Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] 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
MIDSTATE SAVINGS & RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 07/01/1997

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

MIDSTATE MANUFACTURING COMPANY

750 W THIRD STREET
GALESBURG, IL 61401

2b Employer Identification Number (EIN)
37-1082009

2c Sponsor's telephone number
309-342-9555

2d Business code (see instructions)
331200

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.	07/31/2013	CURTIS PITMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

3c Administrator's telephone number

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 37-1082009

4c PN

5	Total number of participants at the beginning of the plan year	**5**	111
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**	114
b	Retired or separated participants receiving benefits	**6b**	5
c	Other retired or separated participants entitled to future benefits	**6c**	
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	119
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	1
f	Total. Add lines **6d** and **6e**	**6f**	120
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	120
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	3
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2G 2J

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

9a Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(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)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information)
- **(4)** [ ] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
MIDSTATE SAVINGS & RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MIDSTATE MANUFACTURING COMPANY

D Employer Identification Number (EIN)
37-1082009

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(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)		2234
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1370429	1720574
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(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	1370429	1722808
	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 through1j)	1k		
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	1370429	1722808

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)	68473	
	(B) Participants	2a(1)(B)	107837	
	(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)		176310
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	34199	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		34199
	(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)		
	(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)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		160329
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		370838
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	10555	
(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)		10555
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)	3500	
(2) Contract administrator fees	2i(2)	4404	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		7904
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		18459
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		352379
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

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

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

(1) Name: COURTNEY & ALDRICH (2) EIN: 45-5333031

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 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.)	4a		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.)	4b		X	

			Yes	No	Amount
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.)	4c		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.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		100000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g		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?	4h		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.)	4i	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.)	4j		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?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		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:**

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

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

MIDSTATE EMPLOYEE SAVINGS AND RETIREMENT PLAN

GALESBURG, ILLINOIS

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR YEAR ENDED DECEMBER 31, 2012

COURTNEY & ALDRICH

Certified Public Accountants

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Courtney & Aldrich | Certified Public Accountants

64 South Prairie Street, suite 326
Galesburg, Illinois 61401
(866) 345-1915

Alex C. Courtney
Shane Aldrich

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the
Midstate Employee Savings and Retirement Plan
Galesburg, Illinois

Report on the Financial Statements
We were engaged to audit the financial statements of Midstate Employee Savings and Retirement Plan, which comprise the statement of net assets available for benefits as of December 31, 2012, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements. .

Management's Responsibility for the Financial Statements
Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditors' Responsibility
Our responsibility is to express and opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion
As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3 and 4, which was certified by Frontier Trust, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion
Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter
We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, line 4i - Schedule of Assets (Held at End of Year), which are the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

Report on Form and Content in Compliance with DOL Rules and Regulations
The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Galesburg, Illinois
July 30, 2013

MIDSTATE EMPLOYEE SAVINGS AND RETIREMENT PLAN

Statement of Net Assets Available for Benefits
December 31, 2012

ASSETS		
Investments (at fair value)	$	1,720,574
Receivables		
Employer's contribution		101,198
Participants' contributions		1,558
Cash and cash equivalents		2,234
Total Assets		1,825,564
Net assets available for benefits	$	1,825,564

The notes to the financial statements are an integral part of this statement

MIDSTATE EMPLOYEE SAVINGS AND RETIREMENT PLAN

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2012

ADDITIONS		
Additions to net assets attributed to:		
Investment income		
Income received	$	34,199
Realized gain/(loss)		1,954
Unrealized gain/(loss)		158,375
Total investment income		194,528
Contributions:		
Participants'		107,837
Employer's		113,929
Total contributions		221,766
Total additions		416,294
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		10,555
Administrative expenses		7,904
Total deductions		18,459
Net increase		397,835
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	$	1,427,729
End of year	$	1,825,564

The notes to the financial statements are an integral part of this statement

Note 1 – Description of Plan

The following description of the Midstate ("Company") Savings and Retirement Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all employees of the Company who have one year of service. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and was adopted July 1, 1997.

All assets of the Plan are held by Frontier Trust and invested in mutual funds within the American Funds Family of Funds.

The investment options available to participants as of December 31, 2012 and their related investment objectives were as follows:

American Mutual Fund. Strives to provide for the balanced accomplishment of three objectives — current income, capital growth and conservation of principal. The fund is conservatively managed to reduce volatility and risk. The fund does not own securities of companies that derive the majority of their revenues from tobacco and/or alcohol. The fund invests primarily in common stocks, securities convertible into common stocks, nonconvertible preferred stocks, U.S. government securities, investment-grade bonds and cash. May invest up to 20% of its assets in securities of issuers domiciled outside the United States and not included in the S&P 500 Composite Index. May invest up to 5% of its assets in securities of issuers domiciled outside the United States and Canada and not included in the S&P 500 Composite Index.

