

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	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>EL DORADO PAPER BAG UPIU LOCAL 577 401(K) PLAN</u>	1b Three-digit plan number (PN) ▶	<u>003</u>
		1c Effective date of plan	<u>01/01/1999</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)	<u>EL DORADO PAPER BAG MANUFACTURING COMPANY, INC.</u> <u>P. O. BOX 1585</u> <u>204 PRESCOLITE DRIVE</u> <u>EL DORADO, AR 71731</u>		
	2b Employer Identification Number (EIN)	<u>71-0353953</u>	
	2c Sponsor's telephone number	<u>870-862-4977</u>	
	2d Business code (see instructions)	<u>322200</u>	

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2012	LOUIS HALL III
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2012	LOUIS HALL III
	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") EL DORADO PAPER BAG MANUFACTURING COMPANY, INC. P. O. BOX 1585 204 PRESOLITE DRIVE EL DORADO, AR 71731	3b Administrator's EIN 71-0353953 3c Administrator's telephone number 870-862-4977
--	---

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	196
---	----------	-----

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	181
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	4
d Subtotal. Add lines 6a , 6b , and 6c	6d	185
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	185
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	54
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
--	----------	--

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

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

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 EL DORADO PAPER BAG UPIU LOCAL 577 401(K) PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 EL DORADO PAPER BAG MANUFACTURING COMPANY, INC.	D Employer Identification Number (EIN) 71-0353953	

Part I	Asset and Liability Statement
---------------	--------------------------------------

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	88765	99775
(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)	36119	55215
(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)	502363	566380
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	627247	721370

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	

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	627247	721370
---	-----------	--------	--------

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)	11665	
(B) Participants	2a(1)(B)	63602	
(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)		75267
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	2271	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2271
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(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)		18031
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		95569

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1056	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1056
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	390	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		390
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1446

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		94123
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: **WORLEY & ALLEN, LTD.**

(2) EIN: **71-0727279**

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		3000000
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)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
---	--	--

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

A Name of plan <u>EL DORADO PAPER BAG UPIU LOCAL 577 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>EL DORADO PAPER BAG MANUFACTURING COMPANY, INC.</u>	D Employer Identification Number (EIN) <u>71-0353953</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>71-0353953</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

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): _____

EL DORADO PAPER BAG
UPIU LOCAL 577 401(k) PLAN
FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

WORLEY & ALLEN, LTD.

Certified Public Accountants

211 N. Washington, Suite 205

El Dorado, Arkansas 71730

Terry W. Allen, CPA

Telephone 870-863-6888

Fax 870-863-8293

To the Trustees of
El Dorado Paper Bag UPIU Local 577 401(k) Plan
El Dorado, Arkansas

Independent Auditor's Report

We have audited the accompanying statements of net assets available for benefits of El Dorado Paper Bag UPIU Local 577 401(k) Plan as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended. 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. 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 El Dorado Paper Bag UPIU Local 577 401(k) Plan as of December 31, 2011 and 2010, and the changes in its net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule H, line 4i-Assets Held for Investment (At End of Year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information is responsibility of the Plan's management. The supplemental information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Worley & Allen, Ltd.

El Dorado, Arkansas

October 3, 2012

EL DORADO PAPER BAG UPIU LOCAL 577 401(k) PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Participant-directed investments	\$ 666,155	\$ 591,128
Participant loans receivable	<u>55,215</u>	<u>36,119</u>
TOTAL ASSETS	721,370	627,247
LIABILITIES	<u>NONE</u>	<u>NONE</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS	<u>\$ 721,370</u>	<u>\$ 627,247</u>

See accompanying notes.

EL DORADO PAPER BAG UPIU LOCAL 577 401(k) PLAN
 STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
ADDITIONS		
Investment income		
Net appreciation in fair value of investments	\$ 3,719	\$ 29,200
Interest and dividends	<u>14,312</u>	<u>15,134</u>
	18,031	44,334
Interest on participants' loans	2,271	1,498
Participants' contributions	63,602	52,743
Employer contributions	<u>11,665</u>	<u>10,138</u>
TOTAL ADDITION (REDUCTION)	<u>95,569</u>	<u>108,713</u>
DEDUCTIONS		
Deduction from net assets attributed to:		
Benefits paid to participants	1,056	5,982
Administrative expense	<u>390</u>	<u>650</u>
TOTAL DEDUCTIONS	<u>1,446</u>	<u>6,632</u>
NET INCREASE (DECREASE)	94,123	102,081
NET ASSETS AVAILABLE FOR BENEFITS		
BEGINNING OF YEAR	<u>627,247</u>	<u>525,166</u>
END OF YEAR	<u>\$ 721,370</u>	<u>\$ 627,247</u>

See accompanying notes.

