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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2001

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

SEBESTA BLOMBERG & ASSOCIATES, INC.

1450 ENERGY PARK DR SUITE 300
ST. PAUL, MN 55108

2b Employer Identification Number (EIN)
41-1787792

2c Sponsor's telephone number
651-634-0775

2d Business code (see instructions)
541330

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2013	TODD GILLES
	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:	**4b** EIN	
a Sponsor's name	**4c** PN	

5	Total number of participants at the beginning of the plan year	**5**	251
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**	118
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	121
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	239
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	239
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	239
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:
2I 2P

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)** [X] **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)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SEBESTA BLOMBERG & ASSOCIATES, INC.

D Employer Identification Number (EIN)
41-1787792

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).. . . . . [X] 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

MARSHALL & ILSLEY TRUST COMPANY NA

39-1186267

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

BMO HARRIS BANK NA

36-2085229

(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)

(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 ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

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
SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SEBESTA BLOMBERG & ASSOCIATES, INC.

D Employer Identification Number (EIN)
41-1787792

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)		
(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)	5618	5010
(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)	10000764	5203020
(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	10006382	5208030
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	117417	83895
i Acquisition indebtedness	1i	2919200	2796511
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	3036617	2880406
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	6969765	2327624

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)	644072	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		644072
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-4797744	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		-4797744

		(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)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		-4153672
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	379938	
(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)		379938
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		108531
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)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		488469
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-4642141
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) [X] 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 [X] No

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

(1) Name: HLB TAUTGES REDPATH, LTD. **(2)** EIN: 41-0975573

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		5000000
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

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.

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

A Name of plan
SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
SEBESTA BLOMBERG & ASSOCIATES, INC.

D Employer Identification Number (EIN)
41-1787792

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 39-6436442

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 of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

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

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☒ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ **Yes** ☐ **No**

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):

HLB TAUTGES REDPATH, LTD.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors, Trustees and Participants
Sebesta Blomberg & Associates, Inc.
2012 Amended and Restated Employee Stock Ownership Plan
St. Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of Sebesta Blomberg &Associates, Inc. 2012 Amended and Restated Employee Stock Ownership Plan (the 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 ended December 31, 2012 and 2011, 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 fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the Unites Stated of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

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significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Sebesta Blomberg & Associates, Inc. 2012 Amended and Restated Employee Stock Ownership Plan as of December 31, 2012 and 2011, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule referred to as "supplemental information," is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosures under the Employee Retirement Income Securities Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

October 1, 2013

HLB Tautges Redpath, Ltd.

HLB TAUTGES REDPATH, LTD.
Certified Public Accountants

SEBESTA BLOMBERG & ASSOCIATES, INC.
2012 AMENDED AND RESTATED
EMPLOYEE STOCK OWNERSHIP PLAN

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2012 and 2011

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SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN
TABLE OF CONTENTS

		Page Number
Independent Auditor's Report		1
FINANCIAL STATEMENTS		
Statements of Net Assets Available for Benefits	Statement 1	6
Statements of Changes in Net Assets Available for Benefits	Statement 2	7
Notes to Financial Statements		9
SUPPLEMENTAL SCHEDULE		
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	Schedule 1	20

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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors, Trustees and Participants
Sebesta Blomberg & Associates, Inc.
2012 Amended and Restated Employee Stock Ownership Plan
St. Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of Sebesta Blomberg &Associates, Inc. 2012 Amended and Restated Employee Stock Ownership Plan (the 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 ended December 31, 2012 and 2011, 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 fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the Unites Stated of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

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significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Sebesta Blomberg & Associates, Inc. 2012 Amended and Restated Employee Stock Ownership Plan as of December 31, 2012 and 2011, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule referred to as "supplemental information," is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosures under the Employee Retirement Income Securities Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

October 1, 2013

HLB Tautges Redpath, Ltd.

HLB TAUTGES REDPATH, LTD.
Certified Public Accountants

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FINANCIAL STATEMENTS

SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN **Statement 1**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2012 and 2011

	2012		
	Allocated	Unallocated	Total
Assets:			
Investment in Sebesta Blomberg & Associates, Inc. common stock, at fair value	$3,532,680	$1,670,340	$5,203,020
Investment in money market account	5,010	-	5,010
Liabilities:			
Accrued interest	-	(83,895)	(83,895)
Notes payable	-	(2,796,511)	(2,796,511)
Net assets available for benefits	$3,537,690	($1,210,066)	$2,327,624

	2011		
	Allocated	Unallocated	Total
Assets:			
Investment in Sebesta Blomberg & Associates, Inc. common stock, at fair value	$6,560,864	$3,439,900	$10,000,764
Investment in money market account	5,618	-	5,618
Liabilities:			
Accrued interest	-	(117,417)	(117,417)
Notes payable	-	(2,919,200)	(2,919,200)
Net assets available for benefits	$6,566,482	$403,283	$6,969,765

