Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2006

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

KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC.

5109 E LA PALMA AVE STE A
ANAHEIM, CA 92807-2066

2b Employer Identification Number (EIN)
58-2279196

2c Sponsor's telephone number
714-695-3670

2d Business code (see instructions)
238300

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2012	GINA SMITH
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2012	GINA SMITH
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC.

5109 E LA PALMA AVE STE A
ANAHEIM, CA 92807-2066

3b Administrator's EIN
58-2279196

3c Administrator's telephone number
714-695-3670

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	274
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**	190
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	76
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	266
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	266
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	265
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	29
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2I 2P 2Q

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

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

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

A Name of plan
KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC.

D Employer Identification Number (EIN)
58-2279196

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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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)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

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

A Name of plan
KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC.

D Employer Identification Number (EIN)
58-2279196

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	15870000	8640000
(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	15870000	8640000
Liabilities			
g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	8280000	6900000
k Total liabilities (add all amounts in lines 1g through1j)	1k	8280000	6900000
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	7590000	1740000

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)	2024347	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2024347
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

			(a) Amount	(b) Total
2b	**(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	-7230000	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		-7230000
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		0
c	Other income	2c		0
d	Total income. Add all **income** amounts in column (b) and enter total	2d		-5205653
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	31972	
	(2) To insurance carriers for the provision of benefits	2e(2)	0	
	(3) Other	2e(3)	0	
	(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		31972
f	Corrective distributions (see instructions)	2f		0
g	Certain deemed distributions of participant loans (see instructions)	2g		
h	Interest expense	2h		612375
i	Administrative expenses: **(1)** Professional fees	2i(1)	0	
	(2) Contract administrator fees	2i(2)	0	
	(3) Investment advisory and management fees	2i(3)	0	
	(4) Other	2i(4)	0	
	(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		644347
	Net Income and Reconciliation			
k	Net income (loss). Subtract line **2j** from line **2d**	2k		-5850000
l	Transfers of assets:			
	(1) To this plan	2l(1)		0
	(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

(1) [X] 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 [X] No

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

(1) Name: FRAZER, LLP **(2)** EIN: 95-4108809

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)			
	4a		X	0
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
	4b		X	0
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
	4c		X	0
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
	4d		X	0
e	Was this plan covered by a fidelity bond?			
	4e	X		2000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?			
	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)			
	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)			
	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?			
	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

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

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

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

A Name of plan
KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC.

D Employer Identification Number (EIN)
58-2279196

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 42-0127290

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 of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☒ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

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

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

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

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

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

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

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

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

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

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

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

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

KEENAN HOPKINS SUDER & STOWELL CONTRACTORS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

December 31, 2011 and 2010

Financial Statements

And

Independent Auditors' Report

KEENAN HOPKINS SUDER & STOWELL CONTRACTORS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

DECEMBER 31, 2011 AND 2010

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FRAZER, LLP
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

The Trustees
Keenan Hopkins Suder & Stowell Contractors, Inc.
Employee Stock Ownership Plan
Anaheim, California

We have audited the accompanying statements of net assets available for benefits of Keenan Hopkins Suder & Stowell Contractors, Inc. Employee Stock Ownership Plan as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the year ended December 31, 2011. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2011 and 2010, and the changes in its net assets available for benefits for the year ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

Frazer, LLP

October 8, 2012
Brea, California

KEENAN HOPKINS SUDER & STOWELL CONTRACTORS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2011 AND 2010

ASSETS

	2011			2010		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
INVESTMENTS:						
Employer related investments - employer securities (at fair value)	$ 4,320,000	$ 4,320,000	$ 8,640,000	$ 6,348,000	$ 9,522,000	$ 15,870,000
TOTAL ASSETS	$ 4,320,000	$ 4,320,000	$ 8,640,000	$ 6,348,000	$ 9,522,000	$ 15,870,000