EuroPacific Growth Fund. Seeks to provide long-term growth of capital by investing in companies based outside the United States. Invests in companies based chiefly in Europe and the Pacific Basin, ranging from small firms to large corporations. Invests primarily in common stocks (may also invest in preferred stocks), convertibles, American Depository Receipts, European Depositary Receipts, bonds and cash. Holdings are primarily outside the U.S. except a nominal portion that may be held in U.S. dollars. Normally, at least 80% of assets must be invested in securities of issuers domiciled in Europe or the Pacific Basin.

New Perspective Fund. Seeks to provide long-term growth of capital. Future income is a secondary objective. Diversifies among blue chip companies in the United States and abroad, emphasizing multinational or global companies and focusing on opportunities generated by changes in global trade patterns and economic and political relationships. The fund invests primarily in common stocks, convertibles, preferred stocks, bonds and cash. The fund may invest up to 100% of assets outside the United States, though in practice this is unlikely since New Perspective Fund is a global fund.

The Bond Fund of America. Seeks to provide as high a level of current income as is consistent with preservation of capital. Broadly diversified fixed-income fund with flexibility to respond to various bond market conditions. Primarily invests in corporate debt securities, U.S. and other government securities, mortgage-related securities and cash. May invest up to 25% of assets in fixed-income securities of corporations and government entities outside the United States. Typically, the fund will be invested in intermediate- to long-term securities. The fund generally invests at least 80% of its assets in bonds, including corporate bonds, U.S. government securities and money market instruments. At least 60% of its assets will be invested in securities rated A3/A- or better at the time of purchase. It is the fund's current practice not to invest more than 10% of its assets in debt securities rated Ba1 and BB+ or below.

Note 1 – Description of Plan (continued)

The Income Fund of America. Seeks to provide current income while secondarily striving for capital growth. Seeks investments in both the stock and bond markets that provide an opportunity for above-average current income and long-term capital growth. Invests primarily in common or preferred stocks, convertible securities, bonds, U.S. and other government securities, cash and cash equivalents. The fund may invest up to 25% of assets in equities of companies outside the U.S. and up to 10% of assets in fixed-income securities outside the U.S. that are denominated in U.S. dollars. The fund may invest only 20% of its assets in securities rated below investment grade.

The New Economy Fund. Seeks to provide long-term long-term growth of capital. Current income is a secondary consideration. Invests in securities of companies that can benefit from innovation, exploit new technologies or provide products and services that meet the demands of an evolving global economy. Invests primarily in common and preferred stocks, securities convertible into common stocks, and cash and equivalents. May invest up to 45% of assets in securities of companies domiciled outside the U.S.

Washington Mutual Investors Fund. Seeks to produce income and to provide an opportunity for growth of principal consistent with sound common stock investing. The fund seeks to be at least 95% invested in equity-type securities. The fund invests in stocks that meet strict standards evolving from requirements originally established by the U.S. District Court for the District of Columbia for the investment of trust funds. May not invest in companies that derive their primary revenues from alcohol or tobacco. Primarily invests in common stocks and securities convertible into common stocks. May invest up to 10% of its assets in companies domiciled outside the United States.

American Funds Money Market Fund. The investment objective of the fund is to provide a way to earn income on your cash reserves while preserving capital and maintaining liquidity. The fund is a money market fund that seeks to preserve the value of your investment at $1.00 per share.

Contributions

Each year, participants may contribute up to the maximum allowable under the Internal Revenue Code. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers a variety of investment options for participants. The Company contribution is discretionary as defined by the Plan. The Company also has the ability to make discretionary profit sharing contributions as defined by the Plan.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) Plan earnings. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of service. A participant is 100% vested after six years of credited service.

Participant Loans and Hardship Withdrawals

Participants may not borrow from their fund accounts or make hardship withdrawals.

Note 1 – Description of Plan (continued)

Forfeited Accounts
Non-vested employer matching contributions are forfeited upon termination of employment or a participant's withdrawal from the Plan. The forfeitures account balance as of December 31, 2012 was $11,289. This account would be used to reduce future employer contributions or pay administrative expenses. During the year ended December 31, 2012, forfeitures of $2,200 and dividends and net gains of $532 were added to the account and $7,904 in expenses was paid out of the account.

Administrative Expenses
Administrative expenses are paid through participant forfeitures or by the Company.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting
The financial statements of the plan are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition
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 3 for discussion of fair value measurements.

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 includes the plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits
Benefits are recorded when paid.

Date of Management's Review
Subsequent events were evaluated through July 30, 2013, which is the date the financial statements were available to be issued.

Note 3 – Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 or 3 inputs were used by the Plan.

Note 3 – Fair Value Measurements (continued)

Level 1 Fair Value Measurements
The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end. The fair values of common stocks, corporate bonds, and U.S. Government securities are based on the closing price reported on the active market where the individual securities are traded.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2012:

	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)
Mutual funds		
Growth and income	$ 439,882	$ 439,882
Growth	734,632	734,632
Equity	161,987	161,987
Bonds	166,912	166,912
Money market	217,161	217,161
Total	$ 1,720,574	$ 1,720,574

Note 4 – Investments in Mutual Funds

The Plan is funded through mutual funds with the American Funds Family. The contributions are maintained in mutual funds. The accounts are credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses.

