

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                         |
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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2011</b><br><br><b>This Form is Open to Public Inspection</b> |
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| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                           |
| For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u> |                                                                                                                                                                                                                                           |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____                         |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . .                               | <input type="checkbox"/>                                                                                                                                                                                                                  |
| <b>D</b> Check box if filing under:                                                                      | <input type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                            |

|                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                   |  |  |
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| <b>Part II</b>                                                                                                                                                                                                                                                                                                    | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                    |  |  |
| <b>1a</b> Name of plan<br><br>CHARLES MACHINE WORKS, INC. AMENDED AND RESTATED ESOP PLAN AND TRUST<br><br><br><b>2a</b> Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)<br><br>CHARLES MACHINE WORKS, INC.<br><br><br>P.O. BOX 66<br>PERRY, OK 73077-0066 | <b>1b</b> Three-digit plan number (PN) ▶ <u>001</u><br><br><b>1c</b> Effective date of plan<br><u>06/25/1985</u><br><br><b>2b</b> Employer Identification Number (EIN)<br><u>73-0660844</u><br><br><b>2c</b> Sponsor's telephone number<br><u>580-336-4402</u><br><br><b>2d</b> Business code (see instructions)<br><u>333100</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.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/15/2012 | DEE WILLIAMS                                                 |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/15/2012 | ANGELA DRAKE                                                 |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | 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

|                                                                                                                                                                       |                                                                                                               |
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| <b>3a</b> Plan administrator's name and address (if same as plan sponsor, enter "Same")<br>DEE WILLIAMS HUMAN RESOURCES MANAGER<br><br>P.O. BOX 66<br>PERRY, OK 73077 | <b>3b</b> Administrator's EIN<br>73-1347454<br><br><b>3c</b> Administrator's telephone number<br>580-336-4402 |
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|                                                                                                                                                                                                                       |                                   |
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| <b>4</b> 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:<br><br><b>a</b> Sponsor's name | <b>4b</b> EIN<br><br><b>4c</b> PN |
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|                                                                         |          |      |
|-------------------------------------------------------------------------|----------|------|
| <b>5</b> Total number of participants at the beginning of the plan year | <b>5</b> | 1198 |
|-------------------------------------------------------------------------|----------|------|

|                                                                                                                                                        |           |      |
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| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). |           |      |
| <b>a</b> Active participants.....                                                                                                                      | <b>6a</b> | 1096 |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                     | <b>6b</b> |      |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                      | <b>6c</b> | 64   |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                               | <b>6d</b> | 1160 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                              | <b>6e</b> |      |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                | <b>6f</b> | 1160 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....         | <b>6g</b> |      |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....             | <b>6h</b> |      |

|                                                                                                                                      |          |  |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|--|
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) ..... | <b>7</b> |  |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|--|

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

2A 2B 2O

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

|                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> 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)

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

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

|                                                                                               |                                                             |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <b>A</b> Name of plan<br>CHARLES MACHINE WORKS, INC. AMENDED AND RESTATED ESOP PLAN AND TRUST | <b>B</b> Three-digit plan number (PN) ▶ 001                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>CHARLES MACHINE WORKS, INC.  | <b>D</b> Employer Identification Number (EIN)<br>73-0660844 |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

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>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

|                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation |
|------------------------------------------------------------------------------------------------------------------|

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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

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

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

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

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

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

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

SMITH BARNEY

13-2919773

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 21                     | NONE                                                                                              | 61559                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

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

MCCREADY & KEENE

35-0500670

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 24                     | NONE                                                                                              | 58725                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

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

GRANT THORNTON LLP

36-6055558

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 10                     | NONE                                                                                              | 13415                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

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

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

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

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

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

**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<br>(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<br>(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<br>(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 |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |
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|                                                                          |                               |                                                                                     |
|                                                                          |                               |                                                                                     |

