

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information		
1a Name of plan HOURLY EMPLOYEES' PENSION PLAN OF ARLO INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION	1b Three-digit plan number (PN) ▶ <u>016</u>		
	1c Effective date of plan <u>10/19/1976</u>		
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) BAIRNCO CORPORATION C/O HANDY & HARMAN LTD. 1133 WESTCHESTER AVE., SUITE N222 WHITE PLAINS, NY 10604	2b Employer Identification Number (EIN) <u>13-3057520</u>		
	2c Sponsor's telephone number <u>914-461-1300</u>		
	2d Business code (see instructions) <u>339900</u>		

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2012	JAMES MCCABE
	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") BAIRNCO CORPORATION C/O HANDY & HARMAN LTD. 1133 WESTCHESTER AVE., SUITE N222 WHITE PLAINS, NY 10604	3b Administrator's EIN 13-3057520 <hr/> 3c Administrator's telephone number 914-461-1300
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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 <hr/> 4c PN
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5 Total number of participants at the beginning of the plan year	5	128
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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	58
b Retired or separated participants receiving benefits.....	6b	16
c Other retired or separated participants entitled to future benefits.....	6c	47
d Subtotal. Add lines 6a , 6b , and 6c	6d	121
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	6
f Total. Add lines 6d and 6e	6f	127
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	

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 3H 1I

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

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE 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>HOURLY EMPLOYEES' PENSION PLAN OF ARLOH INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION</u>	B Three-digit plan number (PN) ▶ <u>016</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>BAIRNCO CORPORATION</u>	D Employer Identification Number (EIN) <u>13-3057520</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>1784370</u>
b	Actuarial value 2b <u>1657167</u>
3	Funding target/participant count breakdown:
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>17</u> <u>631548</u>
b	For terminated vested participants 3b <u>48</u> <u>658813</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>30883</u>
(2)	Vested benefits 3c(2) <u>1040164</u>
(3)	Total active 3c(3) <u>63</u> <u>1071047</u>
d	Total 3d <u>128</u> <u>2361408</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>6.38 %</u>
6	Target normal cost 6 <u>45000</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>10/10/2012</u>
Signature of actuary	Date
<u>THOMAS A. DEFILIPPO</u>	<u>11-06419</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON</u>	<u>412-497-3000</u>
Firm name	Telephone number (including area code)
<u>600 GRANT STREET, SUITE 4940</u> <u>PITTSBURGH, PA 15219-2742</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 <u>13.94</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		9
b	Interest on (a) using prior year's effective rate of <u>6.73</u> % except as otherwise provided (see instructions)		1
c	Total available at beginning of current plan year to add to prefunding balance		10
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	70.17 %
15	Adjusted funding target attainment percentage	15	70.17 %
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	80.04 %
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
04/15/2011	20641				
07/14/2011	20641				
10/13/2011	20641				
01/12/2012	20641				
09/13/2012	106382				
			Totals ▶	18(b)	188946
				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 175046
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
0	0
(3) 3rd	(4) 4th
0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 3.78%	2nd segment: 6.31%	3rd segment: 6.57%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 65
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	45000	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	704241	130044	
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	175044	
	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	175044	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	175046	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	2	
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		
43 Excess installment acceleration amount to be carried over to future plan years	43		

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 HOURLY EMPLOYEES' PENSION PLAN OF ARLO INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION	B Three-digit plan number (PN) ▶	016
C Plan sponsor's name as shown on line 2a of Form 5500 BAIRNCO CORPORATION	D Employer Identification Number (EIN) 13-3057520	

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
TITAN MASTERS FUND, L.P.

06-1603170

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
THE INTERSTATE GROUP

64-0474907

(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)

TOWERS WATSON PENNSYLVANIA INC.

23-1159360

(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	45209	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

GRANT THORNTON LLP

36-6055558

(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	19027	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WPN CORPORATION

13-3410792

(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?
16	NONE	15611	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)

EISNERAMPER LLP

13-1639826

(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?
36	NONE	15141	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MICHELE GIGLIETTA

1322 SASSAFRAS AVENUE
ALTAMONTE SPRINGS, FL 32714

(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?
17	NONE	8460	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PROXIMA

20-1385704

(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?
28	NONE	5018	Yes ☒ No ☐	Yes ☒ No ☐	0	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.	

