ 378,828
	Templeton	Global Bond A	\$ 339,572	\$ 326,169
	Templeton	Global Bond Fund – Ad	\$ 8,665	\$ 8,743
	FHLMC	Note at 2.875%, due 02/09/15	\$ 437,996	\$ 438,801
	FNMA	Note at 1.500%, due 06/26/13	\$ 582,501	\$ 582,067
	U.S. Treasury	Note/Bond at 2.250%, due 03/31/16	\$ 583,093	\$ 587,977
	U.S. Treasury	Note/Bond at 0.500%, due 05/31/13	\$ 669,842	\$ 669,970
	U.S. Treasury	Note/Bond at 3.500%, due 05/15/20	\$ 496,923	\$ 508,472
	Ishares	Barclays TIPS Bond	\$ 336,876	\$ 345,403
	Ishares	S&P Smallcap 600 Index	\$ 337,007	\$ 370,664
	SPDR	S&P 500 ETF Trust	\$ 1,998,110	\$ 2,107,647

Schedule SB, Line 32 - Schedule of Amortization Bases
 RETIREMENT PLAN OF XALOY INCORPORATED
 EIN 25-1264175 Plan No. 005

Shortfall			
Date Created	Present Value	Remaining Years	Annual Charge
01/01/2011	\$1,325,411	7	\$218,069
01/01/2010	\$(1,264,536)	6	\$(234,816)
01/01/2009	1,940,663	5	417,455
01/01/2008	1,587,218	4	419,154
Total	\$3,588,756		\$819,862

Last year's total shortfall annual charge was \$601,793.

The total annual charge used in calculating your Annual Cost cannot be less than zero.

Waiver			
Date Created	Present Value	Remaining Years	Annual Charge
N/A	N/A	N/A	N/A

There are no waiver bases for the current year.

Schedule SB, Line 25 – Change in Method
RETIREMENT PLAN OF XALOY INCORPORATED
EIN 25-1264175 Plan No. 005

A change in valuation software has occurred since the last plan year. The change meets the automatic approval requirements under Announcement 2010-3.