

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

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

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>CUTTING DYNAMICS, INC. 401(K) PROFIT SHARING PLAN</u>	1b Three-digit plan number (PN) ►	<u>001</u>	
	1c Effective date of plan	<u>01/01/1997</u>	
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>CUTTING DYNAMICS, INC.</u> <u>C/O CPI-QPC, INC.</u> <u>P.O. BOX 1167</u> <u>GREAT BEND, KS 67530</u>	2b Employer Identification Number (EIN) <u>34-1484388</u>	2c Sponsor's telephone number <u>620-793-8473</u>	2d Business code (see instructions) <u>332900</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/12/2012</u>	<u>MARIE CARSON</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") CUTTING DYNAMICS, INC. C/O CPI-QPC, INC. P.O. BOX 1167 GREAT BEND, KS 67530	3b Administrator's EIN 34-1484388 3c Administrator's telephone number 620-793-8473
---	---

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	143
---	----------	-----

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	134
b Retired or separated participants receiving benefits.....	6b	2
c Other retired or separated participants entitled to future benefits.....	6c	8
d Subtotal. Add lines 6a , 6b , and 6c	6d	144
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	144
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	125
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 2F 2G 2J 2K 3D 3H

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

9a Plan funding arrangement (check all that apply)	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)** ☐ **0** **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

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

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

A Name of plan <u>CUTTING DYNAMICS, INC. 401(K) PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CUTTING DYNAMICS, INC.</u>	D Employer Identification Number (EIN) <u>34-1484388</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
<u>MATRIX FINANCIAL SOLUTIONS</u>	<u>700 17TH STREET, STE 300</u> <u>DENVER, CO 80202</u>
<u>20-1591048</u>	

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation	
<u>AMERICAN FUNDS</u>	<u>3500 WISEMAN BOULEVARD</u> <u>SAN ANTONIO, TX 78251</u>
<u>95-1411037</u>	

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
<u>BLACKROCK FUNDS</u>	<u>55 EAST 52ND STREET</u> <u>NEW YORK, NY 10055</u>

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
<u>JP MORGAN</u>	<u>245 PARK AVENUE FLOOR 3</u> <u>NEW YORK, NY 10167</u>

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

OPPENHEIMER

TWO WORLD FINANCIAL CENTER
NEW YORK, NY 10281

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

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

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

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

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

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

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

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

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

MORGAN STANLEY SMITH BARNEY

36 E. STREETSBORO STREET, SUITE 101
HUDSON, OH 44236

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50	'NONE'	34259	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CPI QUALIFIED PLAN CONSULTANTS, INC

1809 24TH STREET
P.O. BOX 1167
GREAT BEND, KS 67530

48-1205033

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
12 15 37 50 60 64	'NONE'	1249	Yes ☒ No ☐	Yes ☐ No ☒	13340	Yes ☐ No ☒

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
CPI QUALIFIED PLAN CONSULTANTS, INC	12 15 37 50 60 64	2000
(d) Enter name and EIN (address) of source of indirect compensation AMERICAN FUNDS 3500 WISEMAN BOULEVARD SAN ANTONIO, TX 78251 95-1411037 (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. SUBSIDY TO OFFSET CUSTODIAL AND TRADING EXPENSES		
(a) Enter service provider name as it appears on line 2 CPI QUALIFIED PLAN CONSULTANTS, INC (b) Service Codes (see instructions) 12 15 37 50 60 64 (c) Enter amount of indirect compensation 1086		
(d) Enter name and EIN (address) of source of indirect compensation JP MORGAN 245 PARK AVENUE FLOOR 3 NEW YORK, NY 10167 (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. SUBSIDY TO OFFSET CUSTODIAL AND TRADING EXPENSES		
(a) Enter service provider name as it appears on line 2 CPI QUALIFIED PLAN CONSULTANTS, INC (b) Service Codes (see instructions) 12 15 37 50 60 64 (c) Enter amount of indirect compensation 1536		
(d) Enter name and EIN (address) of source of indirect compensation BLACKROCK FUNDS 55 EAST 52ND STREET NEW YORK, NY 10055 (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. SUBSIDY TO OFFSET CUSTODIAL AND TRADING EXPENSES		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
CPI QUALIFIED PLAN CONSULTANTS, INC	12 15 37 50 60 64	1323
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
NUVEEN 333 WEST WACKER DRIVE CHICAGO, IL 60606	SUBSIDY TO OFFSET CUSTODIAL AND TRADING EXPENSES	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
---	--	--

