

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 <u>VEOLIA WATER INDIANAPOLIS SAVINGS PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>024</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1976</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>024</u>	1c Effective date of plan <u>01/01/1976</u>	
1b Three-digit plan number (PN) ▶	<u>024</u>				
1c Effective date of plan <u>01/01/1976</u>					
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>WASCO LLC</u> <u>C/O VEOLIA WATER NORTH AMERICA</u> <u>101 WEST WASHINGTON ST, STE 1400 E.</u> <u>INDIANAPOLIS, IN 46204</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>33-0266015</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>317-917-3776</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>221300</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>33-0266015</u>	2c Sponsor's telephone number <u>317-917-3776</u>	2d Business code (see instructions) <u>221300</u>	
2b Employer Identification Number (EIN) <u>33-0266015</u>					
2c Sponsor's telephone number <u>317-917-3776</u>					
2d Business code (see instructions) <u>221300</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.	12/12/2012	PAMELA J PRICE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	12/12/2012	PAMELA J PRICE
	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") WASCO LLC C/O VEOLIA WATER NORTH AMERICA 101 WEST WASHINGTON ST, STE 1400 E. INDIANAPOLIS, IN 46204	3b Administrator's EIN 33-0266015 <hr/> 3c Administrator's telephone number 317-917-3776
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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	604
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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	0
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	0
d Subtotal. Add lines 6a , 6b , and 6c	6d	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

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

2E 2F 2G 2S 2T 3H

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

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

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

a Pension Schedules

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

b General Schedules

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

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

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

A Name of plan <u>VEOLIA WATER INDIANAPOLIS SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>024</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WASCO LLC</u>	D Employer Identification Number (EIN) <u>33-0266015</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

95-1411037

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

52-1346931

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

13-5673135

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

13-5108880

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

HARTFORD MUTUAL FUNDS

13-3317783

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

INVESCO VAN KAMPEN

58-2287224

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

MAINSTAY

52-2206685

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

PIMCO FUNDS

95-2632339

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

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

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

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

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

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

WELLS FARGO BANK, N.A.

94-1347393

(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?
15 19 21 38 49 50 52 59 60 62 63 64	SERVICE PROVIDER	10225	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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 <p style="text-align: center;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center;">▶ File as an attachment to Form 5500.</p>	<small>OMB No. 1210-0110</small> <hr/> <p style="text-align: center; font-size: 1.2em;">2011</p> <hr/> <p style="text-align: center;">This Form is Open to Public Inspection.</p>
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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>VEOLIA WATER INDIANAPOLIS SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>024</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>WASCO LLC</u>	D Employer Identification Number (EIN) <u>33-0266015</u>

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

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

c EIN-PN <u>52-2251296-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO S & P 500 INDEX FUND

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

c EIN-PN <u>94-6751923-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</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)
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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
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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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <div style="font-size: 24pt; font-weight: bold;">2011</div> This Form is Open to Public Inspection
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>VEOLIA WATER INDIANAPOLIS SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<div style="border: 1px solid black; padding: 2px;">024</div>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WASCO LLC</u>	D Employer Identification Number (EIN) <u>33-0266015</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a	90	
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	438628	
	(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)	595991	
	(10) Value of interest in pooled separate accounts.....	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	7795029	
	(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	8829738	0

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	8829738	0
---	-----------	---------	---

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)		
(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)		0
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)	78948	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		78948
(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)		34365
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-630275
c Other income.....	2c		9408
d Total income. Add all income amounts in column (b) and enter total.....	2d		-507554

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	8103816	
(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)		8103816
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	18916	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		18916
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		8122732

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		-8630286
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		199452

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: KATZ SAPPER & MILLER LLP (2) EIN: 35-1090346

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
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: 0

- 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)

VEOLIA WATER RETIREMENT SAVINGS PLAN

5b(2) EIN(s)	5b(3) PN(s)
33-0266015	001

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2011</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan VEOLIA WATER INDIANAPOLIS SAVINGS PLAN		B Three-digit plan number (PN) ► 024
C Plan sponsor's name as shown on line 2a of Form 5500 WASCO LLC		D Employer Identification Number (EIN) 33-0266015
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 0
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): 41-6257133 56-1354495		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☐ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2011 v.012611		

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): _____

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

December 31, 2011 and 2010

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

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Independent Auditors' Report

The Employee Benefits and Compensation Committee
Veolia Water Indianapolis Savings Plan

We were engaged to audit the accompanying financial statements of Veolia Water Indianapolis Savings Plan as of December 31, 2011 and 2010, and for the year ended December 31, 2011, as listed in the accompanying table of contents. 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 investment information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing the investment information certified by the Trustee with the related investment 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 certifications from the Trustee as of December 31, 2011 and 2010 and for the year ended December 31, 2011, that the investment information provided to the Plan Administrator by the Trustee is complete and accurate.