LIABILITIES

	2011			2010		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
OTHER LIABILITIES:						
Loan payable on ESOP	$ -	$ 6,900,000	$ 6,900,000	$ -	$ 8,280,000	$ 8,280,000
TOTAL LIABILITIES	$ -	$ 6,900,000	$ 6,900,000	$ -	$ 8,280,000	$ 8,280,000
NET ASSETS AVAILABLE FOR BENEFITS	$ 4,320,000	$ (2,580,000)	$ 1,740,000	$ 6,348,000	$ 1,242,000	$ 7,590,000

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

KEENAN HOPKINS SUDER & STOWELL CONTRACTORS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Allocated	Unallocated	Total
ADDITIONS TO NET ASSETS ATTRIBUTED TO:			
Employer contributions	$ 31,972	$ 1,992,375	$ 2,024,347
Total additions	31,972	1,992,375	2,024,347
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:			
Unrealized loss on assets	2,892,000	4,338,000	7,230,000
Benefits paid to participants	31,972	-	31,972
Interest expense	-	612,375	612,375
Total deductions	2,923,972	4,950,375	7,874,347
NET(DECREASE) INCREASE	(2,892,000)	(2,958,000)	(5,850,000)
NET ASSETS AVAILABLE FOR BENEFITS:			
Beginning of year	1,119,564	6,470,436	7,590,000
End of year	$ (1,772,436)	$ 3,512,436	$ 1,740,000

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

KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 1 – Description of plan

The following description of the Keenan Hopkins Suder & Stowell Contractors, Inc. Employee Stock Ownership Plan (the ESOP) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The ESOP was established by Keenan Hopkins Suder & Stowell Contractors, Inc. (the Company) effective as of January 1, 2006, to enable eligible employees to share in the Company's growth and accumulate a beneficial ownership interest in its stock. The plan operates as a leveraged Employee Stock Ownership Plan, and is designed to comply with Section 4975(e)(7) of the Internal Revenue Code and is subject to the provisions of the Employee Retirement Income Security Act of 1974 as amended (ERISA). The ESOP is administered by Keenan, Hopkins, Suder & Stowell Contractors, Inc. GreatBanc Trust Company is the Trustee for the ESOP.

Eligibility

The ESOP covers all eligible employees of The Company. Participants must be at least 21 years of age, completed at least 1,000 Hours of Service during the year and not be a union member (unless classified as a superintendent or above) to be eligible participants.

Participant accounts

The ESOP is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of each plan year with an allocation of shares of the Company's common stock by the Trustee from the unallocated account and forfeitures of terminated non-vested accounts. Only those participants who are eligible employees as of the last day of the plan year will receive an allocation. Allocations are based on the participant's eligible compensation and are relative to total eligible compensation.

Vesting

Vesting in the Company's contributions is based on years of continuous service as follows:

YEARS OF SERVICE	VESTED PERCENTAGE
Less than two years	0
Two years	20
Three years	40
Four years	60
Five years	80
Six or more years	100

Contributions

For each Plan Year, the Company may make contributions to the ESOP in cash or in Company Stock. The contribution will be invested by the ESOP exclusively for the benefit of the participants and their beneficiaries. Contributions by the participants are neither required nor permitted.

Note 1 – Description of plan (continued)

Payment of benefits

Upon termination of service, the value of the participants vested interest in their account will be distributed or begin to be distributed at the time and in the manner as specified by the ESOP plan document. In determining the value of the participant's vested interest in their account, the shares of Company stock held are valued at the fair market value as determined annually based on an independent appraisal, as of the December 31st coinciding with or next preceding the date of distribution.

