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
FREEPORT WELDING & FABRICATING, INC. EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2009

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

FREEPORT WELDING & FABRICATING, INC

PO BOX 2076
FREEPORT, TX 77542

2b Employer Identification Number (EIN) 74-1658530

2c Sponsor's telephone number 979-233-0121

2d Business code (see instructions) 332300

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.	10/11/2012	MICHAEL C. MOSS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
FREEPORT WELDING & FABRICATING, INC

PO BOX 2076
FREEPORT, TX 77542

3b Administrator's EIN
74-1658530

3c Administrator's telephone number
979-233-0121

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**	115
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**	131
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	7
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	138
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	138
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	134
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	6
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 2O 3I

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)		0	**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
FREEPORT WELDING & FABRICATING, 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
FREEPORT WELDING & FABRICATING, INC

D Employer Identification Number (EIN)
74-1658530

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	301667
(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)		
(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)	5601000	5400000
(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	5601000	5701667
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	5378967	4061221
j Other liabilities	1j	90853	119839
k Total liabilities (add all amounts in lines 1g through1j)	1k	5469820	4181060
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	131180	1520607

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)	914172	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		914172
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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	1047000	
(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)		1047000
(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)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-201000	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-201000
(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)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		1760172
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	15981	
(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)		15981
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		354764
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)		
(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		370745
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		1389427
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) [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: BRIGGS & VESELKA, COMPANY (2) EIN: 74-1769118

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	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**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
FREEPORT WELDING & FABRICATING, 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
FREEPORT WELDING & FABRICATING, INC

D Employer Identification Number (EIN)
74-1658530

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): _____ _____

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):

Freeport Welding & Fabricating, Inc.
Employee Stock Ownership Plan

Financial Statements and Supplemental Schedule
As of December 31, 2011 and 2010,
and for the Year Ended December 31, 2011

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Schedules other than those listed above are omitted because of the conditions under which they are required.

Briggs & Veselka Co.
A PROFESSIONAL CORPORATION
Certified Public Accountants and Business Advisors

INDEPENDENT AUDITORS' REPORT

To the Fiduciary Committee of
Freeport Welding & Fabricating, Inc.
Employee Stock Ownership Plan
Houston, Texas

We have audited the accompanying statements of net assets available for benefits of Freeport Welding & Fabricating, Inc. Employee Stock Ownership Plan as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011. These financial statements and supplemental schedule 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 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 Freeport Welding & Fabricating, Inc. Employee Stock Ownership Plan as of December 31, 2011 and 2010, and the changes in 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.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2011, is presented for the purpose of additional analysis and is not a required part of the 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. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Briggs & Veselka Co.
Houston, Texas

October 9, 2012

FREEPORT WELDING & FABRICATING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2011 AND 2010

	2011		
	Allocated	Unallocated	Total
ASSETS			
Investment in Freeport Welding & Fabricating, Inc. preferred stock, at fair value	**$ 2,632,403**	**$ 2,767,597**	**$ 5,400,000**
Employer contributions receivable	**-**	**301,667**	**301,667**
TOTAL ASSETS	**2,632,403**	**3,069,264**	**5,701,667**
LIABILITIES			
Interest payable	**-**	**119,839**	**119,839**
Note payable	**-**	**4,061,221**	**4,061,221**
TOTAL LIABILITIES	**-**	**4,181,060**	**4,181,060**
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS	**$ 2,632,403**	**$ (1,111,796)**	**$ 1,520,607**

	2010		
	Allocated	Unallocated	Total
ASSETS			
Investment in Freeport Welding & Fabricating, Inc. preferred stock, at fair value	$ 1,434,157	$ 4,166,843	$ 5,601,000
TOTAL ASSETS	1,434,157	4,166,843	5,601,000
LIABILITIES			
Interest payable	-	90,853	90,853
Note payable	-	5,378,967	5,378,967
TOTAL LIABILITIES	-	5,469,820	5,469,820
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS	$ 1,434,157	$ (1,302,977)	$ 131,180