As described in Note 1 to the financial statements, the Plan Sponsor Committee of the WASCO Employee Benefit Plans, passed a resolution on August 26, 2011, to terminate the Plan effective September 30, 2011. In accordance with accounting principles generally accepted in the United States, the Plan has changed its basis of accounting as of the beginning of the 2011 Plan year from the ongoing accrual basis used in presenting the 2010 financial statements to the liquidation basis used in presenting the 2011 financial statements.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the investment information certified by the Trustee, has been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, is 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.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
December 4, 2012

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

**STATEMENT OF NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS
December 31, 2011**

**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2010**

	2011	2010
ASSETS		
Investments at fair value:		
Mutual fund shares	\$ -	\$ 7,795,028
Collective trust fund	-	595,992
Total Investments	<u>-</u>	<u>8,391,020</u>
Employer contributions receivable	-	438,628
Cash, noninterest-bearing	<u>-</u>	<u>90</u>
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	-	8,829,738
Adjustment from fair value to contract value for fully benefit-responsive investment contract	<u>-</u>	<u>(10,386)</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ -</u></u>	<u><u>\$ 8,819,352</u></u>

See accompanying notes.

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS Year Ended December 31, 2011

INVESTMENT INCOME (LOSS)	
Net depreciation in fair value of investments	\$ (585,524)
Interest and dividend income	78,948
Total Investment Income (Loss)	<u>(506,576)</u>
OTHER INCOME	<u>9,408</u>
Total	<u>(497,168)</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO	
Benefits paid	8,103,816
Administrative expenses	18,916
Total Deductions	<u>8,122,732</u>
NET DECREASE BEFORE TRANSFERS TO AFFILIATED PLAN	(8,619,900)
TRANSFERS TO AFFILIATED PLAN	<u>199,452</u>
NET DECREASE	(8,819,352)
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of Year	<u>8,819,352</u>
End of Year	<u>\$ -</u>

See accompanying notes.

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS December 31, 2011 and 2010

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES

The following description of Veolia Water Indianapolis Savings Plan (the Plan) provides only general information. Plan participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General: The Plan was organized effective January 1, 1976, as a stock bonus and employee stock ownership plan. The Plan was amended and restated effective May 1, 2002, as a profit-sharing plan covering all eligible employees of Veolia Water Indianapolis LLC (the Employer) who have at least one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Termination: The Employer has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. The Employer terminated its contract with the City of Indianapolis Department of Water and proceeded with terminating its business on August 26, 2011. All of its employees terminated employment on that date. In conjunction with these actions, the Plan Sponsor Committee of the WASCO Employee Benefit Plans passed a resolution on August 26, 2011, to terminate the Plan as of September 30, 2011. All Plan assets allocated to participants who transferred employment to Citizens Energy Group, the net contract holder, will be liquidated and the proceeds distributed to participants, subject to provisions of the Plan and ERISA, as soon as administratively feasible. All Plan assets allocated to participants who transferred to Veolia Water North America will have account balances transferred to the Veolia Water Retirement Savings Plan.

Basis of Accounting: Due to the Plan's termination, effective September 30, 2011, and in accordance with accounting principles generally accepted in the United States, the Plan changed its basis of accounting used to determine the amounts at which investments are stated from the ongoing accrual basis of accounting used in presenting the 2010 financial statements to the liquidation basis used in presenting the 2011 financial statements. Because the effect on the financial statements was not material, the Plan has presented the statement of changes in net assets available for liquidation on the liquidation basis for the entire 2011 Plan year.