Distributions

Distribution of benefits as a result of retirement, death or disability must commence no later than the end of the plan year following the plan year in which the termination event occurs. Distribution of benefits upon termination of service before retirement, death or disability must commence no later than the end of the plan year which is the 6th year following the plan year in which the participant terminated service, provided the participant is not reemployed in the mean time. Distributions less than $5,000 at the time of distribution will normally be made in a single payment of the full amount Distributions in excess of $5,000 will be made in annual installments of the greater of $5,000 or 1/5 of the original distribution amount (adjusted for any intervening earnings). In the event that the ESOP committee determines, in its discretion, that the ESOP has sufficient available cash, the minimum lump sum threshold of $5,000 may be increased up to $50,000 in any year.

Forfeitures

Participants, who terminate employment with the Plan Sponsor with less than 100% vesting, forfeit a portion of their account on the date of distribution of the entire vested portion of his accounts or upon the allocation date following the participant's termination of service, if earlier. Forfeitures shall be reallocated to the accounts of remaining participants as of the allocation date of the plan year in which the forfeitures occur. Forfeitures of terminated non-vested account balances allocated to remaining participants at December 31, 2011 and 2010 totaled $4,758 and $51,845, respectively.

Voting rights

Each participant will have the right to decide how the Trustee will vote the shares of Company Stock allocated to that participants account on certain corporate matters requiring a shareholder vote.

Plan termination

The Company reserves the right to amend or terminate the ESOP at any time in the future. Upon such termination of the ESOP, all employees affected by the termination will become 100% vested in their Account balances.

Note 1 – Description of plan (continued)

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the ESOP may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six year period. In each of the first five years in the election period, the participant may diversify up to 25% of the number of shares of Company stock allocated to his stock account, less any share previously diversified. In the sixth year, the percentage changes to 50% of the number of shares of Company stock allocated to his stock account, less any shares previously diversified.

Diversification distributions will be made in a single payment for the full amount of the election. Such distributions (at the election of the participant) may be rolled over into either an eligible individual retirement account or received directly. No diversification has occurred as of December 31, 2011 or 2010, as the plan has not been in effect for 10 years.

Note 2 – Summary of significant accounting policies

Basis of accounting

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

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Sponsor to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Plan Sponsor believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates.

Valuation of investments

The Plan's investment in cash and cash equivalents, if any, is based on historical cost, which approximates fair value. The common shares of the Company are valued at estimated fair value as of December 31, 2011 and 2010. The estimated fair value of the shares of the Company's common stock is determined annually by an independent appraisal. The difference between the fair value of the shares of the Company stock at the beginning of the year and at the end of the year are reflected as the unrealized gain or loss on assets in the statement of changes in net assets available for benefits. The appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables and estimated fair value of Company assets and liabilities. There have been no changes in methodologies used at December 31, 2011 or 2010. See Note 3 for discussion of fair value measurements. The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of the stock could

Note 2 – Summary of significant accounting policies (continued)

Valuation of investments (continued)

Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of the stock could result in different fair value measurement at the reporting date. Keenan Hopkins Suder & Stowell Contractors, Inc. is a party-in-interest regarding Keenan Hopkins Suder & Stowell Contractors, Inc. common stock and any transactions involved. These transactions are exempt from being prohibited transactions under ERISA.

Payment of benefits

Benefits are recorded when paid.

Operating expenses

All expenses of maintaining the ESOP are paid by the Plan Sponsor.

Note 3 - Fair value measurements

The accounting standards regarding financial instruments and related fair value measurements, defines fair value and establishes a 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 (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under this standard are described below:

Level 1 — Unadjusted quoted prices in active markets for identical assets that the reporting entity has the ability to access at the reporting date. An active market for the asset is a market in which transactions for the asset occur with sufficient frequency and volume to provide pricing information on an ongoing basis;

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Inputs to the valuation methodology include: (a) quoted prices for similar assets in an active market (b) quoted market prices for identical or similar assets in an active market; (c) inputs other than quoted prices that are observable for the asset; and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset;

Level 3 — Inputs are unobservable and significant to the fair value measurement. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at measurement date.

