

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
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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>THE BOSTWICK-BRAUN COMPANY EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ▶	<u>003</u>
		1c Effective date of plan	<u>01/01/1980</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)	2b Employer Identification Number (EIN) <u>34-1298592</u> 2c Sponsor's telephone number <u>419-259-3904</u> 2d Business code (see instructions) <u>423700</u>		
<u>THE BOSTWICK-BRAUN COMPANY</u> <u>B SMITH</u> <u>7349 CROSSLEIGH COURT</u> <u>TOLEDO, OH 43617</u>	<u>7349 CROSSLEIGH COURT</u> <u>TOLEDO, OH 43617</u>		

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2012	B SMITH
	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") THE BOSTWICK-BRAUN COMPANY B SMITH 7349 CROSSLEIGH COURT TOLEDO, OH 43617	3b Administrator's EIN 34-1298592
	3c Administrator's telephone number 419-259-3904

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	232
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	246
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	39
d Subtotal. Add lines 6a , 6b , and 6c	6d	285
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	1
f Total. Add lines 6d and 6e	6f	286
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	8

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

2C 2O 2Q

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

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan THE BOSTWICK-BRAUN COMPANY EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 THE BOSTWICK-BRAUN COMPANY	D Employer Identification Number (EIN) 34-1298592	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		823640
(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)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	22491898	24522834
(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	22491898	25346474

Liabilities

g Benefit claims payable	1g	1624449	2719119
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1624449	2719119

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	20867449	22627355
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	823640	
(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)		823640
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)		
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	4303097	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		4303097
(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		5126737

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3366831	
(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)		3366831
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		3366831

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1759906
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: SPILMAN HILLS & HEIDEBRINK LTD

(2) EIN: 34-1833111

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

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

Part IV Compliance Questions

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

During the plan year:

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

- 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)



Independent Auditors' Report

Plan Administrator
The Bostwick-Braun Company Employee
Stock Ownership Pension Plan
Toledo, Ohio

We have audited the accompanying financial statements of assets available for benefits of the The Bostwick-Braun Company Employee Stock Ownership Pension Plan (the Plan) as of December 31, 2011 and 2010, and the related statements of changes in assets available for benefits and for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 assets available for benefits of the Plan as of December 31, 2011 and 2010, and the changes in its assets available for benefits for the years then ended 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 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 supplemental 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 audit 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.

The schedule of assets (held at end of year) as of December 31, 2011 that accompanies the Plan's financial statements does not disclose the historical cost of plan assets held by the plan trustee. Disclosure of this information is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Spilman Hills + Heidebrink, Ltd.

October 12, 2012

**THE BOSTWICK-BRAUN COMPANY
EMPLOYEE STOCK OWNERSHIP PENSION PLAN
FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE
FOR THE YEARS ENDED
DECEMBER 31, 2011 AND 2010**

See Independent Auditors' Report

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Independent Auditors' Report

Plan Administrator
The Bostwick-Braun Company Employee
Stock Ownership Pension Plan
Toledo, Ohio

We have audited the accompanying financial statements of assets available for benefits of the The Bostwick-Braun Company Employee Stock Ownership Pension Plan (the Plan) as of December 31, 2011 and 2010, and the related statements of changes in assets available for benefits and for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 assets available for benefits of the Plan as of December 31, 2011 and 2010, and the changes in its assets available for benefits for the years then ended 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 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 supplemental 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 audit 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.

The schedule of assets (held at end of year) as of December 31, 2011 that accompanies the Plan's financial statements does not disclose the historical cost of plan assets held by the plan trustee. Disclosure of this information is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Spilman Hills + Heidebrink, Ltd.

October 12, 2012

THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
STATEMENTS OF ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Investment in The Bostwick-Braun Company Common Stock - 70,266 Shares at \$349 per Share in 2011 and 75,906 Shares at \$286 per Share in 2010 (Note 3)	\$ 24,522,834	\$ 21,709,402
Employer Contribution Receivable	<u>823,640</u>	<u>782,496</u>
Assets Available for Benefits	<u><u>\$ 25,346,474</u></u>	<u><u>\$ 22,491,898</u></u>

*See Independent Auditors' Report
and Accompanying Notes*

THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
STATEMENTS OF CHANGES IN ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Additions to Assets Attributed to		
Investment income - realized and unrealized gains on investments in The Bostwick-Braun Company common stock (Note 3)	\$ 4,303,097	\$ 3,795,430
Employer contributions	<u>823,640</u>	<u>782,496</u>
Total Additions	5,126,737	4,577,926
Deductions from Assets Attributed to		
Benefit payments	1,080,113	1,484,048
Rollovers to Bostwick-Braun Company Retirement Savings Plan	<u>1,192,048</u>	<u>193,756</u>
Total Deductions	<u>2,272,161</u>	<u>1,677,804</u>
Change in Assets Available for Benefits	2,854,576	2,900,122
Assets Available for Benefits at Beginning of Year	<u>22,491,898</u>	<u>19,591,776</u>
Assets Available for Benefits at End of Year	<u><u>\$ 25,346,474</u></u>	<u><u>\$ 22,491,898</u></u>

