

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2011
		This Form is Open to Public Inspection

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

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>M & M MANUFACTURING COMPANY PROFIT SHARING PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>01/01/1970</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>M & M MANUFACTURING, L.L.C.</u> <u>4001 MARK IV PARKWAY</u> <u>FORT WORTH, TX 76106-4129</u>	2b Employer Identification Number (EIN) <u>26-0432240</u> 2c Sponsor's telephone number <u>817-336-2311</u> 2d Business code (see instructions) <u>331200</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/04/2012</u>	<u>R.D. STEPP</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") M & M MANUFACTURING, L.L.C. 4001 MARK IV PARKWAY FORT WORTH, TX 76106-4129	3b Administrator's EIN 26-0432240 3c Administrator's telephone number 817-336-2311
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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	498
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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	410
b Retired or separated participants receiving benefits.....	6b	1
c Other retired or separated participants entitled to future benefits.....	6c	52
d Subtotal. Add lines 6a , 6b , and 6c	6d	463
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	463
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	462
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	19

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

2E 3D

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

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

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

a Pension Schedules

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

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	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 <hr/> 2011 <hr/> 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 M & M MANUFACTURING COMPANY PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 M & M MANUFACTURING, L.L.C.	D Employer Identification Number (EIN) 26-0432240	

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

MASSACHUSETTS MUTUAL 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
04-1590850	65935	AC 3302392	105	01/01/2011	12/31/2011

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
700	0

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

HARRY G. MILLS
2929 W 5TH ST
FORT WORTH, TX 76107

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
693			3

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

THE INSURANCE ALLIANCE INC.
WEST 4TH STREET
FORT WORTH, TX 76107

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
7			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	
5	Current value of plan's interest under this contract in separate accounts at year end	5	
6	Contracts With Allocated Funds:		
a	State the basis of premium rates ▶ SEE PUBLISHED RATES		
b	Premiums paid to carrier	6b	34958
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	
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
d	Total of balance and additions (add b and c(6))	7d	0
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
f	Balance at the end of the current year (subtract e(5) from d)	7f	0

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 A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	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 <hr/> 2011 <hr/> 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>M & M MANUFACTURING COMPANY PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>M & M MANUFACTURING, L.L.C.</u>	D Employer Identification Number (EIN) <u>26-0432240</u>	

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

MASSACHUSETTS MUTUAL 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
<u>04-1590850</u>	<u>65935</u>	<u>9669987, ETC</u>	<u>125</u>	<u>12/01/2010</u>	<u>11/30/2011</u>

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
<u>2391</u>	<u>0</u>

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

HARRY G MILLS
2929 WEST FIFTH STREET, SUITE B
FORT WORTH, TX 76107

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
<u>2382</u>			<u>3</u>

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

RICHARD W. STEVENS
777 MAIN STREET, SUITE 2260
FORT WORTH, TX 76102

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
<u>9</u>			<u>3</u>

(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	
5	Current value of plan's interest under this contract in separate accounts at year end	5	
6	Contracts With Allocated Funds:		
a	State the basis of premium rates ▶ SEE PUBLISHED RATES		
b	Premiums paid to carrier	6b	64591
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	
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
d	Total of balance and additions (add b and c(6)).	7d	0
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
f	Balance at the end of the current year (subtract e(5) from d)	7f	0

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 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 M & M MANUFACTURING COMPANY PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 M & M MANUFACTURING, L.L.C.	D Employer Identification Number (EIN) 26-0432240

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

NYLIFE DISTRIBUTORS, LLC 169 LACKAWANNA AVENUE
PARSIPPANY, NJ 07054

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

FEDERATED INVESTORS INC 4000 ERICSSON DRIVE
WARRENDALE, PA 15086

25-1111467

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

DODGE & COX FUNDS 555 CALIFORNIA ST
40TH FLOOR
SAN FRANCISCO, CA 94107

94-1441976

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

T. ROWE PRICE INVESTMENT SERVICES 100 EAST PRATT STREET
BALTIMORE, MD 21202

52-0655816

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

FROST INVESTMENT ADVISORS, LLC

100 WEST HOUSTON STREET
15TH FLOOR TOWER
SAN ANTONIO, TX 78205-1414

26-1620087

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

IVY INVESTMENT MANAGEMENT COMPANY

PO BOX 29217
SHAWNEE MISSION, KS 66201-9217

03-0481447

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

LAZARD ASSET MANAGEMENT SECURITIES

30 ROCKEFELLER PLAZA
NEW YORK, NY 10112-6300**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FORWARD FUNDS

PO BOX 1345
DENVER, CO 80201**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

AMERICAN FUNDS DISTRIBUTORS, INC.