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

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2011</div><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                                                                                |                                                                                                   |                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------------|
| For calendar plan year 2011 or fiscal plan year beginning <span style="color: blue;">01/01/2011</span> and ending <span style="color: blue;">12/31/2011</span> |                                                                                                   |                                       |
| <b>A</b> Name of plan<br><span style="color: blue;">CHARLES MACHINE WORKS, INC. AMENDED AND RESTATED ESOP PLAN AND TRUST</span>                                | <b>B</b> Three-digit plan number (PN) ►                                                           | <span style="color: blue;">001</span> |
|                                                                                                                                                                |                                                                                                   |                                       |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><span style="color: blue;">CHARLES MACHINE WORKS, INC.</span>                                 | <b>D</b> Employer Identification Number (EIN)<br><br><span style="color: blue;">73-0660844</span> |                                       |

| Part I Asset and Liability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                       |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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 |
| <b>a</b> Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>       | 363135                | 560239          |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                 |
| <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1b(1)</b>    | 2471408               | 4007231         |
| <b>(2)</b> Participant contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>    | 442473                | 498470          |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(1)</b>    |                       |                 |
| <b>(2)</b> U.S. Government securities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(8)</b>    | 1021629               | 494077          |
| <b>(9)</b> Value of interest in common/collective trusts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>   | 29136231              | 28004890        |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(15)</b>   |                       |                 |

**1d** Employer-related investments:

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> | 38228960              | 45259743        |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 71663836              | 78824650        |

**Liabilities**

|                                                                           |           |         |        |
|---------------------------------------------------------------------------|-----------|---------|--------|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |         |        |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |         |        |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |         |        |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> | 1734420 | 511235 |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 1734420 | 511235 |

**Net Assets**

|                                                           |           |          |          |
|-----------------------------------------------------------|-----------|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 69929416 | 78313415 |
|-----------------------------------------------------------|-----------|----------|----------|

**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: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 4007231    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> |            |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 4007231   |

**b Earnings on investments:****(1) Interest:**

|                                                                                                      |                 |       |       |
|------------------------------------------------------------------------------------------------------|-----------------|-------|-------|
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | <b>2b(1)(A)</b> |       |       |
| <b>(B)</b> U.S. Government securities .....                                                          | <b>2b(1)(B)</b> |       |       |
| <b>(C)</b> Corporate debt instruments .....                                                          | <b>2b(1)(C)</b> |       |       |
| <b>(D)</b> Loans (other than to participants) .....                                                  | <b>2b(1)(D)</b> |       |       |
| <b>(E)</b> Participant loans .....                                                                   | <b>2b(1)(E)</b> | 65298 |       |
| <b>(F)</b> Other .....                                                                               | <b>2b(1)(F)</b> | 3450  |       |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | <b>2b(1)(G)</b> |       | 68748 |

|                                                                                           |                 |         |         |
|-------------------------------------------------------------------------------------------|-----------------|---------|---------|
| (2) Dividends: <b>(A)</b> Preferred stock .....                                           | <b>2b(2)(A)</b> |         |         |
| <b>(B)</b> Common stock .....                                                             | <b>2b(2)(B)</b> | 1237028 |         |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                 | <b>2b(2)(C)</b> |         |         |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> ..... | <b>2b(2)(D)</b> |         | 1237028 |

|                 |              |  |  |
|-----------------|--------------|--|--|
| (3) Rents ..... | <b>2b(3)</b> |  |  |
|-----------------|--------------|--|--|

|                                                                                           |                 |  |  |
|-------------------------------------------------------------------------------------------|-----------------|--|--|
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                | <b>2b(4)(A)</b> |  |  |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                             | <b>2b(4)(B)</b> |  |  |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ..... | <b>2b(4)(C)</b> |  |  |

|                                                                                                   |          | (a) Amount | (b) Total |
|---------------------------------------------------------------------------------------------------|----------|------------|-----------|
| <b>2b</b> (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....              | 2b(5)(A) |            |           |
| (B) Other .....                                                                                   | 2b(5)(B) | 5884261    |           |
| (C) Total unrealized appreciation of assets.<br>Add lines 2b(5)(A) and (B).....                   | 2b(5)(C) |            | 5884261   |
| (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<br>companies (e.g., mutual funds)..... | 2b(10)   |            |           |
| <b>c</b> Other income.....                                                                        | 2c       |            |           |
| <b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....           | 2d       |            | 11197268  |

**Expenses**

|                                                                                            |       |         |         |
|--------------------------------------------------------------------------------------------|-------|---------|---------|
| <b>e</b> Benefit payment and payments to provide benefits:                                 |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers .....            | 2e(1) | 2676535 |         |
| (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) |         | 2676535 |
| <b>f</b> Corrective distributions (see instructions) .....                                 | 2f    |         |         |
| <b>g</b> Certain deemed distributions of participant loans (see instructions).....         | 2g    |         |         |
| <b>h</b> Interest expense.....                                                             | 2h    |         |         |
| <b>i</b> Administrative expenses: (1) Professional fees .....                              | 2i(1) |         |         |
| (2) Contract administrator fees .....                                                      | 2i(2) |         |         |
| (3) Investment advisory and management fees .....                                          | 2i(3) | 136734  |         |
| (4) Other .....                                                                            | 2i(4) |         |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                        | 2i(5) |         | 136734  |
| <b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 2813269 |