*See Independent Auditors' Report
and Accompanying Notes*

THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 1 - DESCRIPTION OF PLAN

The following brief description of The Bostwick-Braun Company Employee Stock Ownership Pension Plan (the Plan) is provided only for general information purposes. Information about the Plan agreement and the vesting and benefit provisions is contained in the Plan's Summary Plan Description. Copies of this document are available from the Employee Stock Ownership Pension Plan Administrative Committee (ESOPAC). The Plan assets are under the control of and are monitored by the ESOPAC, whose members are appointed by the Board of Directors of The Bostwick-Braun Company (the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

General - The Plan is a defined contribution plan and was converted from the Employees' Profit-Sharing Plan (the P-S Plan) as of January 1, 1979. At the time of the conversion, the assets and liabilities of the P-S Plan were transferred, without change, to the Plan. In addition, the rights of the participants to the beginning assets of the Plan remained the same as their rights under the P-S Plan.

Eligibility - Employees who are twenty-one years of age or older, not members of a collective bargaining unit and have completed 1,000 hours of service during the Plan year are eligible to participate in the Plan.

Contributions - In 2010, the Company purchased Southern Hardware Company, Inc. (SHC) and JMC Sales and Engineering, Inc. (JMC). The Company's annual contribution to the Plan is 10% of the total wages for active participants not employed at Steel City Products (SCP) (for 2010), SHC and JMC. With approval from the ESOPAC, the annual contribution for SCP participants was increased from 5% to 7.5% for the 2010 plan year, and again from 7.5% to 10% for the 2011 plan year. The Company began contributing 2.5% of eligible SHC employee's earnings to the plan in 2011 and intends to begin contributing 2.5% of eligible JMC employees' earnings to the Plan in 2012. At the discretion of the Company's Board of Directors, these rates from SHC and JMC may increase to 10% in annual increments of 2.5%. Participants are eligible for the Company contribution only if they are employed on the last day of the Plan year, or if they retired, died or became disabled during the year and completed 1,000 hours of service during the Plan year.

Vesting - Participants begin vesting after two years of service, and become fully vested after six years of service.

Forfeitures - Forfeitures are used to reduce Company contributions for the current or succeeding Plan year. In 2011 and 2010, there were forfeitures of \$85,781 and \$42,644, respectively, and these forfeitures were used to reduce Company contributions for those respective years.

See Independent Auditors' Report

THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Participant Accounts - It is the Plan's policy to invest in the Company's common stock. Unrealized gain on the shares held is prorated to the accounts of the remaining participants at the end of the Plan year. Participants are allowed to diversify a portion of their vested shares into The Bostwick-Braun Company Retirement Savings Plan, once they have reached certain ages defined in the Plan agreement.

Benefit Payments - Upon retirement, death or disability, benefits are distributed in cash no later than sixty days after the following Plan year-end, unless the participant elects otherwise. If termination is for other reasons and the participant requests payment, benefits are distributed no later than the Plan year-end occurring after the participant has a one-year break in service. Hardship distributions are allowed under circumstances defined in the Plan agreement.

Plan Termination - Although it has not expressed an intent to do so, the Company has the right to discontinue its contributions and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become fully vested in their account balances.

Administrative Expenses - The Company pays all administrative expenses of the Plan. Such expenses are for legal, auditing and other services related to the Plan and are not significant in relation to the Plan's financial statements.

Trustee - The trustee of the Plan is the Company's ESOPAC.

Party-In-Interest Transactions - The Plan's investments are shares of the Company's common stock. These investments, with a fair value of \$24,522,834 and \$21,709,402 at December 31, 2011 and 2010, respectively, qualify as party-in-interest investments which are exempt from the prohibited transaction rules.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accounts of the Plan are maintained using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

Valuation of Investments and Income Recognition - The Plan's investments are stated 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. The Plan utilizes fair value measurements to record fair value adjustments to its investments and to determine fair value disclosures. The Company's common stock is recorded at fair value on a recurring basis.

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THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Valuation of Investments and Income Recognition (Continued)

The Plan classifies its investments at fair value in three levels based on the markets in which the investments are traded and the reliability of the assumptions used to determine fair value. Level 1 refers to securities valued using quoted prices in active markets for identical assets. Level 2 refers to securities not traded in an active market but for which observable market inputs are readily available. Level 3 refers to securities valued based on significant unobservable inputs. See Note 4 for information regarding fair value of the Plan's investments.

The change in the fair value of investments is included in the statements of changes in assets available for benefits as part of investment income - realized and unrealized gains on investments in The Bostwick-Braun Company common stock.

Benefit Payments - Benefit payments to participants are recorded when paid.

