

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;">2012</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</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>CLOYES GEAR SAVINGS AND THRIFT 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>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1984</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1984</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/1984</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>CLOYES GEAR & PRODUCTS, INC.</u> <u>6101 PHOENIX AVENUE #2</u> <u>FORT SMITH, AR 72903</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>34-0680655</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>479-484-5555</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>336990</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-0680655</u>	2c Sponsor's telephone number <u>479-484-5555</u>	2d Business code (see instructions) <u>336990</u>	
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2d Business code (see instructions) <u>336990</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. Signature of plan administrator	08/15/2013 Date	TIM BLASCHKE 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 ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 805
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	898
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	33
d Subtotal. Add lines 6a , 6b , and 6c	6d	931
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	931
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	468
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
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D 3F		
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) ☒ 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) ☒ 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) ☒ 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
		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 <u>CLOYES GEAR SAVINGS AND THRIFT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CLOYES GEAR & PRODUCTS, INC.</u>	D Employer Identification Number (EIN) <u>34-0680655</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

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

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

MERRILL LYNCH, PIERCE, FENNER AND S

13-5674085

(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 52 59 60 62 63 72	RECORDKEEPER	13861	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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2012</div> This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>CLOYES GEAR SAVINGS AND THRIFT PLAN</u>	B Three-digit plan number (PN)	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>CLOYES GEAR & PRODUCTS, INC.</u>	D Employer Identification Number (EIN) <u>34-0680655</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)	

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INVESCO STABLE VALUE RET CL 4</u>		
b Name of sponsor of entity listed in (a): <u>INVESCO NATIONAL TRUST COMPANY</u>		
c EIN-PN <u>27-3868124-001</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>4975468</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

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
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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 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 CLOYES GEAR SAVINGS AND THRIFT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 CLOYES GEAR & PRODUCTS, INC.	D Employer Identification Number (EIN) 34-0680655	

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	0	350
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	368632	505642
(2) U.S. Government securities.....	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	711695	767236
(9) Value of interest in common/collective trusts.....	1c(9)	5196084	4975468
(10) Value of interest in pooled separate accounts.....	1c(10)	0	0
(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)	18227762	21329611
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	24504173	27578307

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	24504173	27578307
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	609400	
(B) Participants	2a(1)(B)	955699	
(C) Others (including rollovers)	2a(1)(C)	13743	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1578842

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	759	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	32403	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		33162

(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	727496	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		727496

(3) Rents	2b(3)		
-----------------	--------------	--	--

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		70959
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(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)		1873394
c Other income.....	2c		6150
d Total income. Add all income amounts in column (b) and enter total.....	2d		4290003

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1174577	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1174577
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		27431
h Interest expense.....	2h		0
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)	13861	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		13861
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1215869

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		3074134
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: **BKD, LLP**

(2) EIN: **44-0160260**

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:

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.).....

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.).....

	Yes	No	Amount
4a		X	
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.)		X	
4c			
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	
4d			
e Was this plan covered by a fidelity bond?	X		2500000
4e			
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	
4f			
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	
4g			
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	
4h			
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		
4i			
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	
4j			
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	
4k			
l Has the plan failed to provide any benefit when due under the plan?		X	
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m			
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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>CLOYES GEAR SAVINGS AND THRIFT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CLOYES GEAR & PRODUCTS, INC.</u>	D Employer Identification Number (EIN) <u>34-0680655</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>94-1687665</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

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

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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (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 line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Cloyes Gear Savings and Thrift Plan

EIN 34-0680655 PN 001

Independent Auditor's Report and Financial Statements

December 31, 2012 and 2011



Cloyes Gear Savings and Thrift Plan

December 31, 2012 and 2011

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Independent Auditor's Report

Board of Trustees and Administrative Committee
Cloyes Gear Savings and Thrift Plan
Fort Smith, Arkansas

We were engaged to audit the accompanying financial statements of Cloyes Gear Savings and Thrift Plan, which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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 fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting our audits 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, we were not able to obtain sufficient appropriate audit evidence to provide a basis for our 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, auditing procedures with respect to the information summarized in Note 3 and notes receivable from participants and related interest income, which was certified by Bank of America, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and notes receivable from participants and executes transactions related to those assets. The plan administrator has obtained certifications from the trustee as of and for the years ended December 31, 2012 and 2011, 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

The accompanying supplemental schedule listed in the table of contents is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* and is presented for the purpose of additional analysis and is not a required part of the financial statements. 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 supplementary information referred to above.