The accompanying notes are an integral part of these financial statements

SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED
AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN **Statement 2**
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For The Years Ended December 31, 2012 and 2011

	2012		
	Allocated	Unallocated	Total
Additions:			
Employer contributions	$379,329	$264,743	$644,072
Deductions:			
Net depreciation in fair value of the investment in Sebesta Blomberg & Associates, Inc. common stock	3,147,494	1,650,250	4,797,744
Distributions to participants	379,938	-	379,938
Interest expense	-	108,531	108,531
Total deductions	3,527,432	1,758,781	5,286,213
Net decrease before allocation	(3,148,103)	(1,494,038)	(4,642,141)
Allocation of 13,667 shares of Sebesta Blomberg & Associates, Inc. common stock	119,311	(119,311)	-
Net decrease	(3,028,792)	(1,613,349)	(4,642,141)
Net assets available for benefits:			
Beginning of year	6,566,482	403,283	6,969,765
End of year	$3,537,690	($1,210,066)	$2,327,624

	2011		
	Allocated	Unallocated	Total
Additions:			
Employer contributions	$175,219	$ -	$175,219
Deductions:			
Net depreciation in fair value of the investment in Sebesta Blomberg & Associates, Inc. common stock	225,405	275,228	500,633
Distributions to participants	180,431	-	180,431
Interest expense	-	133,065	133,065
Total deductions	405,836	408,293	814,129
Net decrease before allocation	(230,617)	(408,293)	(638,910)
Allocation of 122,659 shares of Sebesta Blomberg & Associates, Inc. common stock	2,058,218	(2,058,218)	-
Net increase (decrease)	1,827,601	(2,466,511)	(638,910)
Net assets available for benefits:			
Beginning of year	4,738,881	2,869,794	7,608,675
End of year	$6,566,482	$403,283	$6,969,765

The accompanying notes are an integral part of these financial statements

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Note 1 DESCRIPTION OF PLAN

The following description of the Sebesta Blomberg & Associates, Inc. 2012 Amended and Restated Employee Stock Ownership Plan (the 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 was established by Sebesta Blomberg & Associates, Inc. (the Company). The Plan, as amended and restated effective January 1, 2012, is intended to meet the requirements of Section 401(a) and to constitute an employee stock ownership plan (ESOP) within the meaning of Section 4975 (e)(7) and to comply with the related regulations of the Internal Revenue Code of 1986 (Code), as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The Plan purchased Sebesta Blomberg & Associates, Inc. common stock (Company stock) from the Company and former shareholders on January 15, 2008, thereby becoming a leveraged ESOP. As the Plan makes each payment of principal and interest, an appropriate percentage of Company stock is allocated to eligible participant accounts in accordance with applicable provisions of the Plan. The Company and former shareholders have no rights against shares once they are allocated under the ESOP. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to:

1. The accounts of participants with vested rights in allocated stock (allocated)
2. Stock not yet allocated to participants (unallocated)

Unallocated shares which are allocated to accounts of participants as a result of principal and interest payments made by the Plan are valued using the most recent valuation of the Company stock, as determined by an annual independent appraisal of Company stock, at the time of the payment. Unallocated shares are allocated to accounts of participants in the year principal and interest payments are paid.

ELIGIBILITY

Employees of the Company are generally eligible to participate in the Plan on their date of hire. Entry dates are the first day of each month. Additionally, participants must have completed 1,000 hours of service and be actively employed on the last day of the Plan year to share in the discretionary contributions for the year, unless the employee terminates during the year and has attained the age of 65 or terminates due to death or disability.

CONTRIBUTIONS

Each year, in which the loan remains outstanding, the employer is required to contribute to the Plan not less than the amount of principal, interest, and any other amount due under such loan. For years in which no loan is outstanding, the Board of Directors of the Company will specify the amount of the Company's contributions to the Plan.

PARTICIPANT ACCOUNTS

The Plan is a defined contribution plan under which separate individual accounts are established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Company's common stock released by the trustee from the unallocated account, forfeitures of terminated participants' nonvested accounts, and the participant's allocable share of employer contributions. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

VESTING

For participants who have not completed one hour of service after December 31, 2006, vesting is credited at 20 percent after three years of service and increases by 20 percent per year until seven years of service, when participants are fully vested. For participants who have completed one hour of service after December 31, 2006, vesting is credited at 20 percent after one year of service and increases by 20 percent per year until five years of service, when participants are fully vested. Participants will become fully vested in their accounts in the event of reaching normal retirement age of 65, total and permanent disability, or death, while employed by the Company.