EL DORADO PAPER BAG UPIU LOCAL 577 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

NOTE 1 - DESCRIPTION OF PLAN

The following description of El Dorado Paper Bag UPIU Local 577 401(k) Plan ("Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

GENERAL

The Plan is a defined contribution plan covering employees of El Dorado Paper Bag Manufacturing Co., Inc. ("Company") represented by United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union Local 769L (formerly United Paperworkers International Union Local 577 and PACE International Union Local 5-577). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The effective date of the Plan was January 1, 1999. Employees become eligible to participate in the Plan when they have completed one year of service and attained age 21.

CONTRIBUTIONS

Each year, participants may contribute an amount of his compensation, as defined in the Plan, subject to the limitations of Internal Code Section 402(g). However, participants may not contribute amounts representing distributions from other plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers six mutual funds in the American Funds Group as investment options for participants. The Company began making contributions to the Plan in 2008. The Company contributes 25% of the first 3 % of the employee's contribution.

PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's and employer's matching contributions and allocations of Plan earnings or losses. Allocations are based on the basis of the ratio the participant's account balance bears to the account balances of all participants in the same investment. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

VESTING

Participants are immediately 100% vested in their 401(k) account.

PARTICIPANT LOANS

Loans to participants or beneficiaries are permitted under the Plan beginning in 2008. The loans are secured by the balance in the participant's account and bear interest which is commensurate with local rates. Principal and interest is paid ratably through payroll deductions each pay period.

(Continued)

EL DORADO PAPER BAG UPIU LOCAL 577 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

PAYMENT OF BENEFITS

On termination of service due to death, disability or retirement, a participant will receive a lump-sum distribution of his or her account balance, or if permitted at the time of distribution, may select an alternate form of payment. For termination of service due to other reasons, a participant will receive a lump-sum distribution of his or her account balance. Benefits are recorded when paid.

DEATH BENEFITS

The beneficiary of a deceased participant will be entitled to 100% of the participants account balance.

OPERATING EXPENSES

All expenses of maintaining the Plan are paid by the Company.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

DATE OF MANAGEMENT'S REVIEW

Subsequent events were evaluated through October 3, 2012, which is the date the financial statements were available to be issued.

ESTIMATES

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

INVESTMENT VALUATION AND INCOME RECOGNITION

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at quoted market prices which represent the net asset value of shares held by the Plan at year-end.

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

PARTICIPANT LOANS RECEIVABLE

Loans receivable from participants are measured at their unpaid principal balance. Delinquent participant loans are reclassified as distributions based on the terms of the Plan document.

(Continued)

EL DORADO PAPER BAG UPIU LOCAL 577 401(k) PLAN
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011 AND 2010

NOTE 3 - FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in accompanying statement of net assets available for benefits.

		Fair Value Measurements Using:		
		Quoted Prices In Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
<u>December 31, 2011</u>		(Level 1)	(Level 2)	(Level 3)
Mutual Funds	Fair Value \$666,155	\$666,155		
<u>December 31, 2010</u>				
Mutual Funds	\$591,128	\$591,128		

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No level 2 inputs were available to the Plan, and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

All Plan mutual fund investments for 2011 and 2010 are valued using Level 1 inputs. The fair value is based on quoted net asset values of the shares held by the Plan at year-end.