333 SOUTH HOPE STREET
LOS ANGELES, CA 90071-1406**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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

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

FROST NATIONAL BANK

74-0635455

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 24 50 51 62 64	NONE	51037	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

STOVAL, GRANDEY & ALLEN, LLP

75-2678894

(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?
10	NONE	13500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

GEORGE VALUATION ADVISORS, INC.

20-8176969

(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?
34	NONE	7300	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="font-size: 24pt; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>M & M MANUFACTURING COMPANY PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>M & M MANUFACTURING, L.L.C.</u>	D Employer Identification Number (EIN) <u>26-0432240</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	200000	641040
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	140268	118067
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)	3324995	2251359
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	7586063	8179772
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	8539051	7475263
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	531200	638900

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	20321577	19304401

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	20321577	19304401
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	641040	
(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)		641040
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)	125684	
(C) Corporate debt instruments	2b(1)(C)	323212	
(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)		448896
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	166382	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		166382
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	2036185	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	2065332	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-29147

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	60005	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		60005
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-450287
c Other income.....	2c		14007
d Total income. Add all income amounts in column (b) and enter total.....	2d		850896

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1732348	
(2) To insurance carriers for the provision of benefits	2e(2)	63887	
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1796235
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)	20800	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	51037	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		71837
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1868072

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1017176
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: **STOVAL, GRANDY & ALLEN, LLP**

(2) EIN: **75-2678894**

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.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

5b(1) Name of plan(s)

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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2011</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan M & M MANUFACTURING COMPANY PROFIT SHARING PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 M & M MANUFACTURING, L.L.C.		D Employer Identification Number (EIN) 26-0432240
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): 74-6378586		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☐ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
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): _____



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September 28, 2012

To the Plan Administrators of
M & M Manufacturing Company
Profit Sharing Plan
Fort Worth, Texas

We have conducted a DOL limited-scope audit of the financial statements of M & M Manufacturing Company Profit Sharing Plan for the year ended December 31, 2011 and have issued our report thereon dated Month, day, 2012. As permitted by 29 CR 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 3 to those financial statements. Because of the significance of the information that we did not audit, we are unable to, and have not, expressed an opinion on those financial statements and schedules taken as a whole. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 23, 2012. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by M & M Manufacturing Company Profit Sharing Plan are described in Note 2 to the financial statements. One new accounting standard relating to fair value disclosures was adopted during 2011. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the US government securities, mutual funds, corporate obligations, state and municipal bonds, foreign bonds and common stock of the company is based on fair market value. We evaluated the key factors and assumptions used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of Investments in Note 4 to the financial statements which exhibits investments that represent 5% or more of the Plan's net assets.

The disclosure of Information Certified by the Trustee in Note 3 to the financial statements which explains what areas of the financial statements received limited auditing procedures as defined under Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under Employee Retirement Income Security Act of 1974.

The disclosure of Fair Value Measurements in Note 10 to the financial statements which explains the fair value hierarchy of investments held by the Plan.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no known or likely misstatements noted during our audit.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 28, 2012.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the

information complies with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Plan administrators of M & M Manufacturing Company Profit Sharing Plan and management and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Stovall, Grandey & Allen, LLP

STOVALL, GRANDEY & ALLEN, LLP
Fort Worth, Texas



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September 28, 2012

To the Plan Administrators
of M & M Manufacturing Company
Profit Sharing Plan
Fort Worth, Texas

In planning and performing our audit of the financial statements of M & M Manufacturing Company Profit Sharing Plan (the Plan) as of and for the year ended December 31, 2011, we evaluated the Plan's internal control structure to determine the nature, timing and extent of auditing procedures necessary to express an opinion on the financial statements. Our evaluation of controls was more limited than would be necessary to express an opinion on the system of internal accounting control environment as a whole.

However, during our audit we became aware one matter that is an opportunity for strengthening internal controls, operating efficiency or accounting procedures. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters.

The objectives of a system of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly. We realize that in implementing any system of internal accounting control, management must consider the cost of implementation in relation to the risk involved.

This letter does not affect our report dated September 28, 2012 on the financial statements of M & M Manufacturing Company Profit Sharing Plan.