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

A Name of plan <u>CUTTING DYNAMICS, INC. 401(K) PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>CUTTING DYNAMICS, INC.</u>	D Employer Identification Number (EIN) <u>34-1484388</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: US BANK STABLE ASSET ADVISOR

b Name of sponsor of entity listed in (a): USBANK, NATIONAL ASSOCIATION

c EIN-PN <u>41-0417860-003</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: MORLEY STABLE VALUE 75 A

b Name of sponsor of entity listed in (a): UNION BOND & TRUST COMPANY

c EIN-PN <u>93-6274329-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>308971</u>
---------------------------------------	-------------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

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

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>CUTTING DYNAMICS, INC. 401(K) PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CUTTING DYNAMICS, INC.</u>	D Employer Identification Number (EIN) <u>34-1484388</u>	

Part I Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets			
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	5294	5195
(2) Participant contributions	1b(2)	8760	8791
(3) Other.....	1b(3)	0	5730
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(2) U.S. Government securities.....	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	70746	57431
(9) Value of interest in common/collective trusts.....	1c(9)	260358	308971
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	6337025	6825379
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	6682183	7211497

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	6682183	7211497
---	-----------	---------	---------

Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	312886	
(B) Participants	2a(1)(B)	616069	
(C) Others (including rollovers)	2a(1)(C)	1728	
(2) Noncash contributions	2a(2)		930683
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		

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)	2990	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2990

(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)	219305	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		219305

(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)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		4481
(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)		-424169
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		733290

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	183960	
(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)		183960
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)	32	
(3) Investment advisory and management fees	2i(3)	19984	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		20016
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		203976

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		529314
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: MALONEY & NOVOTNY, LLC (2) EIN: 34-0677006

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.).....	☒	☐	1341
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.).....	☐	☒	
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.)	☐	☒	
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.).....	☐	☒	
e Was this plan covered by a fidelity bond?.....	☒	☐	500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	☐	☒	
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?	☐	☒	
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?	☐	☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	☒	☐	
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.).....	☐	☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	☐	☒	
l Has the plan failed to provide any benefit when due under the plan?	☐	☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	☐	☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	☐	☐	

- 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>CUTTING DYNAMICS, INC. 401(K) PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CUTTING DYNAMICS, INC.</u>	D Employer Identification Number (EIN) <u>34-1484388</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>75-3182674</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): _____

**CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN**

FINANCIAL REPORT

DECEMBER 31, 2011 and 2010

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	2
Statements of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4-9
SUPPLEMENTAL SCHEDULES	
Schedule of Assets (Held at End of Year) as of December 31, 2011	10
Schedule of Delinquent Participant Contributions for the Year Ended December 31, 2011	11

Independent Auditors' Report

Plan Administrator
Cutting Dynamics, Inc. 401(k)
Profit Sharing Plan
Avon, Ohio

We were engaged to audit the accompanying statements of net assets available for benefits of the Cutting Dynamics, Inc. 401(k) Profit Sharing Plan (the "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, and the supplemental schedules as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

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

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for the purposes of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Cleveland, Ohio
October 10, 2012

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
INVESTMENTS, AT FAIR VALUE		
Common/collective trust fund	\$ 308,971	\$ 260,358
Registered investment companies	<u>6,825,379</u>	<u>6,337,025</u>
TOTAL INVESTMENTS	7,134,350	6,597,383
RECEIVABLES		
Participants' contributions	8,791	8,760
Employer contributions	5,195	5,294
Notes receivable from participants	57,431	70,746
Dividends receivable	<u>5,730</u>	<u>-</u>
TOTAL RECEIVABLES	<u>77,147</u>	<u>84,800</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 7,211,497</u>	<u>\$ 6,682,183</u>