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

FREEPORT WELDING & FABRICATING, 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			
Additions to net assets attributed to:			
Employer contributions	$ 15,981	$ 898,191	$ 914,172
Dividends	-	1,047,000	1,047,000
Allocation of 69,428 shares of preferred stock of Freeport Welding & Fabricating, Inc., at fair value	1,249,713	-	1,249,713
TOTAL ADDITIONS	1,265,694	1,945,191	3,210,885
DEDUCTIONS			
Deductions from net assets attributed to:			
Unrealized depreciation in fair value of investments	51,467	149,533	201,000
Interest expense	-	354,764	354,764
Distributions to participants or beneficiaries	15,981	-	15,981
Allocation of 69,428 shares of preferred stock of Freeport Welding & Fabricating, Inc., at fair value	-	1,249,713	1,249,713
TOTAL DEDUCTIONS	67,448	1,754,010	1,821,458
Net increase in net assets available for benefits	1,198,246	191,181	1,389,427
Net assets (deficit) available for benefits, beginning of year	1,434,157	(1,302,977)	131,180
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS, END OF YEAR	$ 2,632,403	$ (1,111,796)	$ 1,520,607

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

NOTE 1 – DESCRIPTION OF PLAN

The following description of the Freeport Welding & Fabricating, Inc. Employee Stock Ownership Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for complete information.

Freeport Welding & Fabricating, Inc. (the Company) established the Plan effective January 1, 2009, as a qualified retirement plan designed to comply with the regulations of the Internal Revenue Code (the Code) so employees may share in the profits of the Company. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). An independent third-party trustee has been appointed. No part of the Plan can be used by the Company as it is for the exclusive benefit of eligible employees of the Company and their beneficiaries.

The Plan purchased Company preferred stock by borrowing $7,475,000 from the Company (see Note 4), and holds the preferred stock in a trust held by the Plan. The borrowing is to be paid over a period of 8 years by fully deductible Company contributions to the trust fund. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the IRC. Shares vest over a 6 year period.

The borrowing is collateralized by the unallocated shares of preferred stock. The lender has no rights against the shares of preferred stock once they are allocated under the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2011 and 2010, and for 2011, present separately the assets and liabilities and changes therein pertaining to:

a. The accounts of employees with vested rights in the allocated preferred stock (allocated) and;

b. Preferred stock not yet allocated to employees (unallocated).

Eligibility – All full-time employees of the Company are eligible to participate in the Plan after completing 500 hours of service, attaining age 18, and are not leased employees or members of a labor union with which the Company has negotiated in good faith concerning retirement benefits. Eligible employees become a participant on the June 30th or December 31st coincident with or next following completion of eligibility requirements.

Contributions – The Company intends to make contributions to the Plan. These contributions will be invested primarily in stock of the Company. When a participant retires, they will be entitled to receive the Company stock and the value of any other assets that have been credited to their account, but they will be required to immediately sell the stock to the Company or back to the Plan. Contributions are allocated annually pro-rata based upon current year compensation to participants who retired, became disabled, or died during the year or are employed on the last day of the year and have completed 500 hours of service during the Plan year. The Plan may permit rollover contributions from other plans.

Voting Rights – Each participant is entitled to direct the trustee as to how to vote the shares of Company stock allocated to eligible participants with respect to any proposed corporate merger or consolidation, racialization, reclassification, liquidation, dissolution, or sale of substantially all of the assets of a trade or business of the Company. The trustee will vote the shares of Company stock held in the Plan on all other matters in their discretion. All other shareholder rights with respect to the Company stock held in the Plan will be exercised by the trustee, solely in the interest of the participants in the Plan and their beneficiaries.

Diversification – Diversification of Company stock investment will be available to participants that reach age 55 and have completed 10 years of participation in the Plan. The participants may make this election over a period of six Plan years. The amount available for diversification is 25% of the value of the Company stock credited to their account for each of the first five years and 50% of the value of the Company stock for the 6th year, reduced by any amounts previously elected to be diversified.

The election must be received within 90 days after the close of the Plan year in which diversification was elected. The diversified amounts are to be invested among three or more investment funds consisting of differing types of properties and offering different degrees of risk and potential reward.

Put Option – Under federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Participant Accounts – As of the last day of each Plan year, all Company stock which is released from the suspense account, supplemental contributions, and forfeitures for the year will be allocated to the accounts of eligible participants in the same proportion as the ratio which each eligible participant's compensation bears to the total compensation of all eligible participants for the year. Investment earnings and expenses are totaled and allocated to all participants based upon the beginning balance in their cash account less any distributions from such accounts since the preceding allocation date. The benefit to which a participant is entitled is the benefit that can be produced from the participant's vested account.