Sincerely,

Stovall, Grandey & Allen, LLP

STOVALL, GRANDEY & ALLEN, LLP
Fort Worth, Texas

Documentation of Review Procedures

The census and a list of newly eligible participants is reviewed and approved by Rod Stepp. This has been an informal process in the past which we have recommended be formalized in both the 2009 and 2010 audit. Per inquiry of Monica Davis, an e-mail was sent to her approving these items; however, she was unable to retrieve the e-mail during fieldwork.

We recommend that documentation of reviews and approvals of certain processes relating to the profit sharing plan be retained by the Company in accordance with the Company's retention policy.

Census Hours

During the audit it was noted that total hours on the payroll report did not agree to the census. It was determined that the hours per the payroll reports were correct and the census numbers were incorrect due to voided payroll checks that did not get subtracted out of the total hours on the census. This error appears to have affected the Arkansas division primarily as an entire payroll batch was voided and re-processed. The audit risk is that hours reported on the census were incorrect and greater than actual hours worked; therefore, allowing an ineligible employee the ability to enter the Plan.

We recommend that the Company develop an internal policy that addresses voided checks being subtracted from the census to ensure only eligible employees are allowed to enter the Plan after also meeting the six-month eligibility requirement and the age requirement of twenty and one-half. We further recommend that employees close to the 1,000 hour eligibility requirement be tested by the Company to ensure employees meet the 1,000 requirement to receive the annual employer contribution.

M & M MANUFACTURING COMPANY
PROFIT SHARING PLAN
FORT WORTH, TEXAS

AUDITED FINANCIAL STATEMENTS
AND
SUPPLEMENTAL SCHEDULES

DECEMBER 31, 2011 AND 2010

Form 5500 – Schedule H, Part III, Auditor’s Report

**M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
EMPLOYER ID# 26-0432240 (PLAN #001)
AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES**

The following financial information is submitted herewith:

	Page
Independent Auditor’s Report	1
Statements of Net Assets Available for Benefits.....	2
Statements of Changes in Net Assets Available for Benefits.....	3
Notes to Financial Statements	4
Supplemental Schedules	
Schedule of Assets Held for Investment Purposes at End of Year	13
Schedule of Reportable Transactions	16



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INDEPENDENT AUDITOR'S REPORT

Plan Administrators
M & M Manufacturing Company
Profit Sharing Plan
Fort Worth, Texas

We were engaged to audit the financial statements and supplemental schedules of M & M Manufacturing Company Profit Sharing Plan, as of December 31, 2011 and 2010 and for the years then ended, as listed in the accompanying index. These financial statements and schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Frost Bank, trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2011 and 2010, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on these accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for the purposes 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 trustee or custodian, 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.

Stovall, Grandey & Allen, LLP

STOVALL, GRANDEY & ALLEN, L.L.P.
Fort Worth, Texas
September 28, 2012

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Investments at fair value:		
Money market funds	\$ 313,962	\$ 762,163
Mutual funds	7,161,301	7,776,888
US Government securities	2,251,359	3,324,995
Corporate obligations	7,674,662	6,551,743
State and municipal bonds	-	509,110
Foreign bonds	505,110	525,210
M&M Tradition Holdings Corporation common stock	638,900	531,200
Total investments	<u>18,545,294</u>	<u>19,981,309</u>
Receivables:		
Employer contribution	641,040	200,000
Accrued interest receivable	118,067	131,690
Insurance cash surrender value receivable	-	8,578
Total receivables	<u>759,107</u>	<u>340,268</u>
 Total Assets and Net Assets Available for Benefits	 <u><u>\$ 19,304,401</u></u>	 <u><u>\$ 20,321,577</u></u>

The accompanying notes are an integral part of the financial statements.

**M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
Additions to net assets attributed to:		
Employer contribution	\$ 641,040	\$ 200,000
Interest and dividends	615,278	539,779
Net appreciation (depreciation) in fair value of investments	(419,429)	968,193
Insurance surrender value	14,007	140,028
Total additions	<u>850,896</u>	<u>1,848,000</u>
Deductions from net assets attributed to:		
Distributions to participants	1,732,348	2,415,110
Administrative expenses	71,837	79,283
Insurance premiums	63,887	69,710
Total deductions	<u>1,868,072</u>	<u>2,564,103</u>
Net decrease in net assets available for benefits	(1,017,176)	(716,103)
Net assets available for benefits:		
Beginning of Year	<u>20,321,577</u>	<u>21,037,680</u>
End of Year	<u><u>\$ 19,304,401</u></u>	<u><u>\$ 20,321,577</u></u>

The accompanying notes are an integral part of the financial statements.