Report of Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and 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*.

BKD, LLP

Fort Smith, Arkansas
July 25, 2013

Federal Employer Identification Number: 44-0160260

Cloyes Gear Savings and Thrift Plan
Statements of Net Assets Available for Benefits
December 31, 2012 and 2011

Assets

	2012	2011
	<u>\$ 26,810,842</u>	<u>\$ 23,792,249</u>
Investments, At Fair Value		
Receivables		
Employer's contributions	23,490	-
Participants' contributions	37,820	-
Accrued interest and dividends	229	229
Notes receivable from participants	<u>767,236</u>	<u>711,695</u>
	<u>828,775</u>	<u>711,924</u>
 Net Assets Available for Benefits	 <u><u>\$ 27,639,617</u></u>	 <u><u>\$ 24,504,173</u></u>

Cloyes Gear Savings and Thrift Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2012 and 2011

	2012	2011
Investment Income (Loss)		
Net appreciation (depreciation) in fair value of investments	\$ 1,873,564	\$ (723,609)
Interest and dividends	799,215	536,628
	<u>2,672,779</u>	<u>(186,981)</u>
Interest Income on Notes Receivable from Participants	<u>32,403</u>	<u>34,217</u>
Contributions		
Employer	632,891	593,302
Participants	993,518	934,842
Rollovers	13,743	52,095
	<u>1,640,152</u>	<u>1,580,239</u>
Total additions	<u>4,345,334</u>	<u>1,427,475</u>
Deductions		
Benefits paid to participants	1,196,029	943,420
Administrative expenses	13,861	12,084
	<u>1,209,890</u>	<u>955,504</u>
Net Increase	3,135,444	471,971
Net Assets Available for Benefits, Beginning of Year	<u>24,504,173</u>	<u>24,032,202</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ 27,639,617</u></u>	<u><u>\$ 24,504,173</u></u>

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

Note 1: Description of the Plan

The following description of the Cloyes Gear Savings and Thrift Plan (Plan) provides only general information. Participants should refer to the Plan Document and *Summary Plan Description* for a more complete description of the Plan's provisions, which are available from the Plan Administrator.

General

The Plan is a defined contribution plan sponsored by Cloyes Gear and Products, Inc. (Company) for the benefit of its full-time employees who have at least one year of service and are age 18 or older. The Plan is subject to the provisions of the *Employee Retirement Income Security Act of 1974* (ERISA). Bank of America, N.A. is the trustee and custodian of the Plan.

Contributions

The Plan permits eligible employees through a salary deferral election to have the Company make annual contributions of up to 100% of eligible compensation. Employee rollover contributions are also permitted. The Company makes matching contributions of 100% of employees' salary deferral amounts up to 5% of employees' compensation and profit-sharing contributions. Company profit-sharing contributions are discretionary as determined by the Company's Board of Directors. Contributions are subject to certain limitations. Forfeitures are used to reduce Company contributions.

Participant Investment Account Options

Investment account options available include various funds. Each participant has the option of directing his contributions into any of the separate investment accounts and may change the allocation daily.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contribution and plan earnings and is charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefits to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are fully and immediately vested in all contributions and earnings in their accounts.

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

Payment of Benefits

Upon termination of service, a participant may elect to receive either a lump-sum amount equal to the value of his account or a joint and survivor annuity. At December 31, 2012 and 2011, the Plan had no assets allocated to accounts of terminated or retired participants who have elected to withdraw from the Plan but have not yet been paid.

Notes Receivable from Participants

The Plan document includes provisions authorizing loans from the Plan to active eligible participants. The minimum amount of a loan shall be \$1,000. The maximum amount of a participant's loan is determined by the available loan balance restricted to the lesser of \$50,000 or 50% of the participant's vested account balance. Only one loan is to be approved per participant during a 12-month period. All loans are collateralized by the balance in the participant's account and are repayable over a period not to exceed four years. Loans will bear a fixed rate of interest based on the fixed interest rates currently being charged by commercial lenders for loans of similar circumstances as determined by the Plan administrator. Notes receivable from participants are reported at amortized principal balance plus accrued but unpaid interest.