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
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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 D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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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 HOURLY EMPLOYEES' PENSION PLAN OF ARLON INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION	B Three-digit plan number (PN) ►	016
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 BAIRNCO CORPORATION	D Employer Identification Number (EIN) 13-3057520	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: WHX PENSION PLAN TRUST

b Name of sponsor of entity listed in (a): HANDY & HARMAN LTD.

c EIN-PN <u>13-7086350-001</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1599976</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan HOURLY EMPLOYEES' PENSION PLAN OF ARLO INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION	B Three-digit plan number (PN) ►	<u>016</u>
C Plan sponsor's name as shown on line 2a of Form 5500 BAIRNCO CORPORATION	D Employer Identification Number (EIN) <u>13-3057520</u>	

Part I	Asset and Liability Statement
---------------	--------------------------------------

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	<u>30618</u>	<u>127023</u>
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	<u>1753411</u>	<u>1599976</u>
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1784029	1726999

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	32323	27878
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	32323	27878

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1751706	1699121
---	-----------	---------	---------

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)	188946	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		188946
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-53313
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		135633

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	63717	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		63717
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	94527	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	20634	
(4) Other	2i(4)	9340	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		124501
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		188218

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-52585
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: GRANT THORNTON LLP

(2) EIN: 36-6055558

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
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		10000000
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>HOURLY EMPLOYEES' PENSION PLAN OF ARLO INC. MICROWAVE MATERIAL AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE LOCATION</u>	B Three-digit plan number (PN) ▶ <u>016</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BAIRNCO CORPORATION</u>	D Employer Identification Number (EIN) <u>13-3057520</u>

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>55-0703273</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)
----------------	--

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

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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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): _____



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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Plan Administrator of

The Hourly Employees Pension Plan of Arlon, Inc., Microwave Materials and Silicone Technologies Divisions, Bear, Delaware:

We were engaged to audit the financial statements of The Hourly Employees Pension Plan of Arlon, Inc., Microwave Materials and Silicone Technologies Divisions, Bear, Delaware (the "Plan") as of December 31, 2011 and 2010, and for the year ended December 31, 2011. These financial statements 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 information summarized in Note 6, which was certified by State Street Bank and Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. 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 a certification from the trustee as of December 31, 2011 and 2010, and for the year ended December 31, 2011, 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 express, and do not express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants 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.

Grant Thornton LLP

Edison, New Jersey
October 15, 2012

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- ▶ Applicable month September (based on bond yields through August)
- ▶ Yield curve basis Segment rates

Interest rates:

- ▶ First segment rate - 10-year rate 3.78%
- ▶ Second segment rate - 20-year rate 6.31%
- ▶ Third segment rate - 30-year rate 6.57%
- ▶ Effective interest rate 6.38%

Demographic Assumptions

- Mortality** Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2026 using Scale AA and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2018 using Scale AA.
- Termination** Rates in accordance with the 2003 study conducted by the Society of Actuaries.

Percentage leaving during the year

<i>Age</i>	<i>Service < 2</i>	<i>Service = 2, 3, 4</i>	<i>Service = 5-9</i>	<i>Service ≥ 10</i>
25	21.74%	17.14%	12.96%	0.00%
30	18.61	13.58	8.39	4.84
35	16.78	11.02	7.15	5.02
40	15.91	10.35	6.01	4.15
45	15.48	9.47	5.82	3.73
50	15.60	8.90	5.32	3.49
55	13.52	7.82	2.59	0.88
60	13.63	7.84	2.12	0.20

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Disability

1987 Commissioners Group Disability Table. Sample rates:

Percentage becoming disabled during the year		
Age	Males	Females
20	.04%	.05%
25	.05	.06
30	.06	.09
35	.09	.15
40	.14	.20
45	.26	.33
50	.51	.55
55	.96	.85
60	1.47	1.09
65	1.86	1.27

Retirement

Participants are assumed to retire at the later of age 65 or their current age. There is no assumption for early retirement. Participants can retire at age 55 with 10 years of service.

Benefit commencement date:

- ▶ Preretirement death benefit: Surviving spouse benefits commence at the later of the death of the active participant or the date the participant would have attained earliest retirement age
- ▶ Termination benefit: Age 65
- ▶ Deferred vested benefit: The later of age 65 or their current age
- ▶ Disability benefit: Upon termination of employment
- ▶ Retirement benefit: Upon termination of employment

Form of payment: Normal form for unmarried participant

Percent married: 85% of males; 65% of females

Spouse age: Wife three years younger than husband

Administrative expenses: An expense assumption of \$45,000 was included in the Target normal cost. This assumption is intended to include expected non-investment expenses and PBGC premiums to be paid from the plan trust during 2010. Non-investment expenses are based on an average of similar expenses paid from the plan in prior years.

At-risk assumptions: For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan, which is usually the lump sum.

Cash flow

Timing of benefit payments: Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Methods

Valuation date	First day of plan year
Funding target	<p>Present value of accrued benefits</p> <p>The IRC §430 regulations describe the required methodology for attributing benefits among Funding Target, current year Target Normal Cost, and future years' Target Normal Costs for disability benefits, Social Security benefits, death benefits and other ancillary benefits. For most such benefits, the required attribution methodology is clear. If the plan includes any benefits for which the attribution methodology was not clear, and the regulations required interpretation, consider describing the benefit and the attribution methodology used.</p>
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year
Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2010 plan year.)</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. Towers Watson has reviewed the plan provisions with Handy & Harman and, based on that review, is not aware of any significant benefits required to be valued that were not.
Change in assumptions and methods since prior valuation	<p>The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.</p> <p>The assumed plan-related expenses added to the target normal cost were changed from 20,000 for 2010 to 45,000 for 2011.</p>

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Summary of Plan Provisions

Plan Provisions

The Effective Date of the amended Plan is January 1, 2002.