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 1 Description of the Plan

The following brief description of the M & M Manufacturing, LLC (Company) Profit Sharing Plan (Plan) is provided for general information only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a noncontributory defined contribution retirement plan providing for participation in the employer's profits based on the employer's contribution. The Plan is designed to cover all full-time employees of the Company who meet the eligibility requirements. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective July 1, 2011, the Plan adopted the Sanford, Baumeister and Frazier, PLLC, Defined Contribution Prototype Plan and Trust, which complies with the provisions of the Economic Growth and Tax Relief Reconciliation Act (EGTRRA). Included with this adoption was the exclusion of hardship distributions from the Plan and a provision for a \$5 administrative fee to be assessed against each participant account (per policy) for processing of the life insurance premium payment applicable to the participant's life insurance policy or policies.

Administration

The M & M Manufacturing Company Profit Sharing Plan Advisory Committee has responsibility for administering the Plan. Plan assets are held in a discretionary trust where the trustee has authority and control over investments and is authorized by the Plan to make investment decisions within the framework of the trust instrument.

Contributions

The Plan does not permit employee contributions. The employer's contribution is discretionary and is determined annually by the board of directors.

Eligibility and Employees Vesting

Employees become participants on January 1 immediately following the later of, the date six months after the first day of employment, or the date they attain age twenty and one-half.

Participants are 100% vested in the Company contributions upon retirement, death or permanent disability. Participants not specifically mentioned above are vested according to the schedules listed below:

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 2	0
2	20
3	40
4	60
5	80
6 or more	100

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 1 Description of the Plan, continued

Contribution, Forfeiture and Earnings Allocation

Contributions are allocated to participants' accounts using a two-tiered integrated method. First tier allocation is based on 5.7% of total compensation plus the excess of \$106,800 for 2011 and 2010. Second tier allocation is the remainder of unallocated contributions and forfeitures, which are allocated based on participant compensation to total compensation. Considered compensation is limited to \$245,000 for 2011 and 2010.

Prior to July 1, 2011, forfeitures were allocated to participant's accounts according to the method described in the previous paragraph. Effective July 1, 2011, the Company elected to allocate forfeitures based on participant compensation to total compensation. See Note 11.

Earnings are allocated to participants' accounts annually. The formula to allocate earnings is the participant's beginning account balance, less withdrawals, distributions and expenses, divided by the total of all participants' accounts.

Allocated Insurance Contracts

Effective January 1, 2009, the Plan no longer permits the purchase of new life insurance policies. Premiums of \$63,887 and \$69,710 were paid to fund 217 and 233 pre-existing insurance policies for 2011 and 2010, respectively. The Plan benefits are fully guaranteed by the insurance company, which has a legal obligation to make the benefit payments to the participants covered by the allocated contracts.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

Estimates

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

Retirement Age

A participant becomes 100% vested upon attaining age 65.

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 2 Summary of Significant Accounting Policies, continued

Payment of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump-sum payment or rollover. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution or rollover.

Investment Valuation and Investment Income

Investments are stated at fair value using quoted market prices. Purchases and sales of securities are recorded on a trade dates basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Administrative Expenses

Substantially all expenses of administering the Plan are paid by the Plan.

Payment of Benefits

Benefits are recorded when paid.

New Accounting Standards

In January 2010, the FASB issued Accounting Standards Update 2010-06, *Improving Disclosures about Fair Value Measurements*, (ASU 2010-06). ASU 2010-06 amended ASC 820 to clarify certain existing fair value disclosures and require a number of additional disclosures. The guidance in ASU 2010-06 clarified that disclosures should be presented separately for each class of assets and liabilities measured at fair value and provided guidance on how to determine the appropriate classes of assets and liabilities to be presented. ASU 2010-06 also clarified the requirement for entities to disclose information about both valuation techniques and inputs used in estimating Level 2 and Level 3 fair value measurements. In addition, ASU 2010-06 introduced new requirements to disclose the amounts (on a gross basis) and reasons for any significant transfers between Levels 1, 2 and 3 of the fair value hierarchy and present information regarding the purchases, sales, issuances and settlements of Level 3 assets and liabilities on a gross basis. With the exception of the requirement to present changes in Level 3 measurements on a gross basis, which became effective January 1, 2011, the guidance in ASU 2010-06 became effective for reporting periods beginning after December 15, 2009.