DISTRIBUTIONS

No distributions from the Plan will be made until a participant's retirement upon reaching age 65, total and permanent disability, death (in which case payments shall be made to his or her beneficiary), attainment of age 70 ½, or termination of employment with the Company. Participants who terminate employment with the Company and have an account balance totaling $10,000 or less will receive their benefits from the Plan in a single lump-sum payment. Participants who terminate employment with the Company and have an account balance greater than $10,000 will receive their benefits in five or more installments. Distributions are made in cash. Distributions during any Plan year shall be made only after the fair market value is determined for December 31 of the preceding Plan year.

DIVERSIFICATION

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value held in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%, less any shares previously diversified. The shares that are diversified will be transferred to the Sebesta Blomberg & Associates, Inc. 401(k) Plan.

FORFEITURES

Forfeitures are created when participants terminate employment before becoming fully vested in the Plan. Forfeitures are allocated to the remaining participants in the same manner as Company contributions are allocated. Forfeitures to be allocated to remaining participants totaled approximately $27,000 and $45,000 during 2012 and 2011, respectively.

VOTING RIGHTS

Each Participant will be entitled to direct the voting of stock allocated to their account with respect to certain matters of the Company, as defined by the Plan. The trustees shall vote all shares of stock held by the Plan for which they have received instructions from participants in accordance with those instructions. The trustees shall vote all shares of stock held by the Plan in unallocated accounts, shares of stock in allocated accounts for which no instructions were received, and all shares of stock on voting matters in which participants are not entitled to vote, in accordance with the trustees' discretion.

PLAN AMENDMENT AND TERMINATION

The Company reserves the right to amend or terminate the Plan at any time, subject to the Plan's provisions. Upon such termination of the Plan, all participants shall become 100 percent vested, and the interest of each participant in the trust will be distributed to each participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the trustees shall pay all liabilities and expenses of the trust and sell shares of financed Company stock held in the loan suspense account to the extent necessary to repay related loans, if any.

ADMINISTRATIVE EXPENSES

As provided in the Plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses of the Plan.

PUT OPTION

Under federal income tax regulations, employer stock held by the Plan and its participants that is not readily tradable on an established market, or is subject to trading limitations, includes a put option (liquidity put). The liquidity put is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock, as determined by the most recent appraised value of the Company stock. The purpose of the liquidity put is to ensure that the participant has the ability to ultimately obtain cash. Neither the Company nor the Plan is obligated to purchase Company stock from participants more than 120 days after the stock has been distributed from the Plan.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The financial statements of the Plan are prepared under the accrual basis of accounting.

INVESTMENT VALUATION AND INCOME RECOGNITION

The shares of Company common stock are valued at fair value. See Note 4 for discussion of fair value measurements.

Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year. Contributions are allocated during the Plan year the cash in received.

USE OF ESTIMATES

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

RISKS AND UNCERTAINTIES

The Plan's investments consist primarily of the Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks as well as valuation assumptions based on earnings, cash flows, and other such techniques. Due to the level of risk associated with investments in common stock and to uncertainties inherent in the estimations and assumptions process, it is reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Note 3 INVESTMENTS

The Plan's investment the Company's common stock (which represents 5% or more of net assets available for benefits) as of December 31, 2012 and 2011 is as follows:

	2012		
	Allocated	Unallocated	Total
Number of shares	404,660	191,333	595,993
Cost	$4,412,291	$2,724,587	$7,136,878
Fair value	$3,532,680	$1,670,340	$5,203,020

	2011		
	Allocated	Unallocated	Unallocated
Number of shares	390,993	205,000	595,993
Cost	$4,217,678	$2,919,200	$7,136,878
Fair value	$6,560,864	$3,439,900	$10,000,764

The fair market value of the Company's common stock is $8.73 and $16.78 per share as of December 31, 2012 and 2011, respectively.

The Company's common stock is valued based on an annual independent appraisal.

Note 4 FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy under FASB's authoritative guidance are described below:

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

Level 2- Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

Investment in money market account: Valued at the net asset value (NAV) provided by the administrator of the fund. NAV is determined by totaling the Investor Class shares' pro rata share of the value of the Fund's investments, cash and other assets, subtracting the shares' pro rata share of the Fund's general liabilities and the liabilities specifically allocated to the Investor Class shares, then dividing the result by the number of Investor Class shares outstanding.

Investment in Sebesta Blomberg & Associates, Inc. common stock: The Company's common stock has been valued at fair value based on a combination of the market and income valuation techniques consistent with prior years. The appraiser took into account historical and projected cash flow, net income and market comparables. Plan management has concluded that a market participant would also recognize a discount for lack of marketability.

