

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

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

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE</u>	1b Three-digit plan number (PN) ► <u>002</u> 1c Effective date of plan <u>01/01/1961</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>CANTON DROP FORGE, INC.</u> <u>4575 SOUTHWAY STREET SW</u> <u>PO BOX 6902</u> <u>CANTON, OH 44706-0902</u>	2b Employer Identification Number (EIN) <u>34-0130090</u> 2c Sponsor's telephone number <u>330-477-4511</u> 2d Business code (see instructions) <u>332110</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/15/2012</u>	<u>TODD GRAY</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") CANTON DROP FORGE BOARD OF ADMINISTRATION 4575 SOUTHWAY STREET SW PO BOX 6902 CANTON, OH 44706-0902	3b Administrator's EIN 34-0130090 3c Administrator's telephone number 330-477-4511
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	367
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	132
b Retired or separated participants receiving benefits.....	6b	143
c Other retired or separated participants entitled to future benefits.....	6c	54
d Subtotal. Add lines 6a , 6b , and 6c	6d	329
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	29
f Total. Add lines 6d and 6e	6f	358
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

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

1B 1G

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

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

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

a Pension Schedules

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

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **0** **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>CANTON DROP FORGE, INC.</u>	D Employer Identification Number (EIN) <u>34-0130090</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>	
2 Assets:	
a Market value	2a <u>18487295</u>
b Actuarial value	2b <u>16822942</u>
3 Funding target/participant count breakdown:	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>168</u> <u>11985648</u>
b For terminated vested participants	3b <u>51</u> <u>956933</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>1392645</u>
(2) Vested benefits	3c(2) <u>8328739</u>
(3) Total active	3c(3) <u>148</u> <u>9721384</u>
d Total	3d <u>367</u> <u>22663965</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>5.85 %</u>
6 Target normal cost	6 <u>460391</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>09/18/2012</u>
Signature of actuary	Date
<u>MATTHEW R. KLEIN, FSA</u>	<u>11-06865</u>
Type or print name of actuary	Most recent enrollment number
<u>FINDLEY DAVIES, INC.</u>	<u>216-875-1900</u>
Firm name	Telephone number (including area code)
<u>1300 EAST NINTH STREET, SUITE 850</u> <u>CLEVELAND, OH 44114-1516</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2011
v.012611

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of _____ %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38 from prior year)		0
b Interest on (a) using prior year's effective rate of <u>6.56</u> % except as otherwise provided (see instructions)		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding percentages		
14 Funding target attainment percentage	14	74.22 %
15 Adjusted funding target attainment percentage	15	74.22 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	74.15 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/18/2011	158334	0	07/15/2011	158334	0
02/17/2011	158334	0	08/15/2011	158334	0
03/15/2011	158334	0	09/14/2011	158334	0
04/15/2011	158334	0	10/14/2011	158334	0
05/16/2011	158334	0	11/15/2011	158334	0
06/15/2011	158334	0	12/15/2011	158334	0
			Totals ►	18(b)	1900008
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1847480
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c If 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
		(4) 4th
		0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 2.94%	2nd segment: 5.82%	3rd segment: 6.46 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	460391	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	5841023	1284751	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	1745142	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35)	36	1745142	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1847480	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	102338	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

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

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

A Name of plan PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 CANTON DROP FORGE, INC.	D Employer Identification Number (EIN) 34-0130090

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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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)

HARRIS ASSOCIATES, LP

TWO NORTH LASALLE STREET, SUITE 500
CHICAGO, IL 60602

04-3276558

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
20	NONE	89933	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FINDLEY DAVIES, INC.

1300 EAST NINTH STREET, SUITE 850
CLEVELAND, OH 44114

34-1213174

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	18500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

J.P. MORGAN CHASE BANK, N.A.

1300 EAST NINTH STREET, SUITE 1300
CLEVELAND, OH 44114

13-4994650

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26	NONE	17979	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

MALONEY & NOVOTNY, LLC

4774 MUNSON STREET NW SUITE 402
CANTON, OH 44718

34-0677006

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	6190	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CANTON DROP FORGE, INC.</u>	D Employer Identification Number (EIN) <u>34-0130090</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	116423	0
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	45100	52546
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1130434	900516
(2) U.S. Government securities.....	1c(2)	1756413	937920
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	1497667	1783845
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	6856108	6505419
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	0	0
(9) Value of interest in common/collective trusts.....	1c(9)	0	0
(10) Value of interest in pooled separate accounts.....	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	7090245	8900610
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	18492390	19080856

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	37910
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	37910

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	18492390	19042946
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1900150	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1900150
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	108	
(B) U.S. Government securities	2b(1)(B)	73115	
(C) Corporate debt instruments	2b(1)(C)	74169	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		147392
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	332899	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		332899
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	6034401	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	5356133	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		678268

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	-608062	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-608062
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-340078
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		2110569

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1389501	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1389501
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	42669	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	89933	
(4) Other	2i(4)	37910	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		170512
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1560013

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		550556
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MALONEY & NOVOTNY, LLC