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

Contributions: Prior to the 2011 Plan year, the Employer contributed cash to the Plan's trust in an amount equal to 1.5% of each nonunion member's Plan compensation, provided that the amount of the Employer's contribution did not exceed the amount allowable as a deduction from the Plan Sponsor's income for federal income tax purposes. For collective bargaining members of the Production & Maintenance (P&M) Employees, a minimum of 1.5% of members' compensation earned was contributed by the Employer for each Plan year for those employees hired prior to May 12, 2004. For collective bargaining members of P&M hired on or after May 12, 2004, an amount equal to 3.5% of members' compensation earned was contributed. For collective bargaining members of Office and Clerical (O&C) with less than 10 years of service as of August 25, 2003, an amount equal to between 4.5% and 5.5% (depending upon the achievement of specified performance criteria) of members' compensation was contributed. For collective bargaining members of O&C with ten or more years of service as of August 25, 2003, an amount equal to between 5.5% and 6.5% (depending upon the achievement of specified performance criteria) of members' compensation was contributed. No Employer contributions were made to the Plan in 2011.

Participant contributions to the Plan are not permitted under the Plan Agreement.

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Participants direct the investment of their contributions, as well as those made by the Employer, into various investment options offered by the Plan.

Participant Accounts: Each participant's account is credited with allocations of the Employer contributions and Plan earnings. Participant accounts may also be charged with an allocation of certain administrative expenses of the Plan. Allocations are based on participant earnings or account balances, or specific participant transactions, as defined in the Plan Agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting and Forfeitures: Participants are vested immediately in their Employer's contributions plus actual earnings thereon.

Payment of Benefits: Upon the occurrence of a distributable event due to separation from service by termination, death, disability, or retirement, as defined by the Plan Agreement, a participant may elect to receive a lump-sum cash distribution equal to the value of the participant's vested interest in his or her account. Benefits are recorded by the Plan when paid.

Investment Valuation and Income Recognition: The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 2 for discussion of fair value measurements.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As discussed in Note 4, the Plan invested in a collective trust fund which is a fully benefit-responsive fund. The Plan's statement of net assets available for benefits at December 31, 2010, presents the fair value of this investment, as well as the adjustment of this investment from fair value to contract value. The Plan's statement of changes in net assets available for benefits is prepared on a contract value basis.

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

Plan Expenses: Administrative expenses for maintaining the Plan may be paid by the Employer or the Plan, at the Employer's discretion.

Tax Status: The Internal Revenue Service (IRS) has determined and informed the Employer by a letter dated September 28, 2011, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC. Therefore, the Plan Administrator believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Plan and to recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other taxing authorities. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2011, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements.

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in process. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2008.

Subsequent Events: The Plan Administrator has evaluated the financial statements for subsequent events occurring through December 4, 2012, the date the financial statements were available to be issued.

NOTE 2 – FAIR VALUE MEASUREMENTS

The Plan has categorized its assets and liabilities that are measured at fair value into a three-level fair value hierarchy. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy 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. In situations where there is little or no market activity for the asset or liability, the Plan makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Following is a description of the valuation methodologies used by the Plan for investment assets that are measured at fair value on a recurring basis. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Mutual Fund Shares: Valued at the published net asset value (NAV) of the shares held by the Plan at the reporting date.

Collective Trust Fund (Large Cap Value): Valued at the unit price of the fund reported by the sponsoring trust company. Generally, the unit price is based on quoted market prices of the fund's underlying investments, less any accrual of fees and expenses borne by the fund, and divided by the number of units outstanding.

Collective Trust Fund (Stable Value): Valued at the unit price of the fund reported by the sponsoring trust company. Generally, the unit price is based on the unit value of the underlying fund, less any accrual of fees and expenses borne by the fund, and divided by the number of units outstanding. The investments of the underlying fund include investment contract, security back contracts, contract wrappers, and collective trust funds. Investment contracts are valued at the present value of future cash flows using current discount rate. Contract wrappers are valued based on the difference between current wrapper fee and contract wrapper fee. Security back contracts are based on the cumulative value of their underlying investments.

NOTE 2 – FAIR VALUE MEASUREMENTS (CONTINUED)

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan's management 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 assets could result in a different fair value measurement at the reporting date.