**Net Income and Reconciliation**

|                                                                |       |  |         |
|----------------------------------------------------------------|-------|--|---------|
| <b>k</b> Net income (loss). Subtract line 2j from line 2d..... | 2k    |  | 8383999 |
| <b>l</b> 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: GRANT THORNTON LLP

(2) EIN: 36-6055558

**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  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---------|
| <b>a</b> 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>b</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  |         |
| <b>c</b> 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  |         |
| <b>d</b> 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  |         |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                                                                                                         | X   |    | 5000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                         |     | X  |         |
| <b>g</b> 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  |         |
| <b>h</b> 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  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                                                                                                   | X   |    |         |
| <b>j</b> 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  |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                                                                                                              |     | X  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                              |     | X  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                                                                                                     |     |    |         |
| <b>n</b> 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. ....                                                                                                                        |     |    |         |
| <b>4n</b>                                                                                                                                                                                                                                                                                                       |     |    |         |

- 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) |
|--------------|-------------|
|              |             |
|              |             |
|              |             |
|              |             |
|              |             |



Financial Statements, Supplemental Schedule and Report  
of Independent Certified Public Accountants

**The Charles Machine Works, Inc.**  
**Employee Stock Ownership Plan and Trust**

December 31, 2011 and 2010



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## Report of Independent Certified Public Accountants

Trustees

The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust

We have audited the accompanying statements of net assets available for plan benefits of The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust as of December 31, 2011 and 2010, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2011. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 net assets available for plan benefits of The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust as of December 31, 2011 and 2010, and the changes in net assets available for plan benefits for the year ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken 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 supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling the 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 established by the American Institute of Certified Public Accountants. In our opinion, the supplemental schedule is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

*Grant Thornton LLP*

Tulsa, Oklahoma  
October 12, 2012

**The Charles Machine Works, Inc.  
Employee Stock Ownership Plan and Trust**

Statements of net assets available for plan benefits

December 31, 2011 and 2010

|                                        | <u>2011</u>          | <u>2010</u>          |
|----------------------------------------|----------------------|----------------------|
| ASSETS:                                |                      |                      |
| Investments, at fair value-            |                      |                      |
| Cash and cash equivalents              | \$ 560,239           | \$ 363,135           |
| Investment in Company common stock     | 45,259,743           | 38,228,960           |
| Mutual funds                           | 28,004,890           | 29,136,231           |
| Total investments                      | <u>73,824,872</u>    | <u>67,728,326</u>    |
| Receivables-                           |                      |                      |
| Employer contributions receivable      | 4,007,231            | 2,471,408            |
| Notes receivable from participants     | 494,077              | 1,021,629            |
| Dividends receivable                   | 494,642              | 434,420              |
| Accrued interest                       | 3,828                | 8,053                |
| Total receivables                      | <u>4,999,778</u>     | <u>3,935,510</u>     |
| Total assets                           | 78,824,650           | 71,663,836           |
| LIABILITIES:                           |                      |                      |
| Due to Plan sponsor                    | -                    | 1,300,000            |
| Dividends payable                      | 511,235              | 434,420              |
| Net assets available for plan benefits | <u>\$ 78,313,415</u> | <u>\$ 69,929,416</u> |

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

**The Charles Machine Works, Inc.**  
**Employee Stock Ownership Plan and Trust**

Statement of changes in net assets available for plan benefits

For the year ended December 31, 2011

ADDITIONS:

Additions to net assets attributed to-

Investment income:

|                                               |                  |
|-----------------------------------------------|------------------|
| Interest                                      | \$ 3,450         |
| Dividends                                     | 1,237,028        |
| Net appreciation in fair value of investments | 5,884,261        |
| Total investment income                       | <u>7,124,739</u> |
| Less: investment expenses                     | 61,559           |
| Net investment income                         | <u>7,063,180</u> |

|                                                       |        |
|-------------------------------------------------------|--------|
| Interest income on notes receivable from participants | 65,298 |
|-------------------------------------------------------|--------|

|                        |                   |
|------------------------|-------------------|
| Employer contributions | 4,007,232         |
| Total additions        | <u>11,135,710</u> |