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

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ADDITIONS		
Investment (loss) income:		
Net (depreciation) appreciation in fair value of investments	\$ (419,688)	\$ 522,066
Interest and dividends	<u>219,305</u>	<u>115,306</u>
Total investment (loss) income	(200,383)	637,372
Interest income on notes receivable from participants	2,990	2,293
Contributions:		
Participants	616,069	587,216
Employer	312,886	303,325
Rollover	<u>1,728</u>	<u>-</u>
Total contributions	<u>930,683</u>	<u>890,541</u>
Total additions	733,290	1,530,206
DEDUCTIONS		
Distributions paid directly to participants	183,960	232,309
Administrative expenses	<u>20,016</u>	<u>21,411</u>
Total deductions	<u>203,976</u>	<u>253,720</u>
NET INCREASE	529,314	1,276,486
NET ASSETS AVAILABLE FOR BENEFITS:		
BEGINNING OF YEAR	<u>6,682,183</u>	<u>5,405,697</u>
END OF YEAR	<u>\$ 7,211,497</u>	<u>\$ 6,682,183</u>

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

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Note 1. Description of Plan

The following is a summary of certain provisions of the Cutting Dynamics, Inc. 401(k) Profit Sharing Plan (the "Plan"). Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Participation – The Plan is a defined contribution plan covering all employees of Cutting Dynamics, Inc. and Pilgrim Harp Company (collectively the "Company"), established as of January 1, 1997. Employees are eligible to participate in the Plan after one year of service and attainment of age 18. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Administration – The Plan is administered by the Company which is responsible for controlling and managing the operations and administration of the Plan.

Contributions – Participants may elect to make contributions from 1% to 85% of their eligible earnings on a "pre-tax" basis subject to certain limitations of the Plan and the Internal Revenue Code. The Company may contribute a matching amount at its discretion. During 2011 and 2010, the Company contributed an amount equal to 100% of the first 3% of participant contributions, and 50% of the next 4% of participant contributions. In addition, the Company can make discretionary profit sharing contributions to be allocated based on relative compensation; however, no such contribution was made in 2011 or 2010.

Participant Accounts – The Company maintains an individual account for each participant. Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable From Participants – The Plan allows loans to participants subject to certain regulatory restrictions. The amount of the loans cannot exceed \$50,000 or 50% of the participant's vested account balance. The minimum amount of each loan is \$1,000. Only one loan per participant can be outstanding at any given time. Interest is charged based on the prevailing rate of prime + 1% at the time of the loan. Principal and interest are paid ratably through payroll deductions.

Vesting – Participants are at all times vested in funds in their accounts from all sources.

Payment of Benefits – A participant, upon retirement, termination, disability or the attainment of age 59½ or a participant's beneficiary upon the participant's death, may elect to either receive a lump-sum amount equal to the value of his or her account or to receive an annuity. In the case of a severe financial hardship, the Plan administrator, in its sole discretion, may direct distribution of all or a portion of the participant's elective and/or voluntary contributions, subject to certain restrictions. Additionally, the Plan has provisions for active participants to make withdrawals from their account, subject to limitations and restrictions.

Termination Provisions – The Company anticipates and believes that the Plan will continue indefinitely; however, the Company reserves the right to terminate the Plan at any time by an action of its Board of Directors subject to the provisions of ERISA. In the event of termination of the Plan, the assets then remaining in the funds will be allocated and distributed to participants in accordance with the terms and provisions of the Plan.

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2. Summary of Significant Accounting Policies

Basis of Accounting – The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

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

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.

Investment Valuation and Income Recognition – Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

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

As defined by accounting principles generally accepted in the United States of America, investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts. Contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. From January 2010 through November 2010, the Plan was invested in a fully benefit-responsive investment contract through a common/collective trust fund. Contract value for this trust was based on the net asset value of the fund as reported by the investment trustee sponsoring such trusts. The statements of net assets available for benefits presented the fair value of the investment in the common/collective trust fund as well as an adjustment from fair value to contract value relating to the investment contracts. The statements of changes in net assets available for benefits are prepared on a contract value basis. The difference between current value and the cost of investments and the gain or loss on the sale of securities was reflected in the statements of changes in net assets available for benefits as net (depreciation) appreciation in fair value of investments. In November 2010, the Plan changed investment offerings and, as a result, the Plan was not invested in any fully benefit-responsive investment contracts at December 31, 2011 and 2010.