- | | |
|-------------------|---|
| Covered Employees | (a) Each Employee who was a Participant on December 31, 2001, shall continue as a Participant on January 1, 2002, unless he or she ceased being a Participant on December 31, 2001, under the terms of the Plan as then in effect. |
| | (b) Each Employee not described in subsection (a) above shall become a Participant on the first day of the month coincident with or next following the date as of which he meets the applicable requirements in the Collective Bargaining Agreement; provided, however, that the Employee shall in any event become a participant no later than the first day of the month coincident with or next following the date that he completes on Year of Service. |
| | (c) If a former Participant becomes an Employee again, he shall become a participant again as of the date on which he is credited with his first Hour of Service upon his becoming an Employee again. |

Participation Date	Date of becoming a covered employee
--------------------	-------------------------------------

Eligibility	The Plan was closed to new participants on December 31, 2009
-------------	--

Credited Service	Each Employee who was a Participant on December 31, 2001, shall continue as a Participant on January 1, 2002, unless he or she ceased being a Participant on December 31, 2001, under the terms of the Plan as then in effect.
------------------	--

No service is credited under the plan after December 31, 2009.

Retirement Dates

Normal	First of the month coincident with or next following a participant's 65th birthday
--------	--

Early	First day of month coincident with or next following a participant's 55th birthday and the completion of 10 Years of Credited Service
-------	---

Disability	Not provided
------------	--------------

Deferred	First day of month coincident with or next following a participant's termination of service after his Normal Retirement Date
----------	--

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Summary of Plan Provisions

Retirement Benefits

Normal

An employee will receive a monthly benefit for each year of Credited Service, in accordance with the following schedule:

<u>Date of Retirement</u>	<u>Benefit Rate for each Year of Credited Service</u>
9/27/82 through 9/27/84	\$8.00
9/27/84 through 9/28/85	\$9.00
9/28/85 through 9/28/86	\$10.00
9/28/86 through 10/1/88	\$10.50
10/1/88 through 10/2/89	\$11.50
10/2/89 through 9/28/91	\$12.00
9/28/91 through 9/28/92	\$13.00
9/28/92 through 9/28/93	\$14.00
9/28/93 through 9/30/94	\$15.00
9/30/94 through 9/29/95	\$16.00
9/29/95 through 9/27/96	\$17.00
9/27/96 through 10/5/97	\$18.00
10/5/97 through 10/4/98	\$19.00
10/4/98 through 10/3/99	\$20.00
10/3/99 through 10/8/00	\$21.00
10/8/00 through 10/7/01	\$22.00
10/7/01 through 10/6/02	\$23.00
10/6/02 and thereafter	\$24.00

Credited Service for benefit accrual purposes was frozen as of December 31, 2009

Early

The benefit is determined as for Normal Retirement but based on Credited Service to the Early Retirement Date. The benefit commences at the Normal Retirement Date.

If the employee elects for the benefit to commence prior to Normal Retirement Date, the amount of the benefit will be reduced by 5/9ths of 1% for every month by which the pension commencement date precedes the Normal Retirement Date up to the first 60 months, and 5/18ths of 1% for every month thereafter.

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Summary of Plan Provisions

Disability	Not provided
Deferred	The benefit is determined as for Normal Retirement but based on Credited Service to the earlier of December 31, 2009 or the Deferred Retirement Date. The benefit commences at the Deferred Retirement Date.

Death Benefits

Active Employees	A spouse of any employee who dies in active service with a vested benefit is entitled to a benefit equal to 50% of the amount he could have received if he had retired early and had elected to receive his benefit under a joint and 50% survivor form of payment
Retired Employees	None, unless an optional form of retirement benefit is elected, which provides a death benefit

Deferred Vested Benefits

Eligibility	Completion of 5 Years of Service
Benefit	<p>The benefit is determined as for Normal Retirement but based on Years of Service to the Date of Termination. The benefit commences at the Normal Retirement Date.</p> <p>An employee may elect to commence benefit payments on the first day of any month following his Early Retirement Date. If the employee elects for the benefit to commence prior to Normal Retirement Date, the benefit will be reduced as for Early Retirement.</p>

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Retirement before NRD and on or after both attaining age 55 and completing ten Years of Service
Postponed retirement	Retirement after NRD
Vested termination	Termination for reasons other than death or retirement after completing five Years of Service
Preretirement death benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD
Early retirement	Monthly pension benefit determined as of early retirement date, reduced 5/9ths of 1% for every month by which the pension commencement date precedes the NRD up to the first 60 months, and 5/18ths of 1% for every month thereafter

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Part V – Summary of Plan Provisions

Postponed retirement	Monthly pension benefit determined as of actual retirement date
Vested termination	Monthly pension benefit determined as of termination date, actuarially reduced if the payments begin prior to age 65
Preretirement death	Monthly preretirement death benefit payable on behalf of the deceased participant is equal to 50% of the monthly benefit payable to the participant had he/she retired on the first day of the month preceding or coincident with his/her date of death. This benefit is actuarially equivalent of the Life annuity to which the participant is entitled or would have been entitled if he/she had lived.