The following table sets forth the basic assumptions used in arriving at fair value and the unobservable inputs:

Description	Fair Value	Valuation Techniques	Unobservable Input
Sebesta Blomberg & Associates, Inc. common stock	$5,203,020	Discounted Cash Flow	Weighted average cost of capital
			Terminal multiple
			Discount for lack of marketability
		Guideline Public Company	EBITDA multiple
			Revenue multiple
			Discount for lack of marketability
		Merger & Acquisition	EBITDA multiple
			Revenue multiple
			Discount for lack of marketability

The valuation process involves the Board of Directors' selection of an independent appraiser. Management accumulates the data for the appraiser from the audited financial statements of the Company. The appraiser prepares a preliminary report which the Board of Directors reviews in detail, discusses, and approves.

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

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

	2012			
	Level 1	Level 2	Level 3	Total
Investment in Sebesta Blomberg & Associates, Inc. common stock	$ -	$ -	$5,203,020	$5,203,020
Investment in money market account	-	5,010	-	5,010
Total investments at fair value	$0	$5,010	$5,203,020	$5,208,030

	2011			
	Level 1	Level 2	Level 3	Total
Investment in Sebesta Blomberg & Associates, Inc. common stock	$ -	$ -	$10,000,764	$10,000,764
Investment in money market account	-	5,618	-	5,618
Total investments at fair value	$0	$5,618	$10,000,764	$10,006,382

The table below sets forth a sum of changes in the fair value of the Plan’s level 3 assets for the years ended December 31:

	2012	2011
Balance, beginning of year	$10,000,764	$10,501,397
Net depreciation in value of stock	(4,797,744)	(500,633)
Balance, end of year	$5,203,020	$10,000,764

Note 5 INVESTMENTS STATED AT NET ASSET VALUE

The following table sets for the Plan's level 2 asset stated at net asset value as of December 31 as well as redemption policies and investment strategies of the investment:

	2012			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Money market fund (a)	$5,010	$ -	Daily	Up to 12 months

	2011			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Money market fund (a)	$5,618	$ -	Daily	Up to 12 months

(a) The money market fund seeks to invest primarily in high quality money market instruments issued by governments and corporations in Canada.

Note 6 NOTES PAYABLE

In 2010, the Plan and Company entered into a loan agreement whereby the Company loaned the Plan $2,919,200. The proceeds of the loan were used to purchase 205,000 shares of the Company's common stock. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of current year payments divided by the total of this year's payments plus all future years' principal and interest payments. This resulted in 13,667 shares being released for the Plan year ended December 31, 2012. The agreement provides that the loan bear interest at 4% with a final payment due March 15, 2026.

The remaining balance on the note payable totaled $2,796,511 and $2,919,200 at December 31, 2012 and 2011, respectively. At December 31, 2012 the maturities of the note payable was follows:

Years Ending December 31	
2013	$152,908
2014	159,025
2015	165,386
2016	171,747
2017	178,871
Thereafter	1,968,574
	$2,796,511

Note 7 TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated June 21, 2010, stating that the Plan is qualified, under the Internal Revenue Code (IRC) and therefore, the related trust is exempt from taxation. Once qualified the Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is currently being operated, in compliance with the applicable requirements of the IRC. Therefore they believe that the Plan was qualified and the related trust was tax exempt as of the financial statement date.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

Note 8 ADMINISTRATION OF PLAN ASSETS

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries. No such officer or employee receives compensation from the Plan. Administrative expenses for the trustee's fees are paid directly by the Company.

Note 9 PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in the common stock of the Plan Sponsor, Sebesta Blomberg & Associates, Inc., and therefore, the transactions related to these investments qualify as party-in-interest transactions. The Plan has an investment in a money market account held by BMO Harris Bank, N.A., which is the fiduciary and custodian, as defined by the Plan. Therefore, these transactions qualify as party-in-interest transactions.

Note 10 RECLASSIFICATIONS

Certain amounts reported in the Plan's 2011 financial statements have been reclassified to conform to the 2012 financial statement preparation. These reclassifications had no effect on previously reported net assets available for benefits.

Note 11 SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through October 1, 2013, which is the date the financial statements were available to be issued.

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SUPPLEMENTAL SCHEDULE

SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED
AND RESTATED EMPLOYEE STOCK OWNERSHIP PLAN **Schedule 1**
EIN 41-1787792
PLAN NUMBER 002
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2012

(a)	(b) Identity of Issuer, Borrower etc.	(c) Description	(d) Cost	(e) Current Value
*	Sebesta Blomberg & Associates, Inc. common stock - 404,660 allocated shares	Sponsor Company's Common Stock	$4,412,291	$3,532,680
*	Sebesta Blomberg & Associates, Inc. common stock - 191