(2) EIN: 34-0677006

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>PENSION PLAN FOR CERTAIN HOURLY RATED EMPLOYEES OF CANTON DROP FORGE</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CANTON DROP FORGE, INC.</u>	D Employer Identification Number (EIN) <u>34-0130090</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>38-3311528</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**PENSION PLAN FOR CERTAIN HOURLY-
RATED EMPLOYEES OF
CANTON DROP FORGE, INC.**

FINANCIAL REPORT

DECEMBER 31, 2011 and 2010

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES	1
FINANCIAL STATEMENTS	
Statements of net assets available for benefits	2
Statements of changes in net assets available for benefits	3
Notes to financial statements	4-11
SUPPLEMENTAL SCHEDULES	
Schedule H, line 4i -- Schedule of Assets (Held at End of Year)	12-13
Schedule H, line 4j -- Schedule of Reportable Transactions	14-15



INDEPENDENT AUDITORS' REPORT

Plan Administrator
Pension Plan for Certain Hourly-Rated Employees
of Canton Drop Forge, Inc.
Canton, Ohio

We were engaged to audit the accompanying statements of net assets available for benefits of the Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc. (the "Plan") as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedules as listed in the preceding contents page. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 4, which was certified by JPMorgan Chase Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the trustee is complete and accurate.

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

Maloney + Novotny LLC

Canton, Ohio
October 15, 2012

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2011 and 2010

ASSETS	<u>2011</u>	<u>2010</u>
Investments, at fair value:		
Money market funds	\$ 900,516	\$ 1,130,434
Equities	12,788,616	11,955,952
Fixed income obligations	<u>5,339,178</u>	<u>5,244,481</u>
Total investments	19,028,310	18,330,867
 Employer contribution receivable	 -	 116,423
 Accrued income	 <u>52,546</u>	 <u>45,100</u>
 Total assets	 19,080,856	 18,492,390
 LIABILITIES		
 Accrued expense	 \$ <u>37,910</u>	 \$ <u>-</u>
 Total liabilities	 <u>37,910</u>	 <u>-</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 \$ <u><u>19,042,946</u></u>	 \$ <u><u>18,492,390</u></u>

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

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
INVESTMENT ACTIVITY AND CONTRIBUTIONS		
Interest and dividends	\$ 480,291	\$ 377,474
Net (depreciation) appreciation in fair value of investments	(269,872)	1,856,110
Employer contributions	<u>1,900,150</u>	<u>1,671,011</u>
Total investment activity and contributions	<u>2,110,569</u>	<u>3,904,595</u>
 DEDUCTIONS		
Benefits paid to participants	1,389,501	1,337,965
Administrative expenses	<u>170,512</u>	<u>152,985</u>
Total deductions	<u>1,560,013</u>	<u>1,490,950</u>
Net increase	550,556	2,413,645
 Net assets available for benefits:		
Beginning of year	<u>18,492,390</u>	<u>16,078,745</u>
 End of year	 \$ <u><u>19,042,946</u></u>	 \$ <u><u>18,492,390</u></u>

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

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

NOTES TO FINANCIAL STATEMENTS

1. Description of the Plan

The following brief description of the Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc. is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc. (Plan) is a defined benefit pension plan established to provide for retirement, death and disability benefits for all employees of Canton Drop Forge, Inc. (Company) represented by the United Steelworkers of America, AFL-CIO and other hourly employees.

The Company has agreed to voluntarily contribute such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan participants. The Company's present intention is to make contributions in amounts sufficient to annually fund the Plan's current service cost and the prior service costs over a period not to exceed forty years. The Plan has met the Employee Retirement Income Security Act (ERISA) minimum funding requirements. The Company contributed \$1,900,150 and \$1,671,011 to the Plan for the years ended December 31, 2011 and 2010, respectively. The actuarial funding calculations show contributions of \$1,900,008 and \$1,690,673 to the Plan for the years ended December 31, 2011 and 2010, respectively.

Should the Plan terminate at some future time, its net assets will generally not be available on a pro-rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC's benefit guarantee while other benefits may not be provided for at all.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Valuation of Investments

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 10 for a discussion of fair value measurements.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Summary of Significant Accounting Policies (continued)

Income

Investment income is recorded when earned.

Benefit Payments

Benefits are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets during the reporting period. Actual results could differ from those estimates.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to present and terminated employees or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on their years of credited service.

An actuary from Findley Davies estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuation as of January 1, 2011 and 2010, are as follows:

- a. Mortality: RP-2000 Blue Collar Mortality Table projected to 2020 for males and females.
- b. Interest rate for present value of vested and accumulated benefits is 8.5%.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Summary of Significant Accounting Policies (continued)

- c. Normal retirement: Attainment of age 65 or age 55 with 30 years of credited service or age 60 with 25 years of credited service.
- d. Early retirement: Attainment of age 60 with 15 years of credited service.

These actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Administrative Expenses

Certain administrative expenses relating to the maintenance of participant eligibility records are paid by the Company.

Subsequent Events

The Plan has evaluated subsequent events through October 15, 2012, which is the date the financial statements were available to be issued.

3. Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits for each plan year determined as of January 1 is as follows:

	<u>2011</u>	<u>2010</u>
Vested benefits:		
Participants currently receiving payments	\$ 9,671,500	\$ 9,356,100
Other participants	<u>6,375,800</u>	<u>6,381,200</u>
	16,047,300	15,737,300
Nonvested benefits	<u>1,087,100</u>	<u>1,159,100</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 17,134,400</u>	<u>\$ 16,896,400</u>

The changes in the actuarial present value of accumulated plan benefits during the years ended January 1 are as follows:

	<u>2011</u>	<u>2010</u>
Increase in accumulated benefits		
less benefits paid	\$ 238,000	\$ 361,200
Plan amendment	-	-
Change in actuarial assumptions	-	560,300
Beginning of year	<u>16,896,400</u>	<u>15,974,900</u>
End of year	<u>\$ 17,134,400</u>	<u>\$ 16,896,400</u>

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Actuarial Present Value of Accumulated Plan Benefits (continued)

For the year ended January 1, 2010, the mortality table was updated to comply with changes in Federal law. Retirement and turnover rates were changed to better reflect plan experience.

4. Unaudited Information

JPMorgan Chase Bank, N.A. ("JPMorgan"), trustee of the Plan, administers the Plan's investments and executes related transactions. Financial information related to these assets is included in the accompanying financial statements and supplemental schedules based on information provided by the trustee. The information as of December 31, which has not been audited by the Plan's independent auditors, is summarized as follows:

	<u>2011</u>		<u>2010</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Assets				
Money market funds	\$ 900,516	\$ 900,516	\$ 1,130,434	\$ 1,130,434
Equities	11,563,957	12,788,616	9,735,291	11,955,952
Fixed income obligations	5,023,012	5,339,178	4,976,175	5,244,481
			<u>Year Ended December 31,</u>	
			<u>2011</u>	<u>2010</u>
Changes in net assets available for plan benefits:				
Interest and dividends			\$ <u><u>480,291</u></u>	\$ <u><u>377,474</u></u>
Net appreciation (depreciation) in fair value of investments:				
Equities			\$ (307,233)	\$ 1,806,009
Fixed income obligations			<u>37,361</u>	<u>50,101</u>
			\$ <u><u>(269,872)</u></u>	\$ <u><u>1,856,110</u></u>

Reportable transactions as attached to this report were not audited; rather, they were certified by the trustee

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

5. Investments

Fair value of investments representing 5% or more of net assets available for plan benefits at December 31, is as follows:

	<u>2011</u>
Harris Assoc. Oakmark International Fund	\$ 1,724,440
JPMorgan Intrepid American Fund	1,252,214
JPMorgan US Large Cap Core Plus Fund	1,094,081
JPMorgan Equity Index Fund	1,103,670
JPMorgan Core Bond Fund	2,546,856
	<u>2010</u>
JPMorgan Liquid Assets Money Market Fund	\$ 1,130,434
Harris Assoc. Oakmark International Fund	2,006,756
JPMorgan Core Bond Fund	1,939,279

6. Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated January 17, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC; therefore, no provision for income taxes has been included in the financial statements.

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

7. Party-in-Interest Transactions

Certain Plan investments held at December 31, 2011 and 2010 are equity shares of JPMorgan and money market funds and mutual funds offered by JPMorgan, the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the trustee amounted to \$17,979 and \$18,188 for the years ended December 31, 2011 and 2010, respectively

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

7. Party-in-Interest Transactions (continued)

Plan investments held at December 31, 2011 and 2010 include an investment fund offered by Harris Associates. Harris Associates is an investment manager for the Plan. Fees paid by the Plan for these management services amounted to \$89,933 and \$56,177 for the years ended December 31, 2011 and 2010, respectively.

8. Plan Risks and Uncertainties

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

Plan contributions are made and the actuarial present value of accumulated plan benefits reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

9. Fair Value Measurements

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

- Level 1 – Quoted market prices in active markets for identical assets and liabilities
- Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data
- Level 3 – Unobservable inputs in which little or no market data exist

The following is a description of the valuation methodologies used for plan assets measured at fair value:

- Equities and fixed income obligations: Valued at the closing price reported on the active market on which the individual securities are traded. These investments are considered to be Level 1 assets.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

9. Fair Value Measurements (continued)

- Money market funds: Hold investments which are not publicly-traded. These investments are considered to be Level 3 assets.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. There have been no changes in the methodologies used from 2010 to 2011. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ -	\$ -	\$ 900,516	\$ 900,516
Equities:				
Domestic common stock	5,351,258	-	-	5,351,258
Foreign equities	1,154,162	-	-	1,154,162
Mutual funds	<u>6,283,196</u>	<u>-</u>	<u>-</u>	<u>6,283,196</u>
	12,788,616	-	-	12,788,616
Fixed income obligations:				
U.S. government and agency	937,920	-	-	937,920
Corporate	1,269,652	-	-	1,269,652
Municipal	514,193	-	-	514,193
Mutual funds	<u>2,617,413</u>	<u>-</u>	<u>-</u>	<u>2,617,413</u>
	<u>5,339,178</u>	<u>-</u>	<u>-</u>	<u>5,339,178</u>
Total	\$ <u>18,127,794</u>	\$ <u>-</u>	\$ <u>900,516</u>	\$ <u>19,028,310</u>