Income Tax Status - The Internal Revenue Service (IRS), in a letter dated May 20, 2011, has determined that the Plan qualifies under Section 401(a) of the Internal Revenue Code (IRC) and as an Employee Stock Ownership Pension Plan as defined in Section 4975(e)(7) of the IRC and in Section 407(d)(6) of ERISA. The Plan has not been amended since the date of the determination letter. The plan administrator believes that the Plan is currently designed and being operated in compliance with applicable requirements of the IRC and, therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires plan management to evaluate income 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 Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

Risks and Uncertainties - The Plan invests in the Company's common stock. This investment is exposed to various risks, such as interest rate, changes in appraisal assumptions and credit risks. Due to the level of risk associated with this investment and the level of uncertainty related to changes in the value of the Company's common stock, it is at least reasonably possible that these changes in the near term could materially affect the amounts of the participants' account balances and the amounts reported in the Plan's financial statements.

Subsequent Events - The plan administrator has evaluated subsequent events for recognition or disclosure in the financial statements through October 12, 2012, the date the financial statements were available to be issued.

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THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates and Assumptions - The preparation of financial statements in conformity with GAAP requires the plan administrator to make estimates and assumptions that affect the recorded amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the recorded amounts of additions to and deductions from Plan assets during the reporting period. Accordingly, actual results could differ from those estimates.

The primary estimates and assumptions affecting the Plan's financial statements are those used by the independent appraiser in determining the annual valuation of the Company's common stock.

NOTE 3 - INVESTMENTS

The Plan's investments are held by the ESOPAC, who is appointed by the Company's Board of Directors. In 2011 and 2010, the Plan's investments in common stock of the plan sponsor experienced realized and unrealized gains of \$4,303,097 and \$3,795,430, respectively. The fair value of investments was \$24,522,834 at December 31, 2011 and \$21,709,402 at December 31, 2010.

NOTE 4 - FAIR VALUE MEASUREMENTS

The Plan has classified its investments in the Company common stock as Level 3 in the fair value hierarchy, since the fair value is determined annually by an independent appraiser based on significant unobservable inputs.

The tables below present, by level within the fair value hierarchy, the recorded amount of the Plan's investments measured at fair value on a recurring basis.

December 31, 2011				
	Fair Value	Level 1	Level 2	Level 3
The Bostwick-Braun Company common stock	\$ 24,522,834	\$ -	\$ -	\$ 24,522,834

December 31, 2010				
	Fair Value	Level 1	Level 2	Level 3
The Bostwick-Braun Company common stock	\$ 21,709,402	\$ -	\$ -	\$ 21,709,402

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THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The table below provides a summary of changes in the Plan's Level 3 investment, The Bostwick-Braun Company common stock, for the years ended December 31:

	<u>2011</u>	<u>2010</u>
	\$ 21,709,402	\$ 18,771,440
Redemptions	(2,272,161)	(1,677,804)
Issuances of The Bostwick-Braun Company common stock	782,496	820,336
Realized and unrealized gain on investments	<u>4,303,097</u>	<u>3,795,430</u>
	<u>\$ 24,522,834</u>	<u>\$ 21,709,402</u>

NOTE 5 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORMS 5500

The Company reflects a liability on its Forms 5500 for deferred vested benefits, while benefits are recorded when paid in the financial statements.

The following is a reconciliation of assets available for benefits per the financial statements to the amounts reported on Forms 5500 at December 31:

	<u>2011</u>	<u>2010</u>
Assets available for benefits per financial statements	\$ 25,346,474	\$ 22,491,898
Benefit claims payable per Forms 5500	<u>(2,719,119)</u>	<u>(1,624,449)</u>
Net assets - Forms 5500	<u>\$ 22,627,355</u>	<u>\$ 20,867,449</u>

The following is a reconciliation of changes in assets reported for financial statement purposes to changes in assets reported on Forms 5500 for the year ended December 31:

	<u>2011</u>	<u>2010</u>
Change in assets available for benefits per financial statements	\$ 2,854,576	\$ 2,900,122
Change in benefit claims payable per Forms 5500	<u>(1,094,670)</u>	<u>184,936</u>
Change in assets available for benefits	<u>\$ 1,759,906</u>	<u>\$ 3,085,058</u>

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SUPPLEMENTAL SCHEDULE

THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EMPLOYER IDENTIFICATION NO. 34-1298592
PLAN NO. 003
DECEMBER 31, 2011

(a)	(b)	(c)	(d)	(e)
		Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Fair Value
	Identity of Issuer		Cost	
*	The Bostwick-Braun Company, Plan Sponsor	Common Stock	**	<u>\$ 24,522,834</u>

* Party-in-interest investment.

** The trustee of the Plan is not able to provide the historical cost of the investment. Disclosure of this information is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

THE BOSTWICK-BRAUN COMPANY EMPLOYEE
STOCK OWNERSHIP PENSION PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EMPLOYER IDENTIFICATION NO. 34-1298592
PLAN NO. 003
DECEMBER 31, 2011

(a)	(b)	(c)	(d)	(e)
		Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Fair Value
	Identity of Issuer		Cost	
*	The Bostwick-Braun Company, Plan Sponsor	Common Stock	**	<u>\$ 24,522,834</u>

* Party-in-interest investment.

** The trustee of the Plan is not able to provide the historical cost of the investment. Disclosure of this information is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.