Plan Termination

Although it has not expressed an intention 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 are already 100% vested in their accounts.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

Use of Estimates

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

Valuation of Investments and Income Recognition

Quoted market prices, if available, are used to value investments. The money market funds and mutual funds are valued at the net asset value (NAV) of shares held by the plan at year end.

The Plan's interests in the collective trusts are valued based on information reported by the investment advisor using the audited financial statements of the collective trusts at year end.

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 Tax Status

The Plan operates under a nonstandardized adoption agreement in connection with a prototype retirement plan and trust/custodial document sponsored by Merrill Lynch Bank and Trust Company. This prototype plan document has been filed with the appropriate agency and has obtained a determination letter dated March 31, 2008, from the Internal Revenue Service stating that the prototype constitutes a qualified plan under Section 401 of the Internal Revenue Code and that the related trust was tax exempt. The prototype plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

With a few exceptions, the Plan is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2009.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses may be paid by the Company or the Plan, at the Company's discretion.

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

Note 3: Investments

The Plan's investments were held by Bank of America, N.A. at December 31, 2012 and 2011. The fair value of the Plan's investments at the end of the year is as follows:

	<u>2012</u>	<u>2011</u>
Mutual funds	\$ 21,329,961	\$ 18,228,137
Collective investment fund	4,975,468	5,196,084
Money market fund	<u>505,413</u>	<u>368,028</u>
	<u>\$ 26,810,842</u>	<u>\$ 23,792,249</u>

The Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in fair value as follows:

	<u>2012</u>	<u>2011</u>
Mutual funds	<u>\$ 1,873,564</u>	<u>\$ (723,609)</u>
	<u>\$ 1,873,564</u>	<u>\$ (723,609)</u>

The fair value of individual investments that represented 5% or more of the Plan's net assets available for benefits were as follows:

	<u>2012</u>	<u>2011</u>
Mutual funds:		
Allianz NFJ Small Cap Value Fund Class A	\$ 2,239,223	\$ 2,225,738
American Funds Investment Company of America Class A	3,513,989	3,355,718
JPMorgan SmartRetirement 2025 A	1,553,950	-
JPMorgan SmartRetirement 2030 A	2,081,310	-
JPMorgan SmartRetirement 2035 A	1,491,751	-
Pimco Total Return Fund Class A	2,495,669	2,219,887
Common/collective trust funds:		
Invesco Stable Value Retirement Fund Class 4	<u>4,975,468</u>	<u>4,806,651</u>
	<u>\$ 18,351,360</u>	<u>\$ 12,607,994</u>

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

Interest and dividends realized on the Plan's investments for the years ended December 31, 2012 and 2011 were \$799,215 and \$536,628, respectively.

Note 4: 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.

The Plan paid \$13,861 and \$12,084 of administrative fees to the Plan trustee during 2012 and 2011, respectively. The Company provides certain administrative services at no cost to the Plan.

Note 5: Fair Value of Plan Assets and Liabilities

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2012 and 2011:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2012				
Mutual funds:				
Large cap blend/growth/value	\$ 14,004,392	\$ 14,004,392	\$ -	\$ -
Mid cap blend/growth/value	3,682,475	3,682,475	-	-
Small cap blend/growth/value	91,451	91,451	-	-
Fixed income	3,551,293	3,551,293	-	-
Other investments	350	350	-	-
Total mutual funds	21,329,961	21,329,961	-	-
Common collective trusts	4,975,468	-	4,975,468	-
Money market funds	505,413	505,413	-	-
Total assets at fair value	<u>\$ 26,810,842</u>	<u>\$ 21,835,374</u>	<u>\$ 4,975,468</u>	<u>\$ -</u>

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2011				
Mutual funds:				
Large cap blend/growth/value	\$ 8,359,361	\$ 8,359,361	\$ -	\$ -
Mid cap blend/growth/value	4,773,641	4,773,641	-	-
Small cap blend/growth/value	355,594	355,594	-	-
Fixed income	4,739,164	4,739,164	-	-
Other investments	377	377	-	-
Total mutual funds	18,228,137	18,228,137	-	-
Common collective trusts	5,196,084	-	5,196,084	-
Money market funds	368,028	368,028	-	-
Total assets at fair value	\$ 23,792,249	\$ 18,596,165	\$ 5,196,084	\$ -

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2012. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no asset or liabilities valued at fair value on the nonrecurring basis.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include money market funds and mutual funds measured at fair value as determined by quoted market prices in an active market. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. Level 2 securities include common collective trust funds, which are valued based on the fair value of the underlying investments. The underlying investments are based on the quoted market values at the end of the Plan year. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. There were no Level 3 assets at December 31, 2012 and 2011.