Following is a summary, by major nature and risks class within each level of the fair value hierarchy, of the Plan's investment assets that are measured at fair value on a recurring basis as of December 31, 2010:

2010	Level 1	Level 2	Level 3	Total
Mutual fund shares:				
Balanced funds	\$ 413,353			\$ 413,353
Bond funds	464,048			464,048
Large cap funds	558,760			558,760
Mid cap funds	252,620			252,620
Small cap funds	340,843			340,843
Target maturity funds	5,455,246			5,455,246
International funds	310,158			310,158
Collective trust funds:				
Large cap fund		\$118,306		118,306
Stable value			\$477,686	477,686
Total Investments at Fair Value	<u>\$7,795,028</u>	<u>\$118,306</u>	<u>\$477,686</u>	<u>\$8,391,020</u>

Following is a summary of the changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2011:

	Collective Trust Fund
Balance at beginning of year	\$ 477,686
Realized gains	44,751
Purchases	232,484
Sales	<u>(754,921)</u>
Balance at end of year	<u>\$ -</u>

At December 31, 2011 and 2010, the Plan had no other assets and no liabilities that are measured at fair value on a recurring basis.

NOTE 3 – INVESTMENT INFORMATION CERTIFIED BY TRUSTEE

All investment information disclosed in the accompanying financial statements and related notes has not been audited, but was obtained or derived from information provided to the Plan Administrator by the Plan's trustee. The following is a summary of the Plan's investment information which has been certified as complete and accurate as of December 31, 2011 and 2010, and for the year ended December 31, 2011, by Wells Fargo Bank, N.A., the Trustee, in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA:

	2011	2010
Mutual Fund Shares:		
Wells Fargo Advantage Dow Jones Target 2020 (I)	\$	\$2,447,591*
Wells Fargo Advantage Dow Jones Target 2030 (I)		1,947,394*
Wells Fargo Advantage Dow Jones Target 2040 (I)		483,337*
PIMCO Total Return Admin		464,048*
Other mutual fund shares		<u>2,452,658</u>
		<u>7,795,028</u>
Collective Trust Fund:		
Stable Return Fund N4 (at contract value)		467,300*
Other collective trust fund		<u>118,306</u>
		<u>585,606</u>
Total Investments held by Trustee	\$	<u>\$8,380,634</u>

* Represents 5% or more of the Plan's net assets available for benefits at the date indicated.

	2011
Interest and dividend income	<u>\$ 78,948</u>
Net appreciation (depreciation) in fair value of investments:	
Fair value measured by quoted prices in an active market:	
Mutual fund shares	\$(630,275)
Fair value measured by other methods:	
Collective trust fund	<u>44,751</u>
	<u>\$(585,524)</u>

NOTE 4 – COLLECTIVE TRUST FUND

The Plan had an investment in the Stable Return Fund N4, which is a benefit-responsive fund administered by Wells Fargo Bank, N.A. As described in Note 1, because this investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the Plan's net assets available for benefits attributable to the collective trust fund. Contract value, as reported to the Plan by Wells Fargo Bank, N.A., represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield rate based on actual earnings of the fund was approximately 1.56% for 2011 and 2.38% for 2010, and the average interest rate credited to participants was approximately 2.33% for 2011 and 2.90% for 2010.

NOTE 4 – COLLECTIVE TRUST FUND (CONTINUED)

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) communications from the Plan's sponsor designed to induce participants to transfer from the fund, (4) bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (5) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. While the Plan did terminate in 2011, the participants were able to transact and terminate their contracts at contract value.

NOTE 5 – PLAN AMENDMENTS

The Plan Agreement was amended during 2011 to terminate the Plan effective September 30, 2011 and to enact the Plan's termination provisions per the Plan Agreement, as they relate to no future eligible participants, ceasing of Employer contributions, and the payment in full of all benefits held in the Plan's trust.

NOTE 6 – PARTY-IN-INTEREST TRANSACTIONS

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association, or relatives of such persons.

Certain Plan investments are managed by an affiliate of Wells Fargo Bank, N.A., the trustee of the Plan; therefore, transactions in these investments qualify as exempt party-in-interest transactions under ERISA. The Trustee also receives indirect fees from investments which are deducted from investment returns. Direct fees paid by the Plan to the Trustee and/or its affiliate totaled \$18,916 in 2011.

The Employer provides certain accounting, administrative and investment management services to the Plan for which it receives no compensation.

NOTE 7 – RISKS AND UNCERTAINTIES

The Plan's investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Plan's financial statements.