Other Plan Provisions

Forms of payment	Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 100% joint and survivor annuity, 66-2/3% joint and survivor annuity, a ten-year certain and life annuity, or (for married participants) a life annuity. Actuarial equivalence is based on interest at the rate of interest on 30-Year Treasury Securities.
Pension Increases	None
Plan participants' contributions	None
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Future Plan Changes

No future plan changes were recognized in determining pension cost or in determining minimum and maximum contributions.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

Bairnco Corporation (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Line 26 – Schedule of Active Participant Data

Age Last Birthday	Completed Years of Service										Total
	<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	
<25	0	1	0	0	0	0	0	0	0	0	1
25 to 29	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	2	2	2	0	0	0	0	0	0	6
35 to 39	0	2	1	1	1	0	0	0	0	0	5
40 to 44	0	3	0	3	0	1	0	0	0	0	7
45 to 49	0	2	4	2	3	5	0	0	0	0	16
50 to 54	0	1	5	2	1	3	0	0	0	0	12
55 to 59	0	2	0	4	1	1	1	2	0	0	11
60 to 64	0	1	1	0	0	0	0	1	0	0	3
65 to 69	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	1	1	0	0	0	0	0	2
Total	0	14	13	15	7	10	1	3	0	0	63
Average Age:					48.9	Average Service:		12.4			

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Schedule SB, Line 32 – Schedule of Amortization Bases

Amortization Record in Support of Minimum Required Contribution

Type of Base	Present Value of Remaining Installments	Year Established	Remaining Period	Installment
Shortfall	\$ 111,231	2008	4.000	\$ 29,374
Shortfall	\$ (26,103)	2009	5.000	\$ (5,615)
Shortfall	\$ 208,968	2010	6.000	\$ 38,804
Shortfall	\$ 410,145	2011	7.000	\$ 67,481
	<u>\$ 704,241</u>			<u>\$ 130,044</u>

Bairnco Corporation – (EIN 13-3057520)
Hourly Employees Pension Plan of Arlon Inc. (PN 016)

Attachment to 2011 Form 5500 Schedule SB — General Notes

Plan Sponsor	Bairnco Corporation
EIN/PN	13-3057520 (PN 016)
Plan Name	Hourly Employees Pension Plan of Arlon Inc.
Valuation Date	January 1, 2011
Enrolled Actuary	Thomas DeFilippo
Enrollment Number	11-06419

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

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
--	--	---

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 HOURLY EMPLOYEES PENSION PLAN OF ARLON INC. MICROWAVE MATERIAL AND SIL	B Three-digit plan number (PN) ▶ 016
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Bairnco Corporation	D Employer Identification Number (EIN) 13-3057520
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	1,784,370
b Actuarial value		2b	1,657,167
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	17	631,548
b For terminated vested participants	3b	48	658,813
c For active participants:			
(1) Non-vested benefits	3c(1)		30,883
(2) Vested benefits	3c(2)		1,040,164
(3) Total active	3c(3)	63	1,071,047
d Total	3d	128	2,361,408
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	6.38 %
6 Target normal cost		6	45,000

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	THOMAS A. DEFILIPPO <i>TAD</i>	10/10/2012
Signature of actuary		Date
THOMAS A. DEFILIPPO		11-06419
Type or print name of actuary		Most recent enrollment number
TOWERS WATSON		(412) 497-3000
Firm name		Telephone number (including area code)
600 GRANT STREET, SUITE 4940		
Address of the firm		
PITTSBURGH PA 15219-2742		

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 <u>13.94</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		9
b	Interest on (a) using prior year's effective rate of <u>6.73</u> % except as otherwise provided (see instructions).....		1
c	Total available at beginning of current plan year to add to prefunding balance.....		10
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	70.17 %
15	Adjusted funding target attainment percentage	15	70.17 %
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	80.04 %
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
04/15/2011	20,641				
07/14/2011	20,641				
10/13/2011	20,641				
01/12/2012	20,641				
09/13/2012	106,382				
			Totals •	18(b)	188,946
				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	175,046

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: 3.78 %	2nd segment: 6.31 %	3rd segment: 6.57 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 65
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	45,000
b Excess assets, if applicable, but not greater than 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		704,241	130,044
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	175,044
	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	175,044
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	175,046
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	2
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		
43 Excess installment acceleration amount to be carried over to future plan years	43		

Hourly Employees Pension Plan of Arlon, Inc.,
Microwave Materials and Silicone Technologies
Divisions, Bear, Delaware
Plan: #016
EIN: 13-3057520

Financial Statements and Report of
Independent Certified Public Accountants

**HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES
DIVISIONS, BEAR, DELAWARE**

December 31, 2011 and 2010

**HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

TABLE OF CONTENTS

	Page
Report of Independent Certified Public Accountants	1
Financial Statements	
Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010	2
Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2011	3
Notes to Financial Statements	4 - 16

All other schedules are omitted as they are not applicable or are not required based on the disclosure requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, and applicable regulations issued by the U.S. Department of Labor.

**HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

**Statements of Net Assets Available for Benefits
December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
ASSETS		
Investment, at fair value		
Plan interest in the WHX Master Pension Trust, at fair value	\$ 1,599,976	\$ 1,753,411
Contribution receivable	<u>127,023</u>	<u>30,618</u>
Total assets	1,726,999	1,784,029
LIABILITIES		
Accrued expenses	<u>(27,878)</u>	<u>(32,323)</u>
Net assets available for benefits	<u>\$ 1,699,121</u>	<u>\$ 1,751,706</u>

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

**HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2011

ADDITIONS TO NET ASSETS

Contributions	\$ 188,946
Plan interest in WHX Master Pension Trust net investment income	<u>(53,313)</u>
Total additions	<u>135,633</u>

DEDUCTIONS FROM NET ASSETS

Benefits paid directly to defined benefit plan participants	(63,717)
Administrative expenses	<u>(124,501)</u>
Total deductions	<u>(188,218)</u>

Net increase in net assets	(52,585)
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NET ASSETS AVAILABLE FOR BENEFITS

Beginning of year	<u>1,751,706</u>
End of year	<u>\$ 1,699,121</u>

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

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

1. PLAN DESCRIPTION

The following brief description of the Hourly Employees Pension Plan of Arlon, Inc., Microwave Materials and Silicone Technologies Divisions, Bear, Delaware (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

Bairnco Corporation (“Bairnco”) is the formal sponsor of the Plan. Arlon, Inc. (the “Employer”) is a subsidiary of Bairnco and is the employer of employees covered under the Plan. Handy & Harman Ltd. (the “Company”) (formerly WHX Corporation) is the ultimate parent of Bairnco. Effective January 3, 2011, WHX Corporation changed its name to Handy & Harman Ltd.

The Plan is a defined benefit plan for which all contributions are made by Bairnco. Bairnco contributes amounts needed, as determined by the actuary, to meet minimum funding requirements.

Participants in the Plan include individuals employed by the Employer at the Materials for Electronics Division or Silicone Technologies Divisions, Bear, Delaware who were employees prior to January 1, 2010 and who are represented by the United Food and Commercial Workers, Textile and Garment Council, AFL-CIO, Local 266T (the “Union”), and are covered by the collective bargaining agreement between the Employer and the Union.

Administration of the Plan

The accounting records are maintained by the Company. The Plan assets are invested in the WHX Master Pension Trust (“Master Trust”) under which State Street Bank and Trust Company (the “Trustee”) serves as trustee of the Plan’s assets.

Vesting and Payment of Benefits

A participant’s benefits are 100% vested in the Plan at the earliest of either:

The participant attains age 65, provided the participant is an employee of the Employer on the date the participant becomes 65; or,

Upon completion of five years of credited service.

Upon retirement, benefits are paid monthly during the lifetime of the retiree and, if applicable, during the lifetime of a surviving annuitant. A participant with an eligible spouse will have the benefits paid in the form of a joint and survivor annuity unless the participant elects not to receive it in this form. The amount of the monthly benefit is based on years of service and other factors, as defined in the Plan agreement.

An employee will receive a monthly benefit for each year of credited service in accordance with a benefit rate schedule set forth in the Plan. For a participant employed on December 31, 2009, his or her benefit is an amount equal to \$28 multiplied by his or her years of credited service on that date. Monthly normal retirement benefits for each participants who terminated employment prior to December 31, 2009, are

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

determined by their credited service multiplied by a benefit rate which varies from \$5 to \$28 based upon the date of their termination of employment. Credited service for benefit accrual excludes all service after December 31, 2009.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the Plan have been prepared using the accrual method of accounting in conformity with the accounting principles generally accepted in the United States of America ("US GAAP") as applied to employee benefit plans, and in accordance with the Plan agreement.

Investment Valuation and Income Recognition

The investments are valued at fair market 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.

Purchases and sales of securities are recognized on the trade date. Dividends are recorded on the ex-dividend date. Net appreciation includes the plan's gains and losses on investments bought and sold as well as held during the year.

The Master Trust invests in certain securities and other investments, including limited partnerships, joint ventures and hedge funds, for which no publicly quoted market value is readily available. The Trustee reported the fair value of these investments based upon the net asset values as reported by the respective investment managers. The Plan's investment account is credited with earnings on the underlying investments and charged with Plan withdrawals.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. 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, which 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 (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on years of service and the benefit rate in effect at the time of termination. The accumulated plan benefits for active employees are based on a \$28 benefit rate and credited service as of January 1, 2010. Benefits payable under all circumstances (retirement, death, and termination of employment) are included, to the extent they are deemed attributable to employee service which is counted under the Plan for the applicable purpose rendered to the valuation date.

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

The actuarial present value of accumulated plan benefits is discounted to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, or retirement) between the valuation date and the expected date of payment.