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2. Summary of Significant Accounting Policies (Continued)

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

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – All administrative fees of the Plan are paid by the Company or the Plan at the option of the Company.

Evaluation of Subsequent Events – The Plan has evaluated subsequent events and transactions for potential recognition and presentation through the date the financial statements were available to be issued, October 10, 2012.

Note 3. Unaudited Information

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the trustee has certified to the completeness and accuracy of all investments reflected on the statements of net assets available for benefits at December 31, 2011 and 2010, the supplemental schedule of assets (held at end of year) at December 31, 2011, the related investment activity reflected in the statements of changes in net assets available for benefits for the years then ended and investment related information in the accompanying notes to the financial statements. This information is unaudited by independent accountants.

Individual investments greater than 5% of net assets are disclosed below:

	<u>2011</u>	<u>2010</u>
American Funds Europacific Growth - R4	\$ 650,082	\$ 664,731
American Funds Growth Fund of America - R4	**	510,618
American Funds Money Market - R4	701,757	522,347
BlackRock Fund Growth - A	847,511	439,085
First American Equity Income - A	558,991	530,068
JP Morgan High Yield - A	450,299	397,196
Oppenheimer Main Street Select - A	415,869	383,784
Franklin Templeton Global Bond - A	*	353,365

* Did not represent greater than 5% of the Plan's net assets in the reported year.

** Not an investment option at this time.

Changes in net assets not audited include the following for the years ended December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Investment (loss) income:		
Net (depreciation) appreciation in fair value of:		
Registered investment companies	\$(424,169)	\$ 526,072
Common/collective trust fund	4,481	(4,006)
Interest and dividends	219,305	115,306

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 4. Party-in-Interest Transactions

CPI Qualified Plan Consultants ("CPI") charges the Plan for investment advisory and recordkeeping services. CPI is the Plan administrator and, therefore, these transactions qualify as party-in-interest transactions. Administrative expenses paid by the Plan to CPI were \$20,016 and \$21,411 in 2011 and 2010, respectively.

Note 5. Fair Value Measurements

The Plan estimates the fair value of financial instruments using available market information and other generally accepted valuation methodologies. Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs used to measure fair value are classified into three levels:

Level 1 – Quoted prices in active markets for identical assets and liabilities.

Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 – Unobservable inputs in which little or no market data exists.

The following is a description of the valuation methodologies used for assets of the Plan measured at fair value at December 31, 2011 and 2010:

- The fair value of the investment in the common/collective trust fund is valued at its reported net asset value ("NAV") because it is not considered fully benefit-responsive. The NAV is based on the market value of its underlying investments, adjusted for charges and expenses, and is classified as Level 2.
- The fair values of registered investment companies are determined based on their quoted closing market prices in active markets for identical investments, and are classified as Level 1.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. There have no changes in methodologies used from 2010 to 2011. Furthermore, while 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.

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 5. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011 and 2010:

Assets at Fair Value as of December 31, 2011				
	Level 1	Level 2	Level 3	Total
Common/collective trust fund	\$ -	\$ 308,971	\$ -	\$ 308,971
Registered investment companies:				
Small Cap	634,296	-	-	634,296
Mid Cap	305,611	-	-	305,611
Large Cap	1,920,167	-	-	1,920,167
Fixed Income	1,794,078	-	-	1,794,078
Commodities Broad Basket	226,571	-	-	226,571
Real Estate	243,099	-	-	243,099
Inflation-Protected Bond	289,882	-	-	289,882
International	1,411,675	-	-	1,411,675
Total	<u>\$ 6,825,379</u>	<u>\$ 308,971</u>	<u>\$ -</u>	<u>\$ 7,134,350</u>

Assets at Fair Value as of December 31, 2010				
	Level 1	Level 2	Level 3	Total
Common/collective trust fund	\$ -	\$ 260,358	\$ -	\$ 260,358
Registered investment companies:				
Small Cap	613,541	-	-	613,541
Mid Cap	294,462	-	-	294,462
Large Cap	1,952,130	-	-	1,952,130
Fixed Income	1,488,922	-	-	1,488,922
Real Estate	223,955	-	-	223,955
International	1,764,015	-	-	1,764,015
Total	<u>\$ 6,337,025</u>	<u>\$ 260,358</u>	<u>\$ -</u>	<u>\$ 6,597,383</u>