DEDUCTIONS:

Deductions to net assets attributed to-

|                                                |                  |
|------------------------------------------------|------------------|
| Benefits paid to participants                  | 1,757,165        |
| Dividends from employer paid to participants   | 618,762          |
| Diversification elections paid to participants | 300,608          |
| Administrative expenses                        | 75,176           |
| Total deductions                               | <u>2,751,711</u> |

|                                                       |           |
|-------------------------------------------------------|-----------|
| INCREASE IN NET ASSETS AVAILABLE FOR<br>PLAN BENEFITS | 8,383,999 |
|-------------------------------------------------------|-----------|

|                                                              |                   |
|--------------------------------------------------------------|-------------------|
| NET ASSETS AVAILABLE FOR PLAN BENEFITS,<br>beginning of year | <u>69,929,416</u> |
|--------------------------------------------------------------|-------------------|

|                                                        |                      |
|--------------------------------------------------------|----------------------|
| NET ASSETS AVAILABLE FOR PLAN BENEFITS,<br>end of year | <u>\$ 78,313,415</u> |
|--------------------------------------------------------|----------------------|

The accompanying notes are an integral part of this financial statement.

**The Charles Machine Works, Inc.**  
**Employee Stock Ownership Plan and Trust**

Notes to financial statements

December 31, 2011 and 2010

A - DESCRIPTION OF PLAN

The following description of The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of Plan provisions.

1. General

The Plan is an employee stock ownership and profit sharing plan covering employees of The Charles Machine Works, Inc. (the Company or the Employer), who have attained the age of 18 and have 90 days of continuous employment or have completed one year of service, which is equivalent to 1,000 hours in a Plan year. Employees of the Company's affiliates or subsidiaries and leased employees are not eligible to participate in the Plan. Employees may begin participating in the Plan on the first day of the month after the employee meets the eligibility requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

2. Contributions

The Plan is divided into two accounts: the trust account and the stock account. The Company may make discretionary profit sharing and discretionary stock contributions to the Plan. The Company's profit sharing contributions are made to the Plan and are credited to each participant's individual trust account. The Company's stock contributions are made to the stock account and are used to acquire stock of the Company, which is credited to the participant's individual stock account. Only participants who complete a year of service and are employed on the last day of the Plan year receive an allocation of Employer contributions. Employees are not allowed to make contributions to the Plan. The Company announced a profit sharing contribution of \$2,471,408 during 2010 which was paid to the Plan during 2011. The Company announced a profit sharing contribution of \$2,289,847 and a stock contribution of \$1,717,384 during 2011 which were paid to the Plan during 2012.

3. Participant Account - Trust Account

Each participant's trust account is credited with an allocation of (a) the Company's profit sharing contributions and (b) Plan earnings and losses thereon. The Company's contributions are allocated based on the ratio that each participant's compensation bears to the total compensation of all participants. Plan earnings and losses are allocated based on the ratio of the average daily balance of each participant's trust account to the total average daily balance of all participants' trust accounts.

4. Participant Account - Stock Account

Each participant's stock account may be credited with an allocation of (a) the Company's stock contributions, (b) dividends received on Company stock (which are passed through the Plan and paid out to participants in a cash distribution) and (c) Plan earnings and losses thereon. The Company's contributions are allocated based on the ratio that each participant's compensation bears to the total compensation of all participants. Plan earnings and losses and dividends received on Company stock are allocated to participants

**The Charles Machine Works, Inc.**  
**Employee Stock Ownership Plan and Trust**

Notes to financial statements - continued

December 31, 2011 and 2010

based on the ratio of the average daily balance of each participant's stock account to the total average daily balance of all participants' stock accounts.

5. Vesting

Participants are fully vested in their individual trust and stock account balances in the Plan at all times.

6. Payment of Benefits

The benefit to which a participant is entitled is that which can be provided from the participant's accounts. Upon termination of service, if the participant's account balance is not more than \$5,000 but is in excess of \$1,000 and the participant has not elected a form of distribution, the Plan administrator shall distribute the amount into an individual retirement account. If the participant's account balance is in excess of \$5,000, a participant will receive a lump sum payment of his or her account balances. If the participant's account balance is \$1,000 or less, the Plan administrator will send a check to the participant's current address, but if the Plan administrator does not have a current address, the amount will be distributed to an individual retirement account. Distributions of a participant's stock account are made in Company stock, with cash issued for the value of any fractional shares held by the participant.