Contributions

Contributions to the Plan are recorded as additions to the Plan on an accrual basis.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Certain employees of the Company provide services to the Plan. Neither these individuals nor the Company receives any compensation from the Plan. Certain plan expenses, including consulting, legal, accounting, actuary and investment manager fees, were paid by the Master Trust and allocated to the respective plans based on their interest in the Master Trust or, if the fees were applicable to a particular plan, allocated directly to such plan.

Reclassification

Certain amounts in the 2010 financial statements have been reclassified to conform to current year presentation.

Subsequent Events

The Plan has evaluated subsequent events through October 12, 2012, the date the financial statements were available to be issued, and determined that there are no items to disclose.

3. FUNDING POLICY

Bairnco's funding policy is to make annual contributions to the Plan in amounts to meet the minimum funding requirements of ERISA as amended. For the Plan year ended December 31, 2011 and 2010, Bairnco met the minimum funding requirements.

4. RISKS AND UNCERTAINTIES

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, investment return, 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.

The Plan invests in a master trust, which in turn invests in various equity and debt securities, mutual funds, limited partnerships, joint ventures, and hedge funds. These investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and

**HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2011 and 2010

the level of uncertainty related to changes in the value of investment securities, it is possible that changes in risks in the near term could materially affect the amounts reported in the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

5. ACTUARIAL VALUATION

The actuarial present value of accumulated Plan benefits is determined by an actuary and 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 or retirement) between the valuation date and the expected date of payment. The actuarial cost method used to calculate the actuarial present value of accumulated plan benefits is the projected unit cost method. The Company's contributions are calculated by using the credited service method.

The significant assumptions underlying the actuarial computations are as follows for the year ended December 31, 2011:

Assumed Rate of Return, Net of 4.5% of Administrative Expenses	4% per Year, Compounded Annually
Turnover	Rates in accordance with the 2003 study conducted by the Society of Actuaries
Mortality	RP 2000 Combined Healthy No Collar 2019 Projection Table
Disability	1987 Commissioners Group Disability Table

Retirement Rates	Age	Probability of Retirement
	<65	0%
	65	100%

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

The significant assumptions underlying the actuarial computations are as follows for the year ended December 31, 2010:

Assumed Rate of Return, Net of 0.50% of Administrative Expenses	8% per Year, Compounded Annually
Turnover	Rates in accordance with the 2003 study conducted by the Society of Actuaries
Mortality	RP 2000 Combined Healthy No Collar 2018 Projection Table
Disability	1987 Commissioners Group Disability Table

Retirement Rates	Age	Probability of Retirement
	<65	0%
	65	100%

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

The actuarially determined present values of accumulated plan benefits are as follows for the years ended December 31:

	2011	2010
Actuarial present value of accumulated plan benefits		
Vested benefits		
Participants and beneficiaries currently receiving benefits	\$ 938,589	\$ 547,315
Other participants	<u>2,563,737</u>	<u>1,287,152</u>
Total vested benefits	3,502,326	1,834,467
Non vested benefits	<u>73,760</u>	<u>32,326</u>
	<u>\$ 3,576,086</u>	<u>\$ 1,866,793</u>

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

The increase in the actuarial present value of accumulated plan benefits are as follows for the year ended December 31:

	<u>2011</u>
Actuarial present value of accumulated plan benefits, beginning of year	\$ 1,866,793
Benefits accumulated	1,930
Increase in interest due to decrease in the discount period	146,848
Change in actuarial assumptions	1,624,233
Benefits paid directly to participants	<u>(63,718)</u>
Actuarial present value of accumulated plan benefits, end of year	<u><u>\$ 3,576,086</u></u>

6. CERTIFIED FINANCIAL DATA

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee of the Plan certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate:

- Investments as of December 31, 2011 and 2010.
- Investment income and net appreciation in fair value of investments for the year ended December 31, 2011.

The Plan's independent certified public accountant did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

7. MASTER TRUST/INVESTMENTS

The Trustee maintains all records of investment transactions and determines the valuation of the investment portfolio.

All of the Plan's investments are an interest in the Master Trust which was established for the investment of assets of the Plan and several other retirement plans sponsored by the Company or its subsidiaries. Each participating plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by the Trustee. The value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the Master Trust plus actual contributions and allocated investment income less actual

**HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2011 and 2010

distributions and allocated administrative expenses. At December 31, 2011 and 2010, the Plan's interest in the net assets of the Master Trust was approximately 0.47%. Income related to the Master Trust is allocated to the individual plans based upon average monthly balances invested by each Plan. The Plan's interest in the net assets of the Master Trust is included in Plan interest in the Master Trust in the accompanying Statements of Net Assets Available for Benefits.