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

9. Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ -	\$ -	\$ 1,130,434	\$ 1,130,434
Equities:				
Domestic common stock	5,891,889	-	-	5,891,889
Foreign equities	964,219	-	-	964,219
Mutual funds	<u>5,099,844</u>	<u>-</u>	<u>-</u>	<u>5,099,844</u>
	11,955,952	-	-	11,955,952
Fixed income obligations:				
U.S. government and agency	1,260,610	-	-	1,260,610
Corporate	1,497,667	-	-	1,497,667
Municipal	495,803	-	-	495,803
Mutual funds	<u>1,990,401</u>	<u>-</u>	<u>-</u>	<u>1,990,401</u>
	<u>5,244,481</u>	<u>-</u>	<u>-</u>	<u>5,244,481</u>
Total	\$ <u>17,200,433</u>	\$ <u>-</u>	\$ <u>1,130,434</u>	\$ <u>18,330,867</u>

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31:

	<u>2011</u>	<u>2010</u>
Balance, beginning of year	\$ 1,130,434	\$ 1,851,734
Realized gains/(losses)	-	-
Unrealized gains/(losses) relating to instruments still held at the reporting date	-	-
Sales	(3,479,131)	(5,109,238)
Purchases	<u>3,249,213</u>	<u>4,387,938</u>
Balance, end of year	\$ <u>900,516</u>	\$ <u>1,130,434</u>

Schedule SB, Line 26 - Schedule of Active Participant Data

January 1, 2011 Valuation
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
(EIN: 34-0130090; PN: 002)

Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	1 (*)	-	-	-	-	-	-	-	-	-
25 to 29	-	1 (*)	2 (*)	-	-	-	-	-	-	-
30 to 34	-	1 (*)	2 (*)	8 (*)	-	-	-	-	-	-
35 to 39	-	1 (*)	3 (*)	7 (*)	1 (*)	-	-	-	-	-
40 to 44	-	1 (*)	6 (*)	3 (*)	3 (*)	1 (*)	1 (*)	-	-	-
45 to 49	-	-	1 (*)	5 (*)	3 (*)	11 (*)	3 (*)	-	-	-
50 to 54	-	-	1 (*)	1 (*)	2 (*)	4 (*)	3 (*)	17 (*)	2 (*)	-
55 to 59	-	2 (*)	2 (*)	1 (*)	3 (*)	4 (*)	5 (*)	5 (*)	7 (*)	3 (*)
60 to 64	-	-	-	1 (*)	3 (*)	-	5 (*)	1 (*)	5 (*)	5 (*)
65 to 69	-	-	-	-	-	-	-	1 (*)	-	-
70 & up	-	-	-	-	-	-	-	-	-	-

* Average compensation is not shown since there are fewer than 1,000 active participants in this plan

APPENDIX B

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

Interest Rates

Funding: 24-month segment rates averaged through the end of December 2010 and published in January 2011:

- | | | |
|----|---|-------|
| a. | First Rate, Years 1-5 | 2.94% |
| b. | Second Rate, Years 5-20 | 5.82% |
| c. | Third Rate, Years 20+ | 6.46% |
| | | |
| d. | Effective Interest Rate using the above rates | 5.85% |
| | | |
| e. | Interest rate for developing expected value of assets, (limited by statute) | 7.50% |
| | | |
| f. | Intermediate Level Contribution | 7.00% |

Mortality

Funding: Healthy: RP-2000 static, non-generational Mortality Table as described in Regulation 1.430(h)(3) projected by Scale AA, male and female, with different rates for annuitants and nonannuitants.

Disabled: Disabled tables per Revenue Ruling 96-7 (male and female) and distinct for pre- and post- 1995 disablements. These are applied conditionally as specified in 96-7 which means that healthy mortality rates will be used for disableds unless the disabled retiree i) receives Social Security Disability Income and ii) receives extra benefits beyond those they could have elected without being disabled. 100% of retirees entitled to current and future disability benefits are assumed to be entitled to Social Security Disability Income. Employees projected to become disabled beyond age 65 are subject to the "healthy" mortality rates due to not receiving extra benefits due to disablement.

All other purposes – 1993 PBGC rates for disabled people receiving Social Security (males and female).

Disabled: Blake's 1985 Pension Disabled Mortality Table (male and female).

APPENDIX B (Continued)

Rates of Retirement

<u>Age(s)</u>	<u>Less Than 25 Years of Service</u>	<u>25-30 Years of Service</u>	<u>More Than 30 Years of Service</u>
55-57	0%	0%	3%
58-59	0	0	5
60	2	15	15
61	3	15	15
62	10	35	40
63-64	5	15	20
65	75	75	75
66-69	50	50	50
70	100	100	100

Weighted Average Retirement Age is 63. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Rates of Disability

100% of the 1985 Blake Disability Study (male and female). Sample rates and ages are as follows.