Under the provisions of the Plan, the Company has the right of first refusal to purchase any and all shares of Company stock that have been distributed under the terms of the Plan as long as the shares are not publicly traded. The Company may assign this right to the trustees of the Plan.

7. Put Option

Under Federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash. Therefore, if a participant receives all or a portion of a distribution in the form of Company stock, the participant may, within the 60 days following the distribution or the 60 days following the participant's notification of the fair market value of the stock as of the end of the Plan year, require the Company or the Plan trustees to purchase such shares at the fair market value of the shares as of the most recent valuation date, as defined in the Plan agreement. If the stock distribution was a distribution of the participant's entire account balances, the Company can pay for the purchase, with interest, in five equal annual installments. Otherwise, the Company must pay for the purchase within 30 days after the participant exercises the put option.

8. Notes Receivable from Participants

Prior to January 1, 2009, participants could borrow up to 50% of their account balance and the notes had to be repaid within five years. Effective January 1, 2009, the Plan was amended to discontinue participant notes. The interest rates on notes outstanding at December 31, 2011 and 2010 range from 7.0% to 10.25%. Principal and interest is paid ratably through payroll deductions, which are made at least monthly.

**The Charles Machine Works, Inc.**  
**Employee Stock Ownership Plan and Trust**

Notes to financial statements - continued

December 31, 2011 and 2010

9. Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account. Participants generally assign voting rights associated with shares of Company stock held by the Plan to the majority shareholder of the Company.

10. Diversification

Diversification is offered to participants close to retirement so they may have the opportunity to move part of the value of their investment in Company stock into investments that are more diversified. Participants that have attained the age of 55 and have completed ten years of service may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of their stock account balance attributed to Company stock acquired on or after January 1, 1987, less any shares previously diversified. In the sixth year, the percentage increases to 50%. Participants may elect to diversify by taking a distribution of this amount or by rolling the amounts over to another qualified plan.

B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are presented on the accrual basis of accounting.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, changes therein, and disclosures of contingent assets and liabilities. Actual values and results could differ from those estimates.

3. Investment Valuation and Income Recognition

Investments in mutual funds are valued at fair value, which is determined by quoted market prices. Shares of Company stock are valued at fair value on December 31, 2011 and 2010, as determined annually by independent appraisal.

The valuation of the Company's common stock was performed by an independent third party valuation specialist. Management believes the methods and assumptions used are appropriate to provide a reasonable value of the Company's common stock at December 31, 2011 and 2010.

Purchases and sales of securities are recorded on a trade-date basis. Interest is recorded when earned. Dividends are recorded on the ex-dividend date.

**The Charles Machine Works, Inc.**  
**Employee Stock Ownership Plan and Trust**

Notes to financial statements - continued

December 31, 2011 and 2010

The Plan provides for investments 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 statements of net assets available for plan benefits.

4. Concentration of Credit Risk

The Plan maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Plan had cash of approximately \$314,000 and \$113,000 in a financial institution over the federally insured limit as of December 31, 2011 and 2010, respectively. The Plan has not experienced any losses in such accounts. The Plan believes it is not exposed to any significant credit risk on cash and cash equivalents.

5. Administrative Expenses

Investment and certain administrative expenses are paid by the Plan. Certain administrative functions are performed by the officers or employees of the Company. No such officer or employee receives compensation from the Plan.

6. Notes Receivable from Participants

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

C - INVESTMENTS

The Plan's investment in common shares of the Company's common stock, all of which has been allocated to Plan participants at December 31, 2011 and 2010, is as follows:

|                      | 2011          | 2010          |
|----------------------|---------------|---------------|
| Number of shares     | 247,321       | 248,240       |
| Fair value per share | \$ 183        | \$ 154        |
|                      | \$ 45,259,743 | \$ 38,228,960 |

During 2010, the Plan borrowed \$1,300,000 from the Company to make distributions to terminated participants. During 2010, the Plan returned 6,667 shares of Company stock to the Company as payment for the \$1,000,000 borrowed by the Plan during 2009. Additionally during 2010, the Plan distributed 954 shares of Company stock to a participant. At December 31, 2011, the Plan had no outstanding debt to the Company.