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

For years ended December 31, 2012 and 2011, realized and unrealized gains and losses included in net increase in net assets available for benefits for the period from January 1, 2011, through December 31, 2012, are reported in net appreciation in fair value of investments in the statements of changes in net assets available for benefits.

Note 6: Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2012 and 2011, to Form 5500:

	2012	2011
Net assets available for benefits per the financial statements	\$ 27,639,617	\$ 24,504,173
Contributions receivable	(61,310)	-
Net assets available for benefits per Form 5500	<u>\$ 27,578,307</u>	<u>\$ 24,504,173</u>

The following is a reconciliation of changes in net assets available for benefits per the financial statements for the years ended December 31, 2012 and 2011, to Form 5500:

	2012	2011
Change in net assets available for benefits per the financial statements	\$ 3,135,444	\$ 471,971
Contributions receivable at December 31, 2012	(61,310)	-
Change in net assets available for benefits per Form 5500	<u>\$ 3,074,134</u>	<u>\$ 471,971</u>

Cloyes Gear Savings and Thrift Plan

Notes to Financial Statements

December 31, 2012 and 2011

Note 7: Significant Estimates and Concentrations

Current Economic Conditions

The current protracted economic decline continues to present employee benefit plans with difficult circumstances and challenges, which in some cases have resulted in large and unanticipated declines in the fair value of investments. The financial statements have been prepared using values and information currently available to the Plan.

Given the volatility of current economic conditions, the values of assets recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values that could negatively impact the Plan.