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	0.218%	0.150%
40	0.597	0.547
55	2.118	1.962

Rates of Turnover

Based on age and years of service. Sample rates as follows:

<u>Age</u>	<u>Completed Years of Service</u>			
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3+</u>
25	25.00%	15.00%	10.00%	8.00%
35	25.00	15.00	10.00	5.00
40	25.00	15.00	10.00	3.50
45	25.00	15.00	10.00	2.00
55	25.00	15.00	10.00	0.00

Assumptions Made In Valuing Spouse's Benefit

Sixty percent of the male and forty percent of the female employees included in the valuation are assumed to be married. These percentages are used as the probabilities that survivor benefits will be payable due to preretirement deaths. The wife is assumed to be three years younger than the husband.

Optional Form Election

All employees are assumed to elect the life annuity benefit.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
January 1, 2011 Valuation
EIN/PN: 34-0130090 / 002

APPENDIX B (Continued)

<i>Annual Increases to Maximum Benefits and Plan Compensation Limits</i>	Funding: 0.00%
<i>Provision for Expenses</i>	The expected administrative (i.e. non-investment) expenses that will be paid from plan assets, which were assumed to equal actual expenses during the prior year, were included in the Target Normal Cost for minimum contribution purposes.
<i>Fiscal Year</i>	The 12-month period ending each December 31.
<i>Standing Elections</i>	The client has signed an election that provides for the automatic use of the Carryover and/or Prefunding Balance if necessary at the end of the plan year to meet the minimum funding requirement. The Prefunding Balance will automatically be increased with any excess contributions.
<i>Asset Method</i>	Funding: Market Value of Assets plus interest adjusted accrued but unpaid contributions as of the valuation date plus an adjustment to defer full recognition of investment losses and gains over a two-year period. The investment (gain)/loss for every year equals the market value at the beginning of the year projected to the end of the year using the interest rate above, but no greater than the third segment rate for the plan year, minus the end of the year actual market value. The actuarial value of assets will be no less than 90% and no more than 110% of the market value (including interest-adjusted accrued but unpaid contributions). Note that due to the regulatory constraint on the interest rate, a characteristic of this asset valuation method is that, over time, it may be more likely to produce an actuarial value of assets that is less than the market value of assets.
<i>Employees Valued</i>	Only participants as of the valuation date were valued.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

EIN #34-0130090
PN #002

Schedule H, line 4j -- Schedule of Reportable Transactions

December 31, 2011

(a) Identity of Party Involved (b) Description of Assets

Category (iii) -- Series of Transactions in Excess of 5% of the Current Value of Plan Assets

JPMorgan	JPMorgan Liquid Assets Money Market Fund
	99 purchases
	88 sales

(A) Commissions, taxes and other expenses incurred with the transaction are capitalized on purchases and charged against proceeds on sales.

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Pension Plan for Certain Hourly Rated Employees of Canton Drop Forge	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Canton Drop Forge, Inc.	D Employer Identification Number (EIN) 34-0130090	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2011</u>			
2 Assets:			
a Market value	2a	18,487,295	
b Actuarial value	2b	16,822,942	
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	168	11,985,648
b For terminated vested participants	3b	51	956,933
c For active participants:			
(1) Non-vested benefits	3c(1)		1,392,645
(2) Vested benefits	3c(2)		8,328,739
(3) Total active	3c(3)	148	9,721,384
d Total	3d	367	22,663,965
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	5.85 %	
6 Target normal cost	6	460,391	

Statement by Enrolled Actuary
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	 Signature of actuary Matthew R. Klein, F.S.A. Type or print name of actuary Findley Davies, Inc. Firm name 1300 East Ninth Street, Suite 850 Cleveland OH 44114-1516 Address of the firm	9-18-2012 Date 11-06865 Most recent enrollment number (216) 875-1900 Telephone number (including area code)
------------------	---	--

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2011
v.012611

Part II	Beginning of year carryover and prefunding balances	(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8).....	0	0
10	Interest on line 9 using prior year's actual return of _____%.....	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38 from prior year)		0
	b Interest on (a) using prior year's effective rate of <u>6.56</u> % except as otherwise provided (see instructions).....		0
	c Total available at beginning of current plan year to add to prefunding balance.....		0
	d Portion of (c) to be added to prefunding balance.....		0
12	Other reductions in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	0

Part III	Funding percentages		
14	Funding target attainment percentage	14	74.22 %
15	Adjusted funding target attainment percentage	15	74.22 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	74.15 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV	Contributions and liquidity shortfalls					
18	Contributions made to the plan for the plan year by employer(s) and employees:					
	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
	01/18/2011	158,334		07/15/2011	158,334	
	02/17/2011	158,334		08/15/2011	158,334	
	03/15/2011	158,334		09/14/2011	158,334	
	04/15/2011	158,334		10/14/2011	158,334	
	05/16/2011	158,334		11/15/2011	158,334	
	06/15/2011	158,334		12/15/2011	158,334	
	Totals			18(b)	1,900,008	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a	Contributions allocated toward unpaid minimum required contributions from prior years.	19a 0
b	Contributions made to avoid restrictions adjusted to valuation date.....	19b 0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 1,847,480