Note 3 Information Certified by the Trustee

The Plan administrator elected the method of compliance permitted by Section 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. Accordingly, as permitted under such election, the Plan administrator limited auditing procedures with respect to the information certified by the trustee.

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 3 Information Certified by the Trustee, continued

A summary of the information certified by the trustee as complete and accurate for the years ended December 31, 2011 and 2010 includes the supplemental schedules and other information as follows:

	<u>2011</u>	<u>2010</u>
Investments at fair value (nonparticipant directed):		
Money market funds	\$ 313,962	\$ 762,163
Mutual funds	7,161,301	7,776,888
US government securities	2,251,359	3,324,995
Corporate obligations	7,674,662	6,551,743
State and municipal bonds	-	509,110
Foreign bonds	505,110	525,210
Common stock	638,900	531,200
Accrued interest receivable	118,067	131,690
Interest and dividends	615,278	539,779
Net appreciation (depreciation) in fair value of investments	(419,429)	968,193

Note 4 Investments

The following presents the fair value of investments that represent 5% or more of the Plan's net assets:

	<u>2011</u>	<u>2010</u>
Investments at fair value (nonparticipant directed):		
Federal Farm Credit Banks 2015	\$ 1,116,800	\$ 1,114,070
Federal National Mortgage Association 2013	1,061,250	1,083,560
Dodge & Cox Stock Fund	1,151,935	1,296,318
Frost Core Growth Equity Fund	1,426,625	1,367,541
Frost Dividend Value Equity Fund	1,153,474	1,307,761

Plan investments (including gains and losses on investments bought and sold as well as held during the year) appreciated (depreciated) in value as detailed below.

	<u>2011</u>	<u>2010</u>
Mutual funds	\$ (450,279)	\$ 913,124
US Government securities	(37,460)	36,821
Corporate obligations	(10,180)	29,643
State and municipal bonds	(9,110)	(17,890)
Foreign bonds	(20,100)	(11,305)
Common stock	107,700	17,800
Net appreciation (depreciation)	<u>\$ (419,429)</u>	<u>\$ 968,193</u>

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 5 Related Party Transactions (Parties-In-Interest)

Certain Plan investments were shares of common/collective trust funds and mutual funds managed by Frost Bank. Frost Bank is the trustee of the Plan and, therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for services provided by Frost Bank amounted to \$51,037 and \$55,810 for the years ended December 31, 2011 and 2010, respectively.

The Plan is responsible for paying audit expenses. Audit fees paid to Stovall, Grandey and Allen, LLP qualify as party-in-interest. Fees paid by the Plan for audit services rendered amounted to \$13,500 and \$13,000 for the years ended December 31, 2011 and 2010, respectively.

The Plan contracts for a valuation of the 40,800 shares of M&M Tradition Holdings Corporation Common Stock that is carried as an investment in the Plan. Fees paid by the Plan for professional services rendered amounted to \$7,300 and \$10,400 for the years ended December 31, 2011 and 2010, respectively.

Note 6 Risks and Uncertainties

Investment securities in which the Plan invests are subject to various risks, such as market, credit and interest rate risks. Due to the level of risk associated with such securities, it is at least reasonably possible that changes in the near term could materially affect participants' unit values and the amounts reported in the statement of net assets available for plan benefits.

Note 7 Forfeitures

Total forfeitures credited for the years ended December 31, 2011 and 2010 were \$29,089 and \$29,405, respectively. Forfeitures are allocated in accordance with Note 1.

Note 8 Tax Status

The Plan obtained its latest opinion letter on March 31, 2008 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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 and Department of Labor. 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 Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 9 Termination of Plan

Although the Company has not expressed any intent to do so, it has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts.

Note 10 Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- *Level 1 Inputs* – Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- *Level 2 Inputs* – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates, volatilities, prepayment speeds, credit risks, etc.) or inputs that are derived principally from or corroborated by market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- *Level 3 Inputs* – Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity's own assumptions about the assumptions that market participants would use in pricing the assets or liabilities.

A description of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below. These valuation methodologies were applied to all of the Plan's financial assets and financial liabilities carried at fair value effective January 1, 2008.