Note 8: Risks and Uncertainties

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

Supplemental Schedule

Cloyes Gear Savings and Thrift Plan

EIN 34-0680655 PN 001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

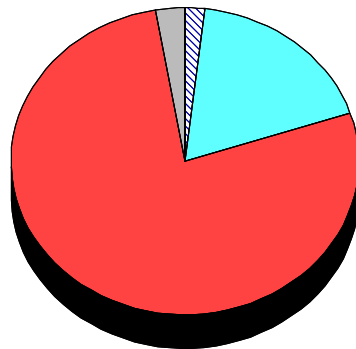
December 31, 2012

Identity of Issuer	Description of Investment	Current Value
Allianz NFJ Small Cap Value Fund Class A	Mutual Fund, 78,762.6691 shares	\$ 2,239,223
American Funds Capital World Growth & Income Fund Class A	Mutual Fund, 6,791.7557 shares	204,511
American Funds Europacific Growth Fund Class A	Mutual Fund, 3,127.9118 shares	128,933
American Funds Growth Fund of America Class A	Mutual Fund, 11,148.1026 shares	382,937
American Funds Investment Company of America Class A	Mutual Fund, 116,511.5798 shares	3,513,989
Blackrock Health Sciences Opportunities Portfolio Class A	Mutual Fund, 3,661.4592 shares	115,043
Blackrock Small Cap Growth Equity Portfolio Class A	Mutual Fund, 4,377.7219 shares	91,451
Eaton Vance Large-Cap Value Fund Class A	Mutual Fund, 1,115.7687 shares	21,757
Franklin High Income Fund Class A	Mutual Fund, 185,789.4730 shares	388,300
ING Global Real Estate Fund Class A	Mutual Fund, 1,458.2205 shares	26,321
Invesco Stable Value Retirement Fund Class 4	Common/Collective Trust	4,975,468
Invesco Van Kampen Equity and Income Fund Class A	Mutual Fund, 5,180.8378 shares	47,612
Ivy Science & Technology Fund Class Y	Mutual Fund, 8,109.8094 shares	298,927
Janus Overseas Fund Class A	Mutual Fund, 1,439.4678 shares	49,158
JP Morgan Government Bond Fund Class A	Mutual Fund, 57,379.5109 shares	667,324
JPMorgan Smart Retirement Income A	Mutual Fund, 37.4589 shares	613
JPMorgan SmartRetirement 2010 A	Mutual Fund, 129.9755 shares	2,064
JPMorgan SmartRetirement 2015 A	Mutual Fund, 16,594.0679 shares	267,164
JPMorgan SmartRetirement 2020 A	Mutual Fund, 62,664.5371 shares	1,018,299
JPMorgan SmartRetirement 2025 A	Mutual Fund, 100,971.3980 shares	1,553,950
JPMorgan SmartRetirement 2030 A	Mutual Fund, 129,434.6761 shares	2,081,310
JPMorgan SmartRetirement 2035 A	Mutual Fund, 98,141.5174 shares	1,491,751
JPMorgan SmartRetirement 2040 A	Mutual Fund, 53,518.2807 shares	860,039
JPMorgan SmartRetirement 2045 A	Mutual Fund, 15,674.5829 shares	239,508
JPMorgan SmartRetirement 2050 A	Mutual Fund, 12,277.7518 shares	187,481
JPMorgan SmartRetirement 2055 A	Mutual Fund, 5,607.6122 shares	92,021
MFS International New Discovery Fund Class A	Mutual Fund, 49,683.7935 shares	1,191,417
MFS International Value Fund Class A	Mutual Fund, 4,732.5663 shares	127,969
Oakmark II	Mutual Fund, 21,135.6526 shares	1,025,290
Other investments	Other investments	350
Pimco Total Return Fund Class A	Mutual Fund, 222,034.6240 shares	2,495,669
Prudential Financial Services Fund Class A	Mutual Fund, 4,787.8537 shares	65,115
Prudential Jennison Mid Cap Growth A	Mutual Fund, 4,965.2516 shares	155,065
Retirement Bank Account	Money Market Fund, 505,412.58 shares	505,413
Sentinel Common Stock A	Mutual Fund, 839.6838 shares	28,667
Thornburg Income Builder Fund Class A	Mutual Fund, 8,322.9589 shares	156,638
Virtus Mid-Cap Value Fund Class A	Mutual Fund, 4,281.2480 shares	114,095
Total investments at fair value		26,810,842
Notes receivable from participants		767,236
		<u>\$ 27,578,078</u>

STATEMENT OF ASSETS
FOR THE PERIOD 01/01/2012 - 12/31/2012

CLOYES GEAR SAVINGS AND THRIFT
PLAN
CONSOLIDATION

ALLOCATION OF PLAN ASSETS



1.83% CERT OF DEPOSIT / BANK DEPOSIT	18.04% COMMON / COLLECTIVE TRUSTS
77.34% MUTUAL FUNDS	2.78% LOANS
0.00% PENDING SETTLEMENT FUNDS	0.00% ACCRUED INCOME

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
<u>CERT OF DEPOSIT / BANK DEPOSIT</u>					
RETIREMENT BANK ACCOUNT	505,412.5800	1.000	505,412.58	505,412.58	1.83%
<u>COMMON / COLLECTIVE TRUSTS</u>					
INVESCO STABLE VALUE RET CL 4	4,975,467.7800	1.000	4,975,467.78	4,975,467.78	18.04%
<u>MUTUAL FUNDS</u>					
JPMORGAN GOVERNMENT BOND	57,379.5109	11.630	631,583.35	667,323.71	2.42%
MFS INTL NEW DISCOVERY FD CL A	49,683.7935	23.980	1,208,546.47	1,191,417.37	4.32%
BLACKROCK HL SC OPP A	3,661.4592	31.420	111,510.41	115,043.05	0.42%
JANUS OVERSEAS FD CL A	1,439.4678	34.150	67,957.65	49,157.83	0.18%
THE OAKMARK FUND CL II	21,135.6526	48.510	1,032,285.21	1,025,290.51	3.72%
PRUDENTIAL JENNISON MID-CAP A	4,965.2516	31.230	158,701.78	155,064.81	0.56%