NOTE 8 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	2010
Net assets available for benefits per the financial statements	\$8,819,352
Adjustment from contract value to fair value for fully benefit-responsive investment contract	<u>10,386</u>
Net assets per Form 5500	<u>\$8,829,738</u>

The following is a reconciliation of net decrease per the financial statements to net loss per Form 5500 for the year ended December 31, 2011:

	2011
Net decrease per financial statements	\$(8,819,352)
Amounts classified as transfers from this plan on Form 5500	199,452
Change in adjustment from contract value to fair value for fully benefit-responsive investment contract	<u>(10,386)</u>
Net loss per Form 5500	<u>\$(8,630,286)</u>

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

December 31, 2011 and 2010

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

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Independent Auditors' Report

The Employee Benefits and Compensation Committee
Veolia Water Indianapolis Savings Plan

We were engaged to audit the accompanying financial statements of Veolia Water Indianapolis Savings Plan as of December 31, 2011 and 2010, and for the year ended December 31, 2011, as listed in the accompanying table of contents. 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 investment information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing the investment information certified by the Trustee with the related investment 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 certifications from the Trustee as of December 31, 2011 and 2010 and for the year ended December 31, 2011, that the investment information provided to the Plan Administrator by the Trustee is complete and accurate.

As described in Note 1 to the financial statements, the Plan Sponsor Committee of the WASCO Employee Benefit Plans, passed a resolution on August 26, 2011, to terminate the Plan effective September 30, 2011. In accordance with accounting principles generally accepted in the United States, the Plan has changed its basis of accounting as of the beginning of the 2011 Plan year from the ongoing accrual basis used in presenting the 2010 financial statements to the liquidation basis used in presenting the 2011 financial statements.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the investment information certified by the Trustee, has been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, is 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.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
December 4, 2012

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

STATEMENT OF NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS December 31, 2011

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS December 31, 2010

	2011	2010
ASSETS		
Investments at fair value:		
Mutual fund shares	\$ -	\$ 7,795,028
Collective trust fund	-	595,992
Total Investments	<u>-</u>	<u>8,391,020</u>
Employer contributions receivable	-	438,628
Cash, noninterest-bearing	<u>-</u>	<u>90</u>
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	-	8,829,738
Adjustment from fair value to contract value for fully benefit-responsive investment contract	<u>-</u>	<u>(10,386)</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ -</u></u>	<u><u>\$ 8,819,352</u></u>

See accompanying notes.

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS Year Ended December 31, 2011

INVESTMENT INCOME (LOSS)	
Net depreciation in fair value of investments	\$ (585,524)
Interest and dividend income	78,948
Total Investment Income (Loss)	<u>(506,576)</u>
OTHER INCOME	<u>9,408</u>
Total	<u>(497,168)</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO	
Benefits paid	8,103,816
Administrative expenses	18,916
Total Deductions	<u>8,122,732</u>
NET DECREASE BEFORE TRANSFERS TO AFFILIATED PLAN	(8,619,900)
TRANSFERS TO AFFILIATED PLAN	<u>199,452</u>
NET DECREASE	(8,819,352)
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of Year	<u>8,819,352</u>
End of Year	<u>\$ -</u>

See accompanying notes.

VEOLIA WATER INDIANAPOLIS SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS December 31, 2011 and 2010

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES

The following description of Veolia Water Indianapolis Savings Plan (the Plan) provides only general information. Plan participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General: The Plan was organized effective January 1, 1976, as a stock bonus and employee stock ownership plan. The Plan was amended and restated effective May 1, 2002, as a profit-sharing plan covering all eligible employees of Veolia Water Indianapolis LLC (the Employer) who have at least one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Termination: The Employer has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. The Employer terminated its contract with the City of Indianapolis Department of Water and proceeded with terminating its business on August 26, 2011. All of its employees terminated employment on that date. In conjunction with these actions, the Plan Sponsor Committee of the WASCO Employee Benefit Plans passed a resolution on August 26, 2011, to terminate the Plan as of September 30, 2011. All Plan assets allocated to participants who transferred employment to Citizens Energy Group, the net contract holder, will be liquidated and the proceeds distributed to participants, subject to provisions of the Plan and ERISA, as soon as administratively feasible. All Plan assets allocated to participants who transferred to Veolia Water North America will have account balances transferred to the Veolia Water Retirement Savings Plan.