In general, fair value is based upon quoted market prices, where available. If such quoted market prices are not available, fair value is based upon internally developed models that primarily use, as inputs, observable market-based parameters. Valuation adjustments may be made to ensure that financial instruments are recorded at fair value. These adjustments may include amounts to reflect counterparty credit quality and the Plan's creditworthiness, among other things, as well as unobservable parameters. Any such valuation adjustments are applied consistently over time. The Plan's valuation methodologies may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While management believes the Plan's valuation methodologies are appropriate and

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 10 Fair Value Measurements, continued

consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

Money market funds – Valued using \$1 for the net asset value (NAV).

Mutual funds – Valued at the NAV of shares held by the Plan at year end.

Corporate obligations, foreign bonds and US Government securities – Valued at the closing price reported in the active market in which the individual securities are traded.

State and municipal bonds – Valued at quoted prices for similar assets in active markets.

M & M Tradition Holdings Corporation common stock – Valued at the estimated fair value based upon an independent appraisal. The appraiser took into account the nature of the business, economic outlook, book value of the stock, earning capacity of the company, dividend paying capacity, goodwill and other intangibles, and prior sale of stock and market price of similar investments.

The following tables summarize financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2011 and 2010, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure the fair value:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
December 31, 2011:				
Money market funds	<u>\$ 313,962</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 313,962</u>
Mutual funds:				
Foreign Large Blend	741,150	-	-	741,150
Large Blend	1,555,842	-	-	1,555,842
Large Growth	2,256,905	-	-	2,256,905
Large Value	1,402,505	-	-	1,402,505
Mid Growth	328,158	-	-	328,158
Small Growth	307,848	-	-	307,848
Bank Loan	147,733	-	-	147,733
World Bond	421,160	-	-	421,160
Total Mutual Funds	<u>7,161,301</u>	<u>-</u>	<u>-</u>	<u>7,161,301</u>
U.S Government Securities	<u>-</u>	<u>2,251,359</u>	<u>-</u>	<u>2,251,539</u>
Bonds:				
Corporate obligations	-	7,674,662	-	7,674,662
Foreign bonds	-	505,110	-	505,110
Total Bonds	<u>-</u>	<u>8,179,772</u>	<u>-</u>	<u>8,179,772</u>
Stock:				
M&M Tradition Holdings Corporation common stock	<u>-</u>	<u>-</u>	<u>638,900</u>	<u>638,900</u>
Totals	<u>\$ 7,475,263</u>	<u>\$ 10,431,131</u>	<u>\$ 638,900</u>	<u>\$ 18,545,294</u>

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 10 Fair Value Measurements, continued

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
December 31, 2010:				
Money market funds	<u>\$ 762,163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 762,163</u>
Mutual funds:				
Foreign Large Blend	870,994	-	-	870,994
Large Blend	1,813,698	-	-	1,813,698
Large Growth	2,679,798	-	-	2,679,798
Large Value	1,608,966	-	-	1,608,966
Mid Growth	389,142	-	-	389,142
Small Growth	414,290	-	-	414,290
Total Mutual Funds	<u>7,776,888</u>	<u>-</u>	<u>-</u>	<u>7,776,888</u>
U.S Government Securities	<u>-</u>	<u>3,324,995</u>	<u>-</u>	<u>3,324,995</u>
Bonds:				
Corporate obligations	-	6,551,743	-	6,551,743
State and municipal bonds	-	509,110	-	509,110
Foreign bonds	<u>-</u>	<u>525,210</u>	<u>-</u>	<u>525,210</u>
Total Bonds	<u>-</u>	<u>7,586,063</u>	<u>-</u>	<u>7,586,063</u>
Stock:				
M&M Tradition Holdings Corporation common stock	<u>-</u>	<u>-</u>	<u>531,200</u>	<u>531,200</u>
Totals	<u>\$ 8,539,051</u>	<u>\$ 10,911,058</u>	<u>\$ 531,200</u>	<u>\$ 19,981,309</u>

The table below sets forth a summary of changes in the fair values of the Plan's level 3 assets for the years ended December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Balance beginning of year	\$ 531,200	\$ 513,400
Unrealized gain (loss)	<u>107,700</u>	<u>17,800</u>
Total	<u>\$ 638,900</u>	<u>\$ 531,200</u>

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 11 Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are available to be issued. The Plan recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing the financial statements. The Plan's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but arose after the balance sheet date and before the financial statements are available to be issued. The Plan has evaluated subsequent events from December 31, 2011 through September 28, 2012, the date the financial statements were available to be issued. The following subsequent event was identified as requiring disclosure or adjustment to these financial statements:

On August 14, 2012, the Plan Advisory Committee approved an amendment to the Plan document that would re-establish the Social Security integration method as the method to be applied to the allocation of forfeitures in the Plan for the year ending December 31, 2012.