# The Charles Machine Works, Inc. Employee Stock Ownership Plan and Trust

## Notes to financial statements - continued

December 31, 2011 and 2010

The following table represents the fair value of those investments that represent 5% or more of the Plan's net assets available for plan benefits as of December 31, 2011 and 2010. All investments are non-participant directed:

|                                              | <u>2011</u>     |    | <u>2010</u>  |
|----------------------------------------------|-----------------|----|--------------|
| The Charles Machine Works, Inc. Common Stock | \$ 45,259,743 * | \$ | 38,228,960 * |
| Growth Fund America, Inc.                    | ** *            |    | 3,554,758 *  |

\* Nonparticipant - directed

\*\* Investment represents less than 5% of the Plan's net assets at the date indicated.

During the year ended December 31, 2011, the Plan's investments (including investments bought and sold, as well as held during the year) appreciated in value, as follows:

|                                                                      |                     |
|----------------------------------------------------------------------|---------------------|
| Mutual funds at fair value as determined by quoted market price      | \$ (1,288,048)      |
| The Charles Machine Works, Inc. Common Stock at estimated fair value | <u>7,172,309</u>    |
| Net appreciation in fair value of investments                        | <u>\$ 5,884,261</u> |

### D - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

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

The following methods and assumptions were used in estimating fair value disclosure for financial instruments:

*Cash and cash equivalents:* Valued at fair value.

*Mutual funds:* Valued at published market prices which represent the net asset value of shares held by the Plan at year end. Shares of mutual funds investing in bond funds are unitized and the fair value is based on the closing market price of the assets held by the fund.

*Company stock:* The fair value of The Charles Machine Works, Inc. company stock held by the Plan is valued at estimated fair value based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser took into account

**The Charles Machine Works, Inc.**  
**Employee Stock Ownership Plan and Trust**

Notes to financial statements - continued

December 31, 2011 and 2010

historical and projected cash flow and net income, return on assets, return on equity, market comparables and estimated fair value of Company assets and liabilities.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by the three levels as established by ASC 820, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

|                            | 2011          |         |               |               |
|----------------------------|---------------|---------|---------------|---------------|
|                            | Level 1       | Level 2 | Level 3       | Total         |
| Cash and cash equivalents  | \$ 560,239    | \$ -    | \$ -          | \$ 560,239    |
| Mutual funds:              |               |         |               |               |
| Growth Funds               | 12,725,063    | -       | -             | 12,725,063    |
| Fixed Income Funds         | 6,831,864     | -       | -             | 6,831,864     |
| Balanced Funds             | 3,437,533     | -       | -             | 3,437,533     |
| Value Funds                | 2,320,758     | -       | -             | 2,320,758     |
| Equity Funds               | 1,942,059     | -       | -             | 1,942,059     |
| Other Funds                | 747,613       | -       | -             | 747,613       |
| Total mutual funds         | 28,004,890    | -       | -             | 28,004,890    |
| Company stock              | -             | -       | 45,259,743    | 45,259,743    |
| Total assets at fair value | \$ 28,565,129 | \$ -    | \$ 45,259,743 | \$ 73,824,872 |

|                            | 2010          |         |               |               |
|----------------------------|---------------|---------|---------------|---------------|
|                            | Level 1       | Level 2 | Level 3       | Total         |
| Cash and cash equivalents  | \$ 363,135    | \$ -    | \$ -          | \$ 363,135    |
| Mutual funds:              |               |         |               |               |
| Growth Funds               | 13,629,097    | -       | -             | 13,629,097    |
| Fixed Income Funds         | 5,183,106     | -       | -             | 5,183,106     |
| Balanced Funds             | 3,310,978     | -       | -             | 3,310,978     |
| Value Funds                | 2,373,673     | -       | -             | 2,373,673     |
| Equity Funds               | 3,643,183     | -       | -             | 3,643,183     |
| Other Funds                | 996,194       | -       | -             | 996,194       |
| Total mutual funds         | 29,136,231    | -       | -             | 29,136,231    |
| Company stock              | -             | -       | 38,228,960    | 38,228,960    |
| Total assets at fair value | \$ 29,499,366 | \$ -    | \$ 38,228,960 | \$ 67,728,326 |

**The Charles Machine Works, Inc.**  
**Employee Stock Ownership Plan and Trust**

Notes to financial statements - continued

December 31, 2011 and 2010

**Level 3 Gains and Losses**

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

|                                                                    | Company<br>Stock     |
|--------------------------------------------------------------------|----------------------|
| Balance, beginning of year                                         | \$ 38,228,960        |
| Unrealized gain relating to instruments held at the reporting date | 7,172,309            |
| Purchases, sales, issuances, and settlements, net                  | (141,526)            |
| Balance, end of year                                               | <u>\$ 45,259,743</u> |