20	Quarterly contributions and liquidity shortfalls:		
a	Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b	If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c	If 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 2.94 %	2nd segment: 5.82 %	3rd segment: 6.46 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age.....				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years.....	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	460,391	
b Excess assets, if applicable, but not greater than 31a.....	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment.....	Outstanding Balance	Installment	
	5,841,023	1,284,751	
b Waiver amortization installment.....	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount.....	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	1,745,142	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	1,745,142	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	1,847,480	
38 Present value of excess contributions for current year (see instructions):			
a Total (excess, if any, of line 37 over line 36).....	38a	102,338	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances.....	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:				
a Schedule elected.....	☐ 2 plus 7 years	☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made.....	☐ 2008	☐ 2009	☐ 2010	☐ 2011
42 Amount of acceleration adjustment.....	42	0		
43 Excess installment acceleration amount to be carried over to future plan years.....	43	0		

APPENDIX A

SUMMARY OF PRINCIPAL PLAN PROVISIONS

<i>Plan Sponsor</i>	Canton Drop Forge, Inc.																																																				
<i>EIN/PN</i>	34-0130090/002																																																				
<i>Effective Date</i>	January 1, 1961; last amended effective January 1, 2008.																																																				
<i>Plan Year</i>	The 12-month period beginning each January 1.																																																				
<i>Participation</i>	All hourly employees of Plant B hired before February 27, 2005 will be Plan participants on their date of hire. Plan participation is frozen as of February 27, 2005.																																																				
<i>Continuous Service</i>	A participant's Continuous Service shall be equal to the elapsed time of employment measured from the date of hire to the termination date of an employee.																																																				
<i>Accrued Benefit</i>	A monthly life annuity starting at age 65 equal to: <table><tr><th></th><th colspan="2"><u>Pension Benefit</u></th><th></th></tr><tr><th></th><th><u>Service Up to</u></th><th><u>Service Over</u></th><th><u>Maximum</u></th></tr><tr><th><u>Retirement Date</u></th><th><u>20 Years</u></th><th><u>20 Years</u></th><th><u>Service</u></th></tr><tr><td>3/06/1996 – 3/01/1997</td><td>\$21.50</td><td>\$27.50</td><td></td></tr><tr><td>3/02/1997 – 3/01/1998</td><td>22.25</td><td>28.25</td><td></td></tr><tr><td>3/02/1998 – 3/01/1999</td><td>23.00</td><td>29.00</td><td></td></tr><tr><td>3/02/1999 – 2/26/2000</td><td>24.00</td><td>30.00</td><td></td></tr><tr><td>2/27/2000 – 2/26/2001</td><td>26.00</td><td>31.00</td><td>42</td></tr><tr><td>2/27/2001 – 2/26/2002</td><td>27.00</td><td>32.00</td><td>42</td></tr><tr><td>2/27/2002 – 2/26/2003</td><td>28.00</td><td>34.00</td><td>42</td></tr><tr><td>2/27/2003 – 2/26/2004</td><td>29.00</td><td>37.00</td><td>43</td></tr><tr><td>2/27/2004 – 12/31/2007</td><td>31.00</td><td>41.00</td><td>43</td></tr><tr><td>1/01/2008 and after</td><td>34.00</td><td>44.00</td><td>43</td></tr></table> Those participants who retire from active status during the term of the union contract will receive an increase in their pension as the benefit unit increases.		<u>Pension Benefit</u>				<u>Service Up to</u>	<u>Service Over</u>	<u>Maximum</u>	<u>Retirement Date</u>	<u>20 Years</u>	<u>20 Years</u>	<u>Service</u>	3/06/1996 – 3/01/1997	\$21.50	\$27.50		3/02/1997 – 3/01/1998	22.25	28.25		3/02/1998 – 3/01/1999	23.00	29.00		3/02/1999 – 2/26/2000	24.00	30.00		2/27/2000 – 2/26/2001	26.00	31.00	42	2/27/2001 – 2/26/2002	27.00	32.00	42	2/27/2002 – 2/26/2003	28.00	34.00	42	2/27/2003 – 2/26/2004	29.00	37.00	43	2/27/2004 – 12/31/2007	31.00	41.00	43	1/01/2008 and after	34.00	44.00	43
	<u>Pension Benefit</u>																																																				
	<u>Service Up to</u>	<u>Service Over</u>	<u>Maximum</u>																																																		
<u>Retirement Date</u>	<u>20 Years</u>	<u>20 Years</u>	<u>Service</u>																																																		
3/06/1996 – 3/01/1997	\$21.50	\$27.50																																																			
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3/02/1998 – 3/01/1999	23.00	29.00																																																			
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2/27/2000 – 2/26/2001	26.00	31.00	42																																																		
2/27/2001 – 2/26/2002	27.00	32.00	42																																																		
2/27/2002 – 2/26/2003	28.00	34.00	42																																																		
2/27/2003 – 2/26/2004	29.00	37.00	43																																																		
2/27/2004 – 12/31/2007	31.00	41.00	43																																																		
1/01/2008 and after	34.00	44.00	43																																																		

APPENDIX A (Continued)

***Normal Retirement
Benefit***

Eligibility:

Attainment of age 65.

Monthly Benefit:

The Accrued Benefit.

Late Retirement

Eligibility:

After age 65 and five years of participation.