SUPPLEMENTAL SCHEDULES

**SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR
FORM 5500 - SCHEDULE H, PART IV, LINE 4(i)**

**M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
EMPLOYER ID# 26-0432240 (PLAN #001)
DECEMBER 31, 2011**

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower	Description of Investment	Cost	Current Value
	Money Market Funds:			
	Federated Prime Obligations	Short Term Investment Funds	\$ 313,962	\$ 313,962
			313,962	313,962
	Mutual Funds:			
	Dodge & Cox	Stock Fund 11,333.481 units	1,184,456	1,151,935
*	Frost	Core Growth Equity Fund 147683.776 units	1,452,554	1,426,625
*	Frost	Dividend Value Equity 130,927.776 units	1,033,609	1,153,474
*	Frost	International Equity Fund 97,009.145 units	834,898	741,150
*	Frost	Small Cap Equity Fund 39,928.462 units	343,469	307,848
	Hartford	Floating Rate Fund Class I 17,178.291 units	154,104	147,733
	Ivy	Global Natural Resources Fund Class Y 23,266.522 units	375,676	403,907
	Lazard	Emerging Markets Portfolio 14,823.297 units	164,480	249,031
	Mainstay	Convertible Fund Inst. 16,528.182 units	227,604	233,543
	T Rowe Price	Growth Stock Fund 26,084.822 units	784,526	830,280

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M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
EMPLOYER ID# 26-0432240 (PLAN #001)
DECEMBER 31, 2011

(a)	(b)	(c)	(d)	(e)
<u>Identity of Issue, Borrower</u>	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>	
T Rowe Price	International Discovery 2,535.907 units	\$ 96,002	\$ 94,615	
Templeton	Global Bond Fund 34,046.845 units	\$ 472,335	\$ 421,160	
		<u>7,123,713</u>	<u>7,161,301</u>	
US Government Securities:				
Federal Farm Credit Bank	\$1,000,000 face value 4.55% due 2/3/2015	1,042,430	1,116,800	
Federal National Mortgage Assn.	\$1,000,000 face value 4.375% due 7/17/2013	1,045,720	1,061,250	
Government National Mortgage Assn.	\$67,230.93 face value 5.00% due 1/15/2018	69,227	73,309	
		<u>2,157,377</u>	<u>2,251,359</u>	
Corporate Obligations:				
Abbot Laboratories	\$600,000 face value 4.35% due 3/15/2014	638,081	648,870	
Berkshire Hathaway Finance	\$500,000 face value 4.60% due 5/15/2013	501,940	525,920	
Bottling Group LLC	\$500,000 face value 5.50% due 4/1/2016	584,400	579,245	
Bottling Group LLC	\$350,000 face value 4.625% due 11/15/2012	380,163	361,837	
CISCO Systems Incorporated	\$300,000 face value 5.50% due 2/22/15	344,568	349,119	
Coca Cola Company	\$750,000 face value 3.625% due 3/15/2014	763,943	798,390	
Conocophillips	\$500,000 face value 4.60% due 1/15/2015	517,595	552,995	
Du Pont E I De Nemour & Company	\$500,000 face value 3.25% due 1/15/2015	502,090	533,220	

See Independent Auditor's Report

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
EMPLOYER ID# 26-0432240 (PLAN #001)
DECEMBER 31, 2011