Vesting – Participants become 100% vested in all accounts upon normal or late retirement, disability or death. Vesting in employer contributions is based on years of credited service with the Company according to a graded vesting scale, with participants being 20% vested after two years of credited service and 100% vested after six years of credited service. A participant is credited with a year of service in which they are credited with at least 1,000 hours of service.

Payment of Benefits – Distributions to participants from the Plan will be made upon retirement, death, or termination of employment. Distributions are paid in a single lump-sum distribution or installment payments over a period generally not to exceed five years, unless the participant elects to receive benefits over a longer period of time. The participants have the right to elect to receive the balance credited to their account in the form of Company stock, subject to the requirement that the Company stock must be immediately sold to the Company or back to the Plan at a price equal to its fair market value (as determined by an independent professional appraiser as of December 31st of the immediately-preceding year). The Company or the Plan will have the option to pay the purchase price for the participant's Company stock in one lump sum or in substantially equal, annual installments over a period not exceeding five years, with interest.

Forfeitures – If a participant leaves the Company for any reason other than retirement, disability, or death, any balance in their account in excess of the non-forfeitable (vested) amount will be deducted from their account and credited to the accounts of other participants. Forfeitures are allocated annually pro-rata based upon current year compensation to participants who retired, became disabled, or died during the Plan year or are employed on the last day of the year and have completed 500 hours of service during the year.

Plan Termination – The Company intends to continue the Plan indefinitely. However the Company does reserve the right to amend or even terminate the Plan.

If the Plan is terminated or partially terminated, the date of termination or partial termination will be a valuation date; and after all adjustments required on a valuation date have been made, participants' benefits will be nonforfeitable. If the participant remains an employee of the Company after termination of the Plan, the amount of their benefits will be retained in the Plan. It the participants employment with the Company is terminated at the same time that the Plan is terminated, or if the participants affected by a partial termination of the Plan, their benefits will be paid in a lump sum.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires the Company to make estimates and assumptions that affect certain amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition – The shares of the Company preferred stock are valued at estimated fair value by an independent third party each year as of December 31st. See *Note 3* for discussion of fair value measurements.

Dividend income is accrued on the ex-dividend date.

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

Benefits Obligations – Benefits are recorded when paid. As of December 31, 2011, there were no amounts allocated to participants who have elected to withdraw from the Plan, but have not been paid.

Operating Expenses – All expenses of maintaining the Plan are paid by the Company.

Recent Accounting Pronouncements – In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards*. ASU 2011-04 was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and International Financial Reporting Standards. ASU 2011-04 changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This pronouncement is effective for reporting periods beginning on or after December 15, 2011, with early adoption prohibited. The new guidance will require prospective application. The adoption of this pronouncement is not expected to have a material impact on the Plan's financial statements.

Subsequent Events – The Plan has evaluated subsequent events through October 9, 2012, the date the financial statements were available to be issued.

NOTE 3 – FAIR VALUE MEASUREMENTS

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

- **Level 1** – Quoted prices in active markets for identical assets or liabilities.

- **Level 2** – Inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

- **Level 3** – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Preferred Stock – The fair value of the sponsor preferred stock held by the Plan is valued at fair value based upon an independent appraisal. This 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.

The preceding method 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 certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value:

	December 31, 2011			
	Level 1	Level 2	Level 3	Total
Preferred stock of Freeport Welding & Fabricating, Inc.	**$ -**	**$ -**	**$ 5,400,000**	**$ 5,400,000**
Total assets at fair value	**$ -**	**$ -**	**$ 5,400,000**	**$ 5,400,000**

	December 31, 2010			
	Level 1	Level 2	Level 3	Total
Preferred stock of Freeport Welding & Fabricating, Inc.	$ -	$ -	$ 5,601,000	$ 5,601,000
Total assets at fair value	$ -	$ -	$ 5,601,000	$ 5,601,000

There were no significant transfers between Level 1 and Level 2 investments during 2011.

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for December 31, 2011.