As described in Note 2, because the mutual funds are fully benefit-responsive, fund value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the fund.

Fund value, as reported to the Plan by Frontier Trust, represents contributions made under the fund, 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 fund value after separation date.

Certain events limit the Plan's ability to transact at fund value with Frontier Trust. Such events include the following: (a) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (b) changes to plan's prohibition on competing investment options or deletion of equity wash provisions, (c) 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 (d) the failure of the plan to qualify for exemption from federal income taxes or any required prohibited transaction exemption under Employee Retirement Income Security Act of 1974. The Plan administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at fund value with Plan participants, is probable.

Note 4 – Investments in Mutual Funds (continued)

The fair values of investments that individually represent 5 percent or more of the Plan's net assets as of December 31, 2012 are as follows:

	2012
American Mutual Fund	$ 221,709
American Funds Money Market	217,161
EuroPacific Growth Fund	261,194
New Perspective fund	255,554
The Bond Fund of America	166,912
The Income Fund of America	161,987
The New Economy Fund	217,884
Washington Mutual Investors Fund	218,173

Note 5 – Non-participant Directed Investments

Non-participant directed funds are invested in the mutual funds and totaled $11,461 as of December 31, 2012. The components of the change in net assets relating to non-participant directed investments for the year ended December 31, 2012, are as follows:

	2012
Forfeitures	$ 2,200
Net appreciation/(depreciation)	(30)
Dividends	562
Administrative expenses	(7,904)
Change in non-participant directed funds	$ (5,172)

Note 6 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their employer contributions.

Note 7 – Tax Status

The Internal Revenue Service has determined that the Plan is 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 and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Note 8 – Risks and Uncertainties

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

Note 9 – Certification

Frontier Trust, the custodian of the Plan assets has certified to the completeness and accuracy of the Plan's investment assets, investment transactions, investment income, and schedule of investments as of December 31, 2012 and for the year ended December 31, 2012.

Note 10 – Reconciliation of Financial Statements to Schedule H of Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements for the year ended December 31, 2012 to Schedule H of Form 5500:

	2012
Net assets available for benefits per the financial statements	$ 1,825,564
Receivables	(102,756)
Net assets available for benefits per Schedule H of Form 5500	$ 1,722,808

The following is a reconciliation of total contributions per the financial statements for the year ended December 31, 2012 to Schedule H of Form 5500:

	2012
Contributions per the financial statements	$ 221,766
Add: beginning contributions receivable	57,300
Less: ending contributions receivable	(102,756)
Total contributions per Schedule H of Form 5500	$ 176,310

MIDSTATE EMPLOYEE SAVINGS AND RETIREMENT PLAN

Supplemental Schedule

MIDSTATE EMPLOYEE SAVINGS AND RETIREMENT PLAN
EIN 37-1082009
Plan Number: 001
Schedule H, line 4i - Schedule of Assets (Held At End of Year)

(a)	(b) Indentity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest collateral, par, or maturity value	(d) Cost	(e) Current value
*	American Mutual Fund	Growth and Income Mutual Fund	201,049	221,709
*	EuroPacific Growth Fund	Growth Mutual Fund	240,388	261,194
*	New Perspective Fund	Growth Mutual fund	218,452	255,554
*	The Bond Fund of America	Bond Mutual Fund	163,857	166,912
*	American Funds Money Market Trust of America	Money Market Cash Mutual Fund	217,161	217,161
*	The Income Fund of America	Equity-Income Mutual Fund	154,950	161,987
*	The New Economy Fund	Growth Mutual Fund	175,280	217,884
*	Washington Mutual Investors Fund	Growth and Income Mutual Fund	202,865	218,173

PARTY IN INTEREST -
IDENTITY - AMERICAN FUND MM FD
DESCRIPTION - MUTUAL FUND
COST - 217161
CURRENT VALUE - 217161

PARTY IN INTEREST -
IDENTITY - AMERICAN MUTUAL FUND
DESCRIPTION - MUTUAL FUND
COST - 201049
CURRENT VALUE - 221709

PARTY IN INTEREST -
IDENTITY - BOND FUND OF AMERICA
DESCRIPTION - MUTUAL FUND
COST - 163857
CURRENT VALUE - 166912

PARTY IN INTEREST -
IDENTITY - EUROPACIFIC GROWTH
DESCRIPTION - MUTUAL FUND
COST - 240388
CURRENT VALUE - 261194

PARTY IN INTEREST -
IDENTITY - INCOME FUND OF AMER
DESCRIPTION - MUTUAL FUND
COST - 154950
CURRENT VALUE - 161987

PARTY IN INTEREST -
IDENTITY - NEW ECONOMY FUND
DESCRIPTION - MUTUAL FUND
COST - 175280
CURRENT VALUE - 217884

PARTY IN INTEREST -
IDENTITY - NEW PERSPECTIVE FUND
DESCRIPTION - MUTUAL FUND
COST - 218452
CURRENT VALUE - 255554

PARTY IN INTEREST -
IDENTITY - WASHINGTON MUTUAL
DESCRIPTION - MUTUAL FUND
COST - 202865
CURRENT VALUE - 218173