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower	Description of Investment	Cost	Current Value
	Emerson Electric Company	\$500,000 face value 5.125% due 12/1/2016	\$ 564,410	\$ 578,310
	Glaxosmithkline Capital Inc	\$300,000 face value 4.85% due 5/15/2013	315,453	317,499
	Hewlett Packard	\$500,000 face value 4.75% due 6/2/2014	543,645	528,030
	JPMorgan Chase & Company	\$350,000 face value 3.40% due 6/24/15	361,190	356,780
	Medtronic Inc.	\$300,000 face value 4.50% due 3/15/2014	314,581	323,153
	Verizon Communications Inc.	\$300,000 face value 4.90% due 9/15/2015	326,961	336,684
	Walt Disney Company	\$500,000 face value 4.70% due 12/1/2012	542,150	518,860
	Wells Fargo & Company	\$500,000 face value 3.676% due 6/15/16	362,933	365,750
			<u>7,564,103</u>	<u>7,674,662</u>
	Foreign Bonds:			
	Shell International Finance	\$500,000 face value 4.95% due 3/22/2012	<u>538,125</u>	<u>505,110</u>
			<u>538,125</u>	<u>505,110</u>
	Common Stock:			
*	M&M Tradition Holdings Corp	Common Stock 40,800 units	<u>549,911</u>	<u>638,900</u>
			<u>549,911</u>	<u>638,900</u>
			<u>\$ 18,247,191</u>	<u>\$ 18,545,294</u>
*	Party-in-interest			

See Independent Auditor's Report

SCHEDULE OF REPORTABLE TRANSACTIONS
FORM 5500 - SCHEDULE H, PART IV, LINE 4(j)

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
EMPLOYER ID# 26-0432240 (PLAN #001)
DECEMBER 31, 2011

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
<u>Sales and Redemptions</u>						
Series of Transactions						
Frost Bank	Federated Prime Obligation (46 Transactions)	\$ 3,519,771	\$ 3,519,771	\$ 3,519,771	\$ 3,519,771	\$ -
<u>Purchases</u>						
Series of Transactions						
Frost Bank	Federated Prime Obligation (64 Transactions)	3,071,569	3,071,569	3,071,569	3,071,569	-

See Independent Auditor's Report

SCHEDULE OF REPORTABLE TRANSACTIONS
FORM 5500 - SCHEDULE H, PART IV, LINE 4(j)

M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
EMPLOYER ID# 26-0432240 (PLAN #001)
DECEMBER 31, 2011

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
<u>Sales and Redemptions</u>						
Series of Transactions						
Frost Bank	Federated Prime Obligation (46 Transactions)	\$ 3,519,771	\$ 3,519,771	\$ 3,519,771	\$ 3,519,771	\$ -
<u>Purchases</u>						
Series of Transactions						
Frost Bank	Federated Prime Obligation (64 Transactions)	3,071,569	3,071,569	3,071,569	3,071,569	-

See Independent Auditor's Report

**SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR
FORM 5500 - SCHEDULE H, PART IV, LINE 4(i)**

**M & M MANUFACTURING COMPANY PROFIT SHARING PLAN
EMPLOYER ID# 26-0432240 (PLAN #001)
DECEMBER 31, 2011**

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	<u>Identity of Issue, Borrower</u>	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>
	Money Market Funds:			
	Federated Prime Obligations	Short Term Investment Funds	\$ 313,962	\$ 313,962
			<u>313,962</u>	<u>313,962</u>
	Mutual Funds:			
	Dodge & Cox	Stock Fund 11,333.481 units	1,184,456	1,151,935
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	Lazard	Emerging Markets Portfolio 14,823.297 units	164,480	249,031
	Mainstay	Convertible Fund Inst. 16,528.182 units	227,604	233,543
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			2,157,377	2,251,359
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	Identity of Issue, Borrower	Description of Investment	Cost	Current Value
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	Glaxosmithkline Capital Inc	\$300,000 face value 4.85% due 5/15/2013	315,453	317,499
	Hewlett Packard	\$500,000 face value 4.75% due 6/2/2014	543,645	528,030
	JPMorgan Chase & Company	\$350,000 face value 3.40% due 6/24/15	361,190	356,780
	Medtronic Inc.	\$300,000 face value 4.50% due 3/15/2014	314,581	323,153
	Verizon Communications Inc.	\$300,000 face value 4.90% due 9/15/2015	326,961	336,684
	Walt Disney Company	\$500,000 face value 4.70% due 12/1/2012	542,150	518,860
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			<u>7,564,103</u>	<u>7,674,662</u>
	Foreign Bonds:			
	Shell International Finance	\$500,000 face value 4.95% due 3/22/2012	<u>538,125</u>	<u>505,110</u>
			<u>538,125</u>	<u>505,110</u>
	Common Stock:			
*	M&M Tradition Holdings Corp	Common Stock 40,800 units	<u>549,911</u>	<u>638,900</u>
			<u>549,911</u>	<u>638,900</u>
			<u>\$ 18,247,191</u>	<u>\$ 18,545,294</u>

* Party-in-interest

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