Basis of Accounting: Due to the Plan's termination, effective September 30, 2011, and in accordance with accounting principles generally accepted in the United States, the Plan changed its basis of accounting used to determine the amounts at which investments are stated from the ongoing accrual basis of accounting used in presenting the 2010 financial statements to the liquidation basis used in presenting the 2011 financial statements. Because the effect on the financial statements was not material, the Plan has presented the statement of changes in net assets available for liquidation on the liquidation basis for the entire 2011 Plan year.

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

Contributions: Prior to the 2011 Plan year, the Employer contributed cash to the Plan's trust in an amount equal to 1.5% of each nonunion member's Plan compensation, provided that the amount of the Employer's contribution did not exceed the amount allowable as a deduction from the Plan Sponsor's income for federal income tax purposes. For collective bargaining members of the Production & Maintenance (P&M) Employees, a minimum of 1.5% of members' compensation earned was contributed by the Employer for each Plan year for those employees hired prior to May 12, 2004. For collective bargaining members of P&M hired on or after May 12, 2004, an amount equal to 3.5% of members' compensation earned was contributed. For collective bargaining members of Office and Clerical (O&C) with less than 10 years of service as of August 25, 2003, an amount equal to between 4.5% and 5.5% (depending upon the achievement of specified performance criteria) of members' compensation was contributed. For collective bargaining members of O&C with ten or more years of service as of August 25, 2003, an amount equal to between 5.5% and 6.5% (depending upon the achievement of specified performance criteria) of members' compensation was contributed. No Employer contributions were made to the Plan in 2011.

Participant contributions to the Plan are not permitted under the Plan Agreement.

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Participants direct the investment of their contributions, as well as those made by the Employer, into various investment options offered by the Plan.

Participant Accounts: Each participant's account is credited with allocations of the Employer contributions and Plan earnings. Participant accounts may also be charged with an allocation of certain administrative expenses of the Plan. Allocations are based on participant earnings or account balances, or specific participant transactions, as defined in the Plan Agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting and Forfeitures: Participants are vested immediately in their Employer's contributions plus actual earnings thereon.

Payment of Benefits: Upon the occurrence of a distributable event due to separation from service by termination, death, disability, or retirement, as defined by the Plan Agreement, a participant may elect to receive a lump-sum cash distribution equal to the value of the participant's vested interest in his or her account. Benefits are recorded by the Plan when paid.

Investment Valuation and Income Recognition: The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 2 for discussion of fair value measurements.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As discussed in Note 4, the Plan invested in a collective trust fund which is a fully benefit-responsive fund. The Plan's statement of net assets available for benefits at December 31, 2010, presents the fair value of this investment, as well as the adjustment of this investment from fair value to contract value. The Plan's statement of changes in net assets available for benefits is prepared on a contract value basis.

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

Plan Expenses: Administrative expenses for maintaining the Plan may be paid by the Employer or the Plan, at the Employer's discretion.

Tax Status: The Internal Revenue Service (IRS) has determined and informed the Employer by a letter dated September 28, 2011, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC. Therefore, the Plan Administrator believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States require management to evaluate tax positions taken by the Plan and to recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other taxing authorities. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2011, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements.

NOTE 1 – PLAN DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in process. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2008.

Subsequent Events: The Plan Administrator has evaluated the financial statements for subsequent events occurring through December 4, 2012, the date the financial statements were available to be issued.

NOTE 2 – FAIR VALUE MEASUREMENTS

The Plan has categorized its assets and liabilities that are measured at fair value into a three-level fair value hierarchy. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy 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. In situations where there is little or no market activity for the asset or liability, the Plan makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Following is a description of the valuation methodologies used by the Plan for investment assets that are measured at fair value on a recurring basis. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Mutual Fund Shares: Valued at the published net asset value (NAV) of the shares held by the Plan at the reporting date.

Collective Trust Fund (Large Cap Value): Valued at the unit price of the fund reported by the sponsoring trust company. Generally, the unit price is based on quoted market prices of the fund's underlying investments, less any accrual of fees and expenses borne by the fund, and divided by the number of units outstanding.

Collective Trust Fund (Stable Value): Valued at the unit price of the fund reported by the sponsoring trust company. Generally, the unit price is based on the unit value of the underlying fund, less any accrual of fees and expenses borne by the fund, and divided by the number of units outstanding. The investments of the underlying fund include investment contract, security back contracts, contract wrappers, and collective trust funds. Investment contracts are valued at the present value of future cash flows using current discount rate. Contract wrappers are valued based on the difference between current wrapper fee and contract wrapper fee. Security back contracts are based on the cumulative value of their underlying investments.