(Continued)

EL DORADO PAPER BAG UPIU LOCAL 577 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

NOTE 4 - PARTICIPANT DIRECTED INVESTMENTS

The following presents participant directed investments at December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Mutual funds:		
Washington Mutual Investors Fund - A, 5,642 shares and 5,161 shares, respectively	\$ 160,234	\$ 140,429
The Growth Fund of America - A, 3,897 shares and 3,500 shares, respectively	111,952	106,541
The Bond Fund of America - A, 7,051 shares and 6,185 shares, respectively	88,489	75,393
Europacific Growth Fund - A, 674 shares and 459 shares, respectively	23,695	18,973
U.S. Government Securities Fund - A, 10,443 shares and 9,400 shares, respectively	150,479	130,946
American Balanced Fund - A, 1,731 shares and 1,678 shares, respectively	31,531	30,081
American Funds Money Market Fund - A, 99,775 shares and 88,765 shares, respectively	<u>99,775</u>	<u>88,765</u>
	<u>\$ 666,155</u>	<u>\$ 591,128</u>

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$3,719 and \$29,200 in 2011 and 2010, respectively.

NOTE 5 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to amend or terminate the plan at any time, subject to the provisions of ERISA. However, no amendment can reduce any benefit already earned and in the event of Plan termination, participants will be entitled to the full amount in their account as of the date of termination.

(Continued)

EL DORADO PAPER BAG UPIU LOCAL 577 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

NOTE 6 - RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of investment income per the financial statements for the year ended December 31, 2011 to Schedule H of Form 5500:

	<u>2011</u>
Per Financial Statements	
Net appreciation (depreciation) in fair value of investments	\$ 3,719
Interest and dividends	<u>14,312</u>
Total Investment Income per the financial statements	<u>\$ 18,031</u>
Per Schedule H of Form 5500	
Net investment gain (loss) from registered investment companies	<u>\$ 18,031</u>
Total Investment Income per Schedule H of Form 5500	<u>\$ 18,031</u>

NOTE 7 - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated November 22, 2004, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

NOTE 8 - RISKS AND UNCERTAINTIES

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

SUPPLEMENTAL INFORMATION

EL DORADO PAPER BAG UPIU LOCAL 577 401K PLAN
EIN 71-0353953
PLAN NUMBER 003
SCHEDULE H, LINE 4i-SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2011

(a)	(b) IDENTITY OF ISSUE	(c) DESCRIPTION OF INVESTMENT	(d) COST	(e) CURRENT VALUE
	AMERICAN FUNDS MONEY MARKET FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	99,775
	PARTICIPANT LOANS	5.25% - 7.0%	SEE NOTE BELOW	55,215
	WASHINGTON MUTUAL INVESTORS FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	160,234
	THE GROWTH FUND OF AMERICA - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	111,952
	THE BOND FUND OF AMERICA - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	88,489
	EUROPACIFIC GROWTH FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	23,695
	U. S. GOVERNMENT SECURITIES FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	150,479
	AMERICAN BALANCED FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	31,531
	TOTAL			<div style="border-top: 1px solid black; text-align: right;">\$721,370</div> <div style="border-top: 1px solid black; text-align: right;">=====</div>

NOTE RE COST: ALL INVESTMENTS ARE PARTICIPANT DIRECTED WITHIN HIS INDIVIDUAL ACCOUNT.
THUS, THE COST INFORMATION MAY BE OMITTED.

EL DORADO PAPER BAG UPIU LOCAL 577 401K PLAN
EIN 71-0353953
PLAN NUMBER 003
SCHEDULE H, LINE 4i-SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2011

(a)	(b) IDENTITY OF ISSUE	(c) DESCRIPTION OF INVESTMENT	(d) COST	(e) CURRENT VALUE
	AMERICAN FUNDS MONEY MARKET FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	99,775
	PARTICIPANT LOANS	5.25% - 7.0%	SEE NOTE BELOW	55,215
	WASHINGTON MUTUAL INVESTORS FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	160,234
	THE GROWTH FUND OF AMERICA - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	111,952
	THE BOND FUND OF AMERICA - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	88,489
	EUROPACIFIC GROWTH FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	23,695
	U. S. GOVERNMENT SECURITIES FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	150,479
	AMERICAN BALANCED FUND - A	PARTICIPANT DIRECTED INVESTMENT IN AN AMERICAN FUNDS MUTUAL FUND	SEE NOTE BELOW	31,531
	TOTAL			=====
				\$721,370
				=====

NOTE RE COST: ALL INVESTMENTS ARE PARTICIPANT DIRECTED WITHIN HIS INDIVIDUAL ACCOUNT.
THUS, THE COST INFORMATION MAY BE OMITTED.

[illegible]