Note 6. Income Tax Status

The Internal Revenue Service has previously ruled, in a determination letter dated March 31, 2008, that the prototype standardized model on which this Plan is based qualifies under Section 401(a) of the Internal Revenue Code and is, therefore, not subject to tax under present income tax laws. The adopted Plan has been amended since the Internal Revenue Service ruling; however, the Plan administrator believes the adopted Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 6. Income Tax Status (Continued)

The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that, as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require such recognition or disclosure in the financial statements. As of December 31, 2011, the Plan's tax years from 2008 and thereafter remain subject to examination by the Internal Revenue Service, as well as various other taxing authorities.

Note 7. Reconciliation to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2011 and 2010 to the Form 5500:

	<u>2011</u>	<u>2010</u>
Net assets available for benefits per the financial statements	\$ 7,211,497	\$ 6,682,183
Add: Adjustment from fair value to contract value for interest in common/collective trust fund relating to fully benefit-responsive investment contracts	<u>-</u>	<u>-</u>
Net assets available for benefits per the Form 5500	<u>\$ 7,211,497</u>	<u>\$ 6,682,183</u>

The following is a reconciliation of investment (loss) income per the financial statements at December 31, 2011 and 2010 to the Form 5500:

	<u>2011</u>	<u>2010</u>
Total investment (loss) income per the financial statements	\$ (200,383)	\$ 637,372
Add: Adjustment from fair value to contract value for interest in common/collective trust fund relating to fully benefit-responsive investment contracts	<u>-</u>	<u>3,926</u>
Total investment (loss) income per the Form 5500	<u>\$ (200,383)</u>	<u>\$ 641,298</u>

SUPPLEMENTAL SCHEDULES

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

EMPLOYER NO. 34-1484388
PLAN NO. 001

SCHEDULE H, LINE 4(i)
SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2011

(a)	(b) <u>Identity of Party</u>	(c) <u>Description of Investment</u>	Current (e) <u>Value</u>
		<u>Common/collective trust fund</u>	
	Gartmore Morely	Stable Value	\$ 308,971
		<u>Registered investment companies</u>	
	American Funds	Cap World Growth & Income - R4	91,448
	American Funds	Europacific Growth - R4	650,082
	American Funds	Fundamental Investors - R4	97,796
	American Funds	Income Fund of America - R4	83,552
	American Funds	Money Market - R4	701,757
	BlackRock	Fund Growth - A	847,511
	BlackRock	Global Allocation - A	49,581
	Columbia	Mid Cap Value Fund - A	305,611
	DWS Investments	Dreman Small Cap Value - A	345,963
	Eaton Vance	Global Macro Absolute Return - A	229,206
	Nuveen	Dividend Value - A	558,991
	Nuveen	Real Estate Securities - A	243,099
	First Eagle	Global Fund - A	57,652
	Franklin Templeton	Templeton Global Bond Fund - A	247,495
	Invesco	Small Cap Growth - A	288,333
	Ivy Funds	Asset Strategy Fund - A	48,459
	JP Morgan	High Yield - A	450,299
	Oppenheimer	Main Street Select - A	415,869
	Permanent Portfolio	Permanent Portfolio - X	289,026
	PIMCO	All Asset Fund - A	37,752
	PIMCO	Commodity Real Return Strategy - A	226,571
	PIMCO	Total Return - A	269,444
	Vanguard	Vanguard Inflation-Protected Secs	289,882
			<u>6,825,379</u>
		<u>Participant loans</u>	
*	Participant loans	Interest rates range from 4.25% - 8.75%	<u>57,431</u>
			<u>\$ 7,191,781</u>

* Represents a party-in-interest

CUTTING DYNAMICS, INC. 401(k)
PROFIT SHARING PLAN

EMPLOYER NO. 34-1484388
PLAN NO. 001

SCHEDULE H, LINE 4(a)
SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

Year Ended December 31, 2011

Participant Contributions Transferred Late to the Plan	Totals That Constitute Non-Exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
<u>\$1,341</u>	<u>\$1,341</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Late Participant Loan Repayments Included?