NOTE 2 – FAIR VALUE MEASUREMENTS (CONTINUED)

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan's management 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 assets could result in a different fair value measurement at the reporting date.

Following is a summary, by major nature and risks class within each level of the fair value hierarchy, of the Plan's investment assets that are measured at fair value on a recurring basis as of December 31, 2010:

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Target maturity funds	5,455,246			5,455,246
International funds	310,158			310,158
Collective trust funds:				
Large cap fund		\$118,306		118,306
Stable value			\$477,686	477,686
Total Investments at Fair Value	<u>\$7,795,028</u>	<u>\$118,306</u>	<u>\$477,686</u>	<u>\$8,391,020</u>

Following is a summary of the changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2011:

	Collective Trust Fund
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Purchases	232,484
Sales	<u>(754,921)</u>
Balance at end of year	<u>\$ -</u>

At December 31, 2011 and 2010, the Plan had no other assets and no liabilities that are measured at fair value on a recurring basis.

NOTE 3 – INVESTMENT INFORMATION CERTIFIED BY TRUSTEE

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	2011	2010
Mutual Fund Shares:		
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Wells Fargo Advantage Dow Jones Target 2040 (I)		483,337*
PIMCO Total Return Admin		464,048*
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Collective Trust Fund:		
Stable Return Fund N4 (at contract value)		467,300*
Other collective trust fund		<u>118,306</u>
		<u>585,606</u>
Total Investments held by Trustee	\$	<u>\$8,380,634</u>

* Represents 5% or more of the Plan's net assets available for benefits at the date indicated.

	2011
Interest and dividend income	<u>\$ 78,948</u>
Net appreciation (depreciation) in fair value of investments:	
Fair value measured by quoted prices in an active market:	
Mutual fund shares	\$(630,275)
Fair value measured by other methods:	
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	<u>\$(585,524)</u>

NOTE 4 – COLLECTIVE TRUST FUND

The Plan had an investment in the Stable Return Fund N4, which is a benefit-responsive fund administered by Wells Fargo Bank, N.A. As described in Note 1, because this investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the Plan's net assets available for benefits attributable to the collective trust fund. Contract value, as reported to the Plan by Wells Fargo Bank, N.A., represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield rate based on actual earnings of the fund was approximately 1.56% for 2011 and 2.38% for 2010, and the average interest rate credited to participants was approximately 2.33% for 2011 and 2.90% for 2010.

NOTE 4 – COLLECTIVE TRUST FUND (CONTINUED)

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) communications from the Plan's sponsor designed to induce participants to transfer from the fund, (4) bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (5) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. While the Plan did terminate in 2011, the participants were able to transact and terminate their contracts at contract value.

NOTE 5 – PLAN AMENDMENTS

The Plan Agreement was amended during 2011 to terminate the Plan effective September 30, 2011 and to enact the Plan's termination provisions per the Plan Agreement, as they relate to no future eligible participants, ceasing of Employer contributions, and the payment in full of all benefits held in the Plan's trust.

NOTE 6 – PARTY-IN-INTEREST TRANSACTIONS

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association, or relatives of such persons.

Certain Plan investments are managed by an affiliate of Wells Fargo Bank, N.A., the trustee of the Plan; therefore, transactions in these investments qualify as exempt party-in-interest transactions under ERISA. The Trustee also receives indirect fees from investments which are deducted from investment returns. Direct fees paid by the Plan to the Trustee and/or its affiliate totaled \$18,916 in 2011.

The Employer provides certain accounting, administrative and investment management services to the Plan for which it receives no compensation.

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The Plan's investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Plan's financial statements.

NOTE 8 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	2010
Net assets available for benefits per the financial statements	\$8,819,352
Adjustment from contract value to fair value for fully benefit-responsive investment contract	<u>10,386</u>
Net assets per Form 5500	<u>\$8,829,738</u>

The following is a reconciliation of net decrease per the financial statements to net loss per Form 5500 for the year ended December 31, 2011:

	2011
Net decrease per financial statements	\$(8,819,352)
Amounts classified as transfers from this plan on Form 5500	199,452
Change in adjustment from contract value to fair value for fully benefit-responsive investment contract	<u>(10,386)</u>
Net loss per Form 5500	<u>\$(8,630,286)</u>