Monthly Benefit:

The Accrued Benefit calculated using the service accrued through the actual retirement date and the benefit unit in effect at termination.

***55/30 Early
Retirement***

Eligibility:

Attainment of age 55 and 30 years of Continuous Service.

Monthly Benefit:

The Accrued Benefit.

***60/25 Early
Retirement***

Eligibility:

Attainment of age 60 and 25 years of Continuous Service.

Monthly Benefit:

The Accrued Benefit.

Disability Retirement

Eligibility:

Permanent and total disability at any age with at least 15 years of Continuous Service. This benefit starts once all other company-paid benefits stop.

Monthly Benefit:

The Accrued Benefit at the time of disability is payable on an unreduced basis.

APPENDIX A (Continued)

60/15 Early Retirement

Eligibility:

Attainment of age 60 and 15 years of Continuous Service.

Monthly Benefit:

The vested benefit commences in full at age 65, or as early as age 60 in a reduced amount equal to the actuarial equivalent of the Accrued Benefit at age 65. Sample rates and ages are as follows:

<u>Age</u>	<u>Rate</u>
60	70.18%
61	75.36
62	81.14
63	87.60
64	94.84
65	100.00

Termination Benefit

Eligibility:

Termination after five years of Continuous Service.

Monthly Benefit:

The Accrued Benefit commencing at age 65. If the participant has at least 15 years of Continuous Service, they can retire after age 60 under the "60/15 Early Retirement" provisions.

Supplemental Benefit

Participants who retire between March 1, 1997 and February 28, 1999, who are eligible for the "60/25 Early Retirement" and who have yet to attain age 65 are eligible to receive a \$100 per month supplemental benefit.

Participants who retire between February 27, 2005 and February 26, 2008, who are eligible for the "60/25 Early Retirement" or "55/30 Early Retirement" and who have yet to attain age 65 are eligible to receive a \$200 per month supplemental benefit.

These supplemental benefits will be paid until the earlier of the attainment of age 65 or the death of the participant.

APPENDIX A (Continued)

Surviving Spouse's Benefit

Eligibility:

Death of an active employee after the age of 50 with at least 15 years of Continuous Service.

Monthly Benefit:

50% of the benefit as though the employee had elected to retire the day before his death assuming the employee's age at death was 65. This benefit shall be reduced by 1/2% for each year the spouse is under the age of 50. After the spouse's attainment of age 65 the benefit will be 50% of the actuarially reduced benefit assuming the employee had retired at Normal Retirement Age and accepted the 50% Joint and Survivor benefit.

Death Benefit

Eligibility:

100% vested and not eligible for the Surviving Spouse's Benefit.

Monthly Benefit:

50% of the benefit the employee would have received if he would have elected the 50% Joint and Survivor benefit the day before his death. If the employee has not yet attained age 60, the benefit is calculated using service on the date of death and assuming the employee survived to age 60. The benefit is payable at the later of when the employee would have been age 60 or at the employee's death.

Optional Forms of Payment

Life Annuity –monthly payments for the life of the participant.

Joint and 50% Survivor Annuity –monthly payments for the life of the participant with 50% of the benefit continuing to the surviving spouse (if any).

Joint and 75% Survivor Annuity –monthly payments for the life of the participant with 75% of the benefit continuing to the surviving spouse (if any).

The Joint and Survivor factors are based on the age difference between the participant and spouse. For example, a participant retiring at age 65 with a spouse also age 65, the Joint and Survivor 50% option is 85% of the life annuity.

Benefits Available as Lump Sums

This plan pays only small benefit amounts (lump sums less than \$3,500, or less than \$5,000 effective January 1, 1998).

Schedule SB, Part V – Summary of Plan Provisions
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
January 1, 2011 Valuation
EIN/PN: 34-0130090 / 002

APPENDIX A (Continued)

***Maximum Benefit
Limit***

The Internal Revenue Code Section 415 Maximum Benefit payable as a life annuity at Social Security Normal Retirement Age.

***Changes in Plan
Provisions***

The automatic changes, if any, in the maximum benefit limit were recognized as amendments for funding purposes.

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

EIN #34-0130090

PN #002

Schedule H, line 4i -- Schedule of Assets (Held at End of Year)