	Preferred Stock
Balance, beginning of year	$ 5,601,000
Unrealized loss relating to assets still held at the reporting date	(201,000)
Balance, end of year	$ 5,400,000

Gains and losses (realized and unrealized) included in changes in net assets for the year above are reported in unrealized depreciation in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

NOTE 4 – NOTE PAYABLE

On June 18, 2010, the Plan entered into a $7,475,000 term note agreement with the Company. The proceeds of the note were used to purchase the Company's preferred stock for a price equal to their fair market value, as determined by an independent professional appraiser. Unallocated shares are collateral for the note and initially will be held in a suspense account. The agreement provides for the note to be repaid by December 31, 2017. The loan bears interest at a fixed rate of 4.50% annually.

The scheduled amortization of the note payable for the next 5 years and thereafter is as follows:

For the Year Ending December 31,	Amount
2012	$ 929,328
2013	747,500
2014	747,500
2015	747,500
2016	747,500
Thereafter	141,893
Total	$ 4,061,221

NOTE 5 – EMPLOYER CONTRIBUTIONS

The Company will make contributions to the Plan sufficient to enable the Plan to pay the principal and interest on the loan. Dividends paid on Company stock purchased with loan proceeds also may be used to pay principal and interest on the loan. The Company may also forgive principal and interest amounts due under the loan. Each year, shares of preferred stock will be released from the suspense account, and allocated to the accounts of the eligible participants in the Plan, in the proportion that the principal and interest paid on the loan for the year bear the sum of the principal and interest paid in the current year plus the remaining principal and interest expected to be paid on the loan, using the interest rate in effect on the loan as of the last day of the year.

In addition to the employer contributions made to enable the Plan to pay off the loan, the Company may, in its sole discretion, make additional supplemental contributions to the Plan. Supplemental contributions will be used primarily to pay down the loan or to buy Company stock, which will be allocated to the accounts of participants. Company stock purchased with supplemental contributions will not be held in the suspense account.

NOTE 6 – NON PARTICIPANT-DIRECTED INVESTMENTS

The Plan's investments at December 31, are as presented in the following tables:

	2011		
	Allocated	Unallocated	Total
Number of shares	**146,245**	**153,755**	**300,000**
Cost	**$ 3,644,425**	**$ 3,830,575**	**$ 7,475,000**
Fair value	**$ 2,632,403**	**$ 2,767,597**	**$ 5,400,000**

	2010		
	Allocated	Unallocated	Total
Number of shares	76,816	223,184	300,000
Cost	$ 1,914,002	$ 5,560,998	$ 7,475,000
Fair value	$ 1,434,157	$ 4,166,843	$ 5,601,000

NOTE 7 – CONCENTRATION OF INVESTMENTS

Included in investments at December 31, 2011 and 2010 are shares of the Company's preferred stock amounting to $5,400,000 and $5,601,000, respectively. This investment represents 95% and 100% of total assets at December 31, 2011 and 2010, respectively.

NOTE 8 – ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of the Company's preferred shares, are held by the trustee of the Plan.

Employer 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 principal and interest on the loan, which is reimbursed to the trustee through contributions as determined by the Company. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the trustee's fees are paid directly by the Company.

NOTE 9 – TAX STATUS

The Plan has applied for, but has not received, a determination letter from the Internal Revenue Service (IRS) stating that the Plan is qualified under the appropriate sections of the Code. The Company and the Plan's legal counsel believe that the Plan is designed and being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires the Company to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Company has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2011, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examinations for years that are considered closed for tax filing purposes.

NOTE 10 – RISKS AND UNCERTAINTIES

The Plan's assets are invested in Company preferred stock, which is exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with this investment, it is at least reasonably possible that changes in the value of the Company's preferred stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

FREEPORT WELDING & FABRICATING, INC. EMPLOYEE STOCK OWNERSHIP PLAN
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2011

EIN: 74-1658530
Plan No. 002

(a) Party-in-Interest	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment	(d) Cost	(e) Current Value
*	Freeport Welding & Fabricating, Inc.	300,000 shares of preferred stock	$ 7,475,000	$ 5,400,000

* A party-in-interest as defined by ERISA.

See independent auditors' report.

Freeport Welding & Fabricating, Inc. Employee Stock Ownership Plan
EIN: 74-1658530 Plan Number: 002
Plan Year 1/1/11 - 12/31/11

(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
*	Freeport Welding and Fabricating	300,000 shares preferred stock	7,475,000	5,400,000