The following table presents the assets, including investment, of the Master Trust, as of December 31:

	<u>2011</u>	<u>2010</u>
Cash	\$ 167,675,684	\$ 140,157,425
Fixed income securities	38,897,625	36,616,815
Common trust funds	74,167,690	104,063,423
Equities	90,406,938	93,874,831
Fund of funds	37,658,828	68,557,497
Futures contracts, net	(69,603,161)	(67,207,168)
Net payable	<u>(25,844)</u>	<u>(2,358,713)</u>
Net assets of the Master Trust	<u>\$ 339,177,760</u>	<u>\$ 373,704,110</u>
Plan interest in the Master Trust	<u>\$ 1,599,976</u>	<u>\$ 1,753,411</u>

Net investment loss of the Master Trust for the year ended December 31, 2011 is as follows:

Net appreciation in fair value of investments	
Cash	\$ 2
Fixed income securities	(425,485)
Common trust funds	4,268,490
Equities	(12,261,216)
Fund of funds	536,678
Futures contracts, net	<u>(3,727,476)</u>
Total net investment income	<u>\$ (11,609,007)</u>

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

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

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

Equities: When available, quoted market prices are used to determine the fair value of investment securities, and primarily include publicly-traded equity securities. When unobservable, valuation methodologies are used, including utilization of the Company's financial statements and industry comparisons. These investments are held in the Plan's name.

Fixed Income Securities: When available, observable market data is used, including pricing on recent closed market transactions to value notes. When this data is unobservable, valuation methodologies are used including current market interest rate data adjusted for inherent credit risk.

Common Trust Funds: Common trust funds are comprised of shares or units in commingled funds that are not publicly traded. The underlying assets in these funds are primarily publicly traded equity securities, fixed income securities, and commodity-related securities and are valued at their net asset values ("NAVs") that are calculated by the investment manager or sponsor of the fund and have varying liquidity, redemption period notices and other restrictions.

Fund of Funds: Consist of fund-of-fund LLC or commingled fund structures. The LLCs are primarily valued based on NAVs calculated by the fund and are not publicly available. In most cases, the liquidity

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

for the LLCs is quarterly with advance notice and is subject to liquidity of the underlying funds. In some cases there may be extended lock up periods greater than 90 days or side-pockets for non-liquid assets.

Futures contracts: Closing prices are used for derivatives that are traded either on exchanges or liquid over-the-counter markets. Other derivative assets and liabilities primarily represent interest rate swaps, cross-currency swaps and foreign currency and commodity forward and option contracts.

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

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

	Assets at Fair Value as of December 31, 2011			
	Level 1	Level 2	Level 3	Total
Equity securities				
U.S. large cap	\$ 13,524,343	\$ -	\$ 595,500	\$ 14,119,843
U.S. mid-cap growth	38,748,937	2,376,267	-	41,125,204
U.S. small-cap value	17,327,001	3,400	-	17,330,401
International large cap value	17,187,176	-	-	17,187,176
Equity contracts	-	644,314	-	644,314
	86,787,457	3,023,981	595,500	90,406,938
Fixed income securities				
Corporate bonds	2,483,499	35,571,497	-	38,054,996
Bank debt	-	842,629	-	842,629
	2,483,499	36,414,126	-	38,897,625
Common trust funds	-	74,167,690	-	74,167,690
Fund of funds	-	37,658,828	-	37,658,828
Future contracts, net	(57,068,593)	(12,534,568)	-	(69,603,161)
Total Master Trust investments, at fair value	<u>\$ 32,202,363</u>	<u>\$ 138,730,057</u>	<u>\$ 595,500</u>	171,527,920
Cash and cash equivalents				167,675,684
Net payable				<u>(25,844)</u>
Total Master Trust assets, at fair value				<u>\$ 339,177,760</u>
Plan interest in WHX Master Pension Trust				<u>\$ 1,599,976</u>

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

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

	Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Equity securities				
U.S. large cap	\$ 21,907,089	\$ 275,250	\$ 636,800	\$ 22,819,139
U.S. mid-cap growth	40,115,893	964,875	-	41,080,768
U.S. small-cap value	6,052,556	-	339,292	6,391,848
International large cap value	18,833,287	-	-	18,833,287
Emerging markets growth	4,099,502	-	-	4,099,502
Equity contracts	<u>650,287</u>	<u>-</u>	<u>-</u>	<u>650,287</u>
	91,658,614	1,240,125	976,092	93,874,831
Fixed income securities				
Corporate bonds	8,378,999	26,671,317	-	35,050,316
Bank debt	<u>-</u>	<u>1,566,499</u>	<u>-</u>	<u>1,566,499</u>
	8,378,999	28,237,816	-	36,616,815
Common trust funds	-	104,063,423	-	104,063,423
Fund of funds	-	67,946,446	611,050	68,557,496
Future contracts, net	<u>(67,038,644)</u>	<u>(168,523)</u>	<u>-</u>	<u>(67,207,167)</u>
Total Master Trust Investments, at fair value	<u>\$ 32,998,969</u>	<u>\$ 201,319,287</u>	<u>\$ 1,587,142</u>	235,905,398
Cash and cash equivalents				140,157,425
Net payable				<u>(2,358,713)</u>
Total Master Trust Assets, at fair value				<u>\$ 373,704,110</u>
Plan interest in WHX Master Pension Trust				<u>\$ 1,753,411</u>

**HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2011 and 2010

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

	Fund of Funds	Equity & Fixed Income Securities	Total
Balance, beginning of year	\$ 611,051	\$ 976,092	\$ 1,587,143
Unrealized gains (losses), included in the Statement of changes in net assets available for benefits	(116,380)	(41,300)	(157,680)
Purchases	-	113,475	113,475
Sales		(452,767)	(452,767)
Transfers out of Level 3 ^(a)	<u>(494,671)</u>	<u>-</u>	<u>(494,671)</u>
Balance, end of year	<u>\$ -</u>	<u>\$ 595,500</u>	<u>\$ 595,500</u>

^(a) Transfers from Level 3 to Level 2 upon expiration of the restrictions

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

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period.