**E - TAX STATUS**

On March 4, 2004, the Plan received a favorable Internal Revenue Service determination letter of the Plan, as amended. The Plan has applied for a separate determination letter with the Internal Revenue Service but has yet to receive the determination letter. The Plan has been amended subsequent to the date of the opinion letter; however, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, the Plan administrator believes that the Plan was qualified and the related trust was tax-exempt as of the financial statement date. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination. 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 recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

**F - PLAN TERMINATION**

Although it has not expressed any intent to do so, the Company may amend or terminate the Plan at any time, subject to the provisions of ERISA. If the Plan is terminated, the Plan assets will be distributed to the participants in accordance with the Plan agreement.

**G - SUBSEQUENT EVENTS**

The Plan evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. The Plan has evaluated subsequent events through October 12, 2012, the date the financial statements were available to be issued.

## **SUPPLEMENTAL SCHEDULE**

**The Charles Machine Works, Inc.  
Employee Stock Ownership Plan and Trust**

Schedule H, Line 4i - Schedule of assets (held at end of year)

EIN #: 73-0660844; Plan #: 001

December 31, 2011

| Identity of Issuer, Borrower,<br>Lessor, or Similar Party | Description of Investment Including<br>Maturity Date, Rate of Interest,<br>Collateral, Par or Maturity Value                     | Cost                 | Current<br>Value     |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Cash and cash equivalents                                 | Interest-bearing Cash                                                                                                            | \$ 560,239           | \$ 560,239           |
| * The Charles Machine Works, Inc.                         | 247,321 shares of common stock                                                                                                   | 14,580,524           | 45,259,743           |
| CG Capital Markets-Money Market Investments               | Mutual Fund                                                                                                                      | 484,174              | 484,174              |
| CG Capital Markets Core Fixed Income Fund                 | Mutual Fund                                                                                                                      | 3,485,368            | 3,560,776            |
| CG Capital Markets-Large Cap Value Investments            | Mutual Fund                                                                                                                      | 2,177,575            | 2,042,596            |
| CG Capital Markets-Small Cap Value Investments            | Mutual Fund                                                                                                                      | 233,161              | 278,162              |
| CG Capital Markets High Yield Investments                 | Mutual Fund                                                                                                                      | 272,082              | 263,438              |
| CG Capital Markets-Emerging Markets Investments           | Mutual Fund                                                                                                                      | 1,679,048            | 1,682,259            |
| CG Capital Markets-International Fixed Income Investments | Mutual Fund                                                                                                                      | 989,413              | 1,021,320            |
| CG Capital Markets-International Equity Investments       | Mutual Fund                                                                                                                      | 265,348              | 259,800              |
| CG Capital Markets-Large Cap Growth Investments           | Mutual Fund                                                                                                                      | 2,706,201            | 2,915,275            |
| CG Capital Markets-Small Cap Growth Investments           | Mutual Fund                                                                                                                      | 422,353              | 554,709              |
| American Balanced Fund Inc.                               | Mutual Fund                                                                                                                      | 3,014,590            | 3,437,533            |
| Bond Fund of America                                      | Mutual Fund                                                                                                                      | 2,002,832            | 2,249,769            |
| Capital Word Growth                                       | Mutual Fund                                                                                                                      | 3,214,539            | 2,832,892            |
| Growth Fund America, Inc.                                 | Mutual Fund                                                                                                                      | 2,784,303            | 3,380,883            |
| Investment Company of America                             | Mutual Fund                                                                                                                      | 2,865,809            | 3,041,304            |
| * Notes receivable from participants                      | Various notes to participants secured by participants' accounts with interest rates from 7.00% to 10.25% with various maturities | 494,077              | 494,077              |
|                                                           |                                                                                                                                  | <u>\$ 42,231,636</u> | <u>\$ 74,318,949</u> |

\* Party-in-interest

**The Charles Machine Works, Inc.  
Employee Stock Ownership Plan and Trust**

Schedule H, Line 4i - Schedule of assets (held at end of year)