Balances include the effect of pending trades

STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2012 - 12/31/2012

CLOYES GEAR SAVINGS AND THRIFT
PLAN
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
THORNBURG INCOME BUILDER FUND	8,322.9589	18.820	164,541.66	156,638.09	0.57%
IVY SCIENCE	8,109.8094	36.860	262,202.34	298,927.57	1.08%
PRUDENTIAL FINANCIAL SERVICES	4,787.8537	13.600	57,592.80	65,114.81	0.24%
ING GLOBAL REAL ESTATE FD CL A	1,458.2205	18.050	18,920.54	26,320.88	0.10%
INVESCO EQUITY AND INC FD CL A	5,180.8378	9.190	44,882.79	47,611.90	0.17%
VIRTUS MID CAP VALUE FUND A	4,281.2480	26.650	97,851.54	114,095.26	0.41%
JP MORGAN SMTRTIREMENT 2015	16,594.0679	16.100	264,848.36	267,164.49	0.97%
JP MORGAN SMTRTIREMENT	37.4589	16.370	608.58	613.20	0.00%
JP MORGAN SMTRTIREMENT 2010	129.9755	15.880	2,047.24	2,064.01	0.01%
JP MORGAN SMTRTIREMENT 2020	62,664.5371	16.250	1,003,119.26	1,018,298.73	3.69%
JP MORGAN SMTRTIREMENT 2030	129,434.6761	16.080	2,036,686.34	2,081,309.59	7.55%
JP MORGAN SMTRTIREMENT 2040	53,518.2807	16.070	840,137.56	860,038.77	3.12%
JP MORGAN SMTRTIREMENT 2025	100,971.3980	15.390	1,527,068.43	1,553,949.82	5.63%
JP MORGAN SMTRTIREMENT 2045	15,674.5829	15.280	234,196.55	239,507.63	0.87%
JP MORGAN SMTRTIREMENT 2050	12,277.7518	15.270	183,333.16	187,481.27	0.68%
JP MORGAN SMTRTIREMENT 2035	98,141.5174	15.200	1,458,925.85	1,491,751.06	5.41%
JP MORGAN SMARTRTIRMNT 2055 A	5,607.6122	16.410	90,169.48	92,020.92	0.33%
CAPITAL WORLD GR&INC FD INC	5,497.6059	37.200	200,367.57	204,510.94	0.74%
MFS INTERNATIONAL VALUE FD A	4,732.5663	27.040	112,408.85	127,968.59	0.46%
BLACKROCK SML CP GR A	4,377.7219	20.890	86,697.10	91,450.61	0.33%
PIMCO TOTAL RETURN FUND CL A	222,034.6240	11.240	2,390,239.58	2,495,669.17	9.05%

Balances include the effect of pending trades

STATEMENT OF ASSETS
FOR THE PERIOD 01/01/2012 - 12/31/2012

CLOYES GEAR SAVINGS AND THRIFT
PLAN
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
ALLIANZ NFJ SM-CAP VALUE CL A	78,762.6691	28.430	2,355,178.66	2,239,222.68	8.12%
FRANKLIN HIGH INCOME FD	185,789.4730	2.090	355,938.02	388,300.00	1.41%
AMERICAN FUNDS EUROPACIFIC GRT	3,127.9118	41.220	128,176.74	128,932.52	0.47%
EATON VANCE LG-CAP VALUE FD A	1,115.7687	19.500	21,342.21	21,757.49	0.08%
AMERICAN FUNDS GRTH FD OF AMER	11,148.1026	34.350	348,790.43	382,937.32	1.39%
AMERICAN INVST CO OF AMR	116,511.5798	30.160	3,788,994.87	3,513,989.25	12.74%
SENTINEL COMMON STOCK FD	839.6838	34.140	29,039.12	28,666.80	0.10%
TOTAL MUTUAL FUNDS			21,314,890.50	21,329,610.65	77.34%
<u>LOANS</u>					
LOAN FUND	767,235.5100	1.000	767,235.51	767,235.51	2.78%
<u>PENDING SETTLEMENT FUNDS</u>					
PENDING SETTLEMENT FUND	350.0000	1.000	350.00	350.00	0.00%
INVESTMENT TOTAL			27,563,356.37	27,578,076.52	100.00%
UNINVESTED CASH			0.00	0.00	0.00%
ACCRUED INCOME			229.04	229.04	0.00%
CASH			0.00	0.00	0.00%
TOTAL ASSETS			27,563,585.41	27,578,305.56	100.00%

The balance in the cash fund may be temporarily invested in the BIF Money Fund. Additional amounts not reported as cash may also be invested in the BIF Money Fund pending settlement of trades.

Balances include the effect of pending trades