Note 3 - Fair value measurements (continued)

The following table below sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011. As required by the accounting standard, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Investments	Level 1	Level 2	Level 3	Total
Employer securities	$ -	$ -	$ 8,640,000	$ 8,640,000
Total	$ -	$ -	$ 8,640,000	$ 8,640,000

The following table below sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010:

Investments	Level 1	Level 2	Level 3	Total
Employer securities	$ -	$ -	$ 15,870,000	$ 15,870,000
Total	$ -	$ -	$ 15,870,000	$ 15,870,000

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

Investments	Total
Balance, December 31, 2009	$ 16,305,000
Unrealized losses	(435,000)
Balances, December 31, 2010	15,870,000
Unrealized losses	(7,230,000)
Balances, December 31, 2011	$ 8,640,000

Note 4– Tax status

A favorable determination from the Internal Revenue Service that the ESOP is a qualified plan and the related trust is tax–exempt, under appropriate sections of the Code was received in February 2008.

Note 5 – Administration of plan assets

The ESOP's assets, which consist of Company common shares, are held by the Trustee of the Plan. The purchase price of the Company stock by the ESOP Plan was $9.20 per share, the current market value as of December 31, 2011 is $5.76, based on an independent appraisal. Company contributions are held and managed by the Trustee, which invests cash received, interest and dividend income and makes distributions to participants. The Trustee also administers the Payment of interest and principal on the loan, which is reimbursed to the Trustee through contributions as determined by the Company.

Note 6 – Investments

The Plan's investments at December 31 are presented in the following table which represent 5% or more of the Plan's net assets available for plan benefits as of December 31:

	2011		2010	
	Allocated	Unallocated	Allocated	Unallocated
Company Common Shares:				
Number of Shares	750,000	750,000	600,000	900,000
Cost	$ 6,900,000	$ 6,900,000	$ 5,520,000	$ 8,280,000
Market	$ 4,320,000	$ 4,320,000	$ 6,348,000	$ 9,522,000

Note 7 – Loan payable

In 2007, the ESOP entered into a $13,800,000 term loan agreement with the Company. The proceeds of the loan were used to purchase 1,500,000 shares of Company Stock at a Fair Market Value of $9.20 per share (determined by an independent appraiser). Unallocated shares of 750,000 and 900,000 as of December 31, 2011 and 2010, respectfully, are collateral for the loan. The agreement provides for the loan to be repaid over ten years and bears interest at 7.5% A.P.R. The total outstanding balance at December 31, 2011 and 2010 was $6,900,000 and $8,280,000, respectively.

The scheduled amortization of the loan for the next five years is as follows:

Year	Amount
2012	$ 1,380,000
2013	1,380,000
2014	1,380,000
2015	1,380,000
2016	1,380,000
Total	$ 6,900,000

Note 8 – Employer contributions

Annual fully deductible contributions are made by the Company to the ESOP equal to the ESOP's debt service less any distributions received. All contributions or distributions are used to pay debt service. As the ESOP makes each payment of principal, an appropriate percentage of stock is allocated to eligible employees' accounts in accordance with applicable regulations under the Code.

For the year ended December 31, 2011, 150,000 shares of Company stock have been allocated to the ESOP.

Note 9 - Subsequent events

Management of the Plan evaluated the events and transaction subsequent to its December 31, 2011 financial statement date and, in accordance with the accounting standard related to subsequent events, determined there were no significant events necessary for disclosure through October 8, 2012 which is the financial statement issue date.

PLAN SPONSOR:KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC.
EIN:58-2279196
PLAN NAME:KEENAN, HOPKINS, SUDER & STOWELL CONTRACTORS, INC. ESOP

PLAN NUMBER:002

Schedule H, Line 4i - Schedule of Assets (Held At End of Year)

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current value
	GREATBANC	CASH	0	0
	KEENAN, HOPKINS, SUDER & STOWELL CONTRACT	COMMON STOCK (1,500,000 SHARES)	13,800,000	8,640,000