EIN #: 73-0660844; Plan #: 001

December 31, 2011

| Identity of Issuer, Borrower,<br>Lessor, or Similar Party    | Description of Investment Including<br>Maturity Date, Rate of Interest,<br>Collateral, Par or Maturity Value                              | Cost          | Current<br>Value |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------------|
| Cash and cash equivalents                                    | Interest-bearing Cash                                                                                                                     | \$ 560,239    | \$ 560,239       |
| * The Charles Machine Works, Inc.                            | 247,321 Shares of common stock                                                                                                            | 14,580,524    | 45,259,743       |
| CG Capital Markets-Money Market Investments                  | Mutual Fund                                                                                                                               | 484,174       | 484,174          |
| CG Capital Markets Core Fixed Income Fund                    | Mutual Fund                                                                                                                               | 3,485,368     | 3,560,776        |
| CG Capital Markets-Large Cap Value Investments               | Mutual Fund                                                                                                                               | 2,177,575     | 2,042,596        |
| CG Capital Markets-Small Cap Value Investments               | Mutual Fund                                                                                                                               | 233,161       | 278,162          |
| CG Capital Markets High Yield Investments                    | Mutual Fund                                                                                                                               | 272,082       | 263,438          |
| CG Capital Markets-Emerging Markets Investments              | Mutual Fund                                                                                                                               | 1,679,048     | 1,682,259        |
| CG Capital Markets-International Fixed Income<br>Investments | Mutual Fund                                                                                                                               | 989,413       | 1,021,320        |
| CG Capital Markets-International Equity Investments          | Mutual Fund                                                                                                                               | 265,348       | 259,800          |
| CG Capital Markets-Large Cap Growth Investments              | Mutual Fund                                                                                                                               | 2,706,201     | 2,915,275        |
| CG Capital Markets-Small Cap Growth Investments              | Mutual Fund                                                                                                                               | 422,353       | 554,709          |
| American Balanced Fund Inc.                                  | Mutual Fund                                                                                                                               | 3,014,590     | 3,437,533        |
| Bond Fund of America                                         | Mutual Fund                                                                                                                               | 2,002,832     | 2,249,769        |
| Capital Word Growth                                          | Mutual Fund                                                                                                                               | 3,214,539     | 2,832,892        |
| Growth Fund America, Inc.                                    | Mutual Fund                                                                                                                               | 2,784,303     | 3,380,883        |
| Investment Company of America                                | Mutual Fund                                                                                                                               | 2,865,809     | 3,041,304        |
| * Notes receivable from participants                         | Various notes to participants secured<br>by participants' accounts with interest<br>rates from 7.00% to 10.25% with<br>various maturities |               | 494,077          |
|                                                              |                                                                                                                                           | \$ 41,737,559 | \$ 74,318,949    |

\* Party-in-interest

**Form 5500**Department of the Treasury  
Internal Revenue ServiceDepartment 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 \_\_\_\_\_ and ending \_\_\_\_\_

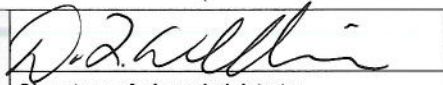
- A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan; or  
☒ a single-employer plan; ☐ a DFE (specify) \_\_\_\_\_
- B** This return/report is: ☐ the first return/report; ☐ the final return/report;  
☐ an amended return/report; ☐ a short plan year return/report (less than 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**

|                                                                                                                                                                                        |                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| <b>1a</b> Name of plan<br>CHARLES MACHINE WORKS, INC. AMENDED<br>AND RESTATED ESOP PLAN AND TRUST                                                                                      | <b>1b</b> Three-digit plan number (PN) ▶ 001                 |
| <b>2a</b> Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)<br>CHARLES MACHINE WORKS, INC.<br>P.O. BOX 66<br>PERRY OK 73077-0066 | <b>1c</b> Effective date of plan<br>06/25/1985               |
|                                                                                                                                                                                        | <b>2b</b> Employer Identification Number (EIN)<br>73-0660844 |
|                                                                                                                                                                                        | <b>2c</b> Sponsor's telephone number<br>580-336-4402         |
|                                                                                                                                                                                        | <b>2d</b> Business code (see instructions)<br>333100         |

**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<br>HERE |  | 10/11/2012 | DEE WILLIAMS                                                 |
|              | Signature of plan administrator                                                     | Date       | Enter name of individual signing as plan administrator       |
| SIGN<br>HERE |  | 10/11/12   | ANGELA DRAKE                                                 |
|              | Signature of employer/plan sponsor                                                  | Date       | Enter name of individual signing as employer or plan sponsor |
| SIGN<br>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