The Plan administrator evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. As a result of the expiration of a lock-up period during 2011, the Plan's fund of funds investment, Titan Masters Fund, L.P., has been transferred from a Level 3 investment to a Level 2 investment.

HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC., MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS, BEAR, DELAWARE

Notes to Financial Statements

December 31, 2011 and 2010

In accordance with the fair value measurements and disclosures guidance, the following table presents the category, fair value, redemption frequency, and redemption notice period for Master Trust's investments, the fair values of which are estimated using the NAV per share as of December 31, 2011 and 2010:

	2011 Fair Value	2010 Fair Value	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
WHX Pension Master Trust Investments				
<u>Common trust funds</u> ⁽¹⁾				
Mason Capital, Ltd	\$ 58,906,240	\$ 104,063,423	annual	45 days
FrontFour Capital Partners, Ltd	15,261,450	-	monthly	90 days
	<u>\$ 74,167,690</u>	<u>\$ 104,063,423</u>		
<u>Fund of funds</u> ⁽²⁾				
Entrust Diversified Select Credit Fund, Ltd. Class C ^(a)	\$ 3,370,276	\$ 33,262,450	then quarterly	90 days
Farallon Capital Offshore Investors	254,769	387,319	quarterly	45 days
Titan Masters Fund, L.P. Class A sidepocket ^(b)	-	611,050	(b)	(b)
Proxima Capital Offshore	3,965,830	4,801,605	quarterly	45 days
Titan Masters Fund, L.P.	30,067,953	29,495,072	quarterly	45 days
	<u>\$ 37,658,828</u>	<u>\$ 68,557,496</u>		

^(a) Per the investment agreement there is a 24-month lock-up period from the time of the initial investment made by the Master Trust. This lock-up period expired in March 2011.

^(b) This sidepocket fund was spun off the Titan Master Fund, LP. The investment is not available for redemption unless liquidated by the fund manager which is not determinable as of December 31, 2010.

⁽¹⁾ Common Trust Funds - Common trust funds are comprised of shares or units in commingled funds that are not publicly traded. The underlying assets in these funds are primarily publicly traded equity securities, fixed income securities, and commodity-related securities and are valued at their net asset values ("NAVs") that are calculated by the investment manager or sponsor of the fund and have daily or monthly liquidity.

⁽²⁾ Fund of funds consist of fund-of-fund LLC or commingled fund structures. The underlying assets in these funds are primarily publicly traded equity securities, fixed income securities, and commodity-related securities. The LLCs are valued based on NAVs calculated by the fund and are not publicly available. In most cases, the liquidity for the LLCs is quarterly with advance notice and is subject to liquidity of the underlying funds. In some cases, there may be extended lock-up periods greater than 90 days or side-pockets for non-liquid assets.

**HOURLY EMPLOYEES PENSION PLAN OF ARLON, INC.,
MICROWAVE MATERIALS AND SILICONE TECHNOLOGIES DIVISIONS,
BEAR, DELAWARE**

Notes to Financial Statements

December 31, 2011 and 2010

8. TERMINATION OF THE PLAN

Although it has not expressed any intention to do so, the Company has the right under the Plan, subject to certain collective bargaining agreements, to discontinue or adjust its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

In the event of termination, after all expenses of administration and liquidation are paid, benefits shall be distributed to vested participants in accordance with statutory priorities as defined by Title IV of ERISA. The participants' vested benefits shall be paid in accordance with the individual benefit structures, as defined in Note 1 above. If assets remain following the complete distribution of all benefit payments and Plan liabilities, they shall be returned to the Company. To the extent that unfunded vested benefits exist, ERISA provides that such benefits are payable by the PBGC to participants, up to specified limitations. Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC.

9. TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated June 1, 2011 that the Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code (the "Code"). The Plan Administrator believes that the Plan is currently designed and is currently being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

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

Hourly Employees' Pension Plan of Arlon Inc.
Microwave Material and Silicone Technologies
Divisions, Bear, Delaware Location
Schedule H. Line 4i - Schedule of Assets (Held at End of Year)

EIN #13-3057520
Plan # 016

(a)	(b)	(c)	(d)	(c)
	Identity of Issuer, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
*	WHX Master Pension Trust	Master Trust		\$ 1,559,976

* Party-in-interest

See the notes to the Financial Statements.