Yes

No

X

Note: The late deposits listed above will be fully corrected prior to December 31, 2012,
and will be shown as corrected on the December 31, 2012 filing.

Schedule H/I, Line 4a
Schedule of Late Participant Contributions

Name of Plan:

► Cutting Dynamics, Inc. 401(k) Profit Sharing Plan

Employer Identification No.: ► 34-1484388

Plan year (beginning/ending): ► 01/01/2011 - 12/31/2011 Plan number: ► 001

(a) Late Contributions	(b) Late Contributions not Corrected	(c) Correction outside VFCP	(d) Correction using VFCP	(e) Contributions Pending Correction in VFCP	(f) Total Corrected
\$1,341.00	\$1,341.00	0	0	0	0

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

Name of Plan:

► Cutting Dynamics, Inc. 401(k) Profit Sharing Plan

Employer Identification Number: ► 34-1484388

For plan year (beginning/ending): ► 01/01/2011 to 12/31/2011

Plan number: ► 001

(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
	LOAN FUND	OTHER LOANS 4.25% - 8.75%	N/A	57,431
	MORLEY STABLE VALUE 75	VALUE OF INT IN COMMON/COLLECTIVE TRUST	N/A	308,971
	AMERICAN FUNDS CAP WLD G&I	VALUE OF INT IN REGIST INVEST CO	N/A	91,448
	AMERICAN FUNDS EUROPACIFIC	VALUE OF INT IN REGIST INVEST CO	N/A	650,082
	AMERICAN FUNDMNTL INVSTRS	VALUE OF INT IN REGIST INVEST CO	N/A	97,796
	AMERICAN FUNDS INCOME FUND	VALUE OF INT IN REGIST INVEST CO	N/A	83,552
	AMERICAN FUNDS MONEY MKT	VALUE OF INT IN REGIST INVEST CO	N/A	701,757
	BLACKROCK CAPITAL APPRECIATN	VALUE OF INT IN REGIST INVEST CO	N/A	847,511
	BLACKROCK GLOBAL ALLOCATION	VALUE OF INT IN REGIST INVEST CO	N/A	49,581
	COLUMBIA MID CAP VALUE	VALUE OF INT IN REGIST INVEST CO	N/A	305,611
	DWS DREMAN SMALL CAP VALUE	VALUE OF INT IN REGIST INVEST CO	N/A	345,963
	EATON VANCE GLOBAL MACRO ABSOL	VALUE OF INT IN REGIST INVEST CO	N/A	229,206
	FIRST EAGLE GLOBAL	VALUE OF INT IN REGIST INVEST CO	N/A	57,652
	INV VAN KAMP SMALL CAP GRWTH	VALUE OF INT IN REGIST INVEST CO	N/A	288,333
	IVY ASSET STRATEGY	VALUE OF INT IN REGIST INVEST CO	N/A	48,459
	JPMORGAN HIGH YIELD	VALUE OF INT IN REGIST INVEST CO	N/A	450,299
	NUVEEN DIVIDEND VALUE	VALUE OF INT IN REGIST INVEST CO	N/A	558,991
	NUVEEN REAL ESTATE SECURITS	VALUE OF INT IN REGIST INVEST CO	N/A	243,099
	OPP MAIN STREET SELECT	VALUE OF INT IN REGIST INVEST CO	N/A	415,869
	PERMANENT PORTFOLIO	VALUE OF INT IN REGIST INVEST CO	N/A	289,026
	PIMCO ALL ASSET	VALUE OF INT IN REGIST INVEST CO	N/A	37,752
	PIMCO COMMOD REALRETURN STRA	VALUE OF INT IN REGIST INVEST CO	N/A	226,571
	PIMCO TOTAL RETURN	VALUE OF INT IN REGIST INVEST CO	N/A	269,444
	TEMPLETON GLOBAL BOND	VALUE OF INT IN REGIST INVEST CO	N/A	247,495
	VANGUARD INFLN PROTECT SEC	VALUE OF INT IN REGIST INVEST CO	N/A	289,882