December 31, 2011

Identity of Issue, Borrower, Lessor		Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Rate of Interest, Collateral,	(d) Cost	Current (e) Value
(a)	(b) or Similar Party	(c) Par or Maturity Value		
		<u>Money market funds</u>		
*	JPMorgan	JPMorgan Liquid Assets Money Market Fund	\$ 900,516	\$ 900,516
		<u>Equities</u>		
*	Harris Associates	104,195.794 Shares, Harris Assoc. Oakmark International Fund	\$ 1,939,945	\$ 1,724,440
		25,100 Shares, Applied Metals Inc.	310,891	268,821
		100 Shares, Askmenow	1	-
		5,700 Shares, Automatic Data Processing Inc.	251,489	307,857
		35,100 Shares, Boston Scientific Corp.	253,152	187,434
		11,200 Shares, Discovery Communications Inc New Ser C	160,211	422,240
		5,100 Shares, Illinois Tool Works Inc.	225,601	238,221
		23,600 Shares, Intel Corp	546,709	572,300
*	JPMorgan	3,400 Shares, JPMorgan Chase & Co.	126,764	113,050
		28,475 Shares, Liberty Media Corp Interactive Com Ser A	230,543	461,722
		3,800 Shares, McDonalds Corp	94,069	381,254
		6,700 Shares, Medtronic Inc.	258,523	256,275
		4,200 Shares, Newfield Explore Co.	83,084	158,466
		6,900 Shares, Omnicare Inc.	182,458	237,705
		7,900 Shares, Robert Half International Inc.	207,076	224,834
		24,800 Shares, Sara Lee Corp	302,808	469,216
		8,000 Shares, Time Warner Inc. New	279,087	289,120
		8,300 Shares, Viacom Inc. New CL B	288,418	376,903
		14,000 Shares, Wells Fargo & Co. New	385,381	385,840
		14,700 Shares, TE Connectivity Ltd.	435,535	452,907
		3,500 Shares, Carnival Corp	121,623	114,240
		3,800 Shares, Diageo PLC	191,807	332,196
		8,600 Shares, Ultra Pete Corp.	321,829	254,818
*	JPMorgan	15,035.932 Shares, JPMorgan International Equity Fund	195,040	182,837
*	JPMorgan	55,285.398 Shares, JPMorgan Intrepid American Fund	1,171,389	1,252,214
*	JPMorgan	55,284.543 Shares, JPMorgan US Large Cap Core Plus Fund	1,066,395	1,094,081
*	JPMorgan	4,647.883 Shares, JPMorgan US Real Estate Fund	62,999	75,389
*	JPMorgan	38,684.554 Shares, JPMorgan Equity Index Fund	1,020,530	1,103,670
*	JPMorgan	69,065.709 Shares, JPMorgan Market Expansion Index Fund	640,516	667,866
*	JPMorgan	11,794.675 Shares, JPMorgan International Equity Index Fund	210,084	182,700
			\$ 11,563,957	\$ 12,788,616

PENSION PLAN FOR CERTAIN HOURLY-RATED EMPLOYEES
OF CANTON DROP FORGE, INC.

EIN #34-0130090

PN #002

Schedule H, line 4i -- Schedule of Assets (Held at End of Year)

December 31, 2011

(a) Identity of Issue, Borrower, Lessor (b) or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, (c) Par or Maturity Value	(d) Cost	Current (e) Value
	<u>Fixed income obligations</u>		
	\$200,000, Central Ohio Solid Waste Authority Solid Waste Nts dtd 7/22/2010 3.00% due 8/1/2015	\$ 200,000	\$ 208,886
	\$300,000, Federal Home Ln Bks dtd 9/22/2003 4.50% due 9/16/2013	304,122	320,859
	\$100,000, United States Treasury Nts dtd 2/17/2004 4.0% due 2/15/2014	104,008	107,844
	\$200,000, United States Treasury Nts dtd 4/02/2007 4.5% due 3/31/2012	199,641	202,140
	\$300,000, United States Treasury Nts dtd 7/2/2007 4.875% due 6/30/2012	308,016	307,077
* JPMorgan	6,732.532 Shares, JPMorgan I TR Inflation Managed Bond Fund	70,232	70,557
	\$300,000, Monona Wis Prom NTS Nts dtd 8/30/2010 2.60% due 10/1/2015	305,358	305,307
	\$300,000, General Elec Cap Corp Medium Term Nts dtd 10/19/2007 5.25% due 10/19/2012	291,228	310,491
	\$200,000, TCI Communications Inc Sr Deb dtd 8/1/1995 8.75% due 8/1/2015	219,390	242,964
* JPMorgan	\$375,000, JPMorgan Chase & Co Dep Shs Repstg 1/10th Pfd Ser I dtd 4/23/2008 var due open end	291,011	399,259
	\$300,000, XTO Energy Inc Sr Nt dtd 4/18/2008 4.625% due 6/15/2013	276,000	316,938
* JPMorgan	215,106.116 Shares, JPMorgan Core Bond Fund	2,454,006	2,546,856
		<u>\$ 5,023,012</u>	<u>\$ 5,339,178</u>

* Indicates party-in-interest to the Plan.

Schedule SB, line 32 – Schedule of Amortization Bases
Pension Plan for Certain Hourly-Rated Employees of Canton Drop Forge, Inc.
January 1, 2011 Valuation
EIN/PN: 34-0130090/002

EXHIBIT VII
SCHEDULE OF AMORTIZATION BASES

	Plan Year Beginning			1/01/2011
	Date Established	Present Value of Payments	Remaining Years	Amortization Installment
<i>Shortfall Amortization Bases</i>	1/01/2011	\$ 934,078	7.00	\$ 150,944
	1/01/2010	1,511,834	6.00	276,080
	1/01/2009	574,853	5.00	121,728
	1/01/2008	<u>2,820,258</u>	4.00	<u>735,999</u>
	Total	\$ 5,841,023		\$ 1,284,751
<i>Waiver Amortization Bases</i>	1/01/2011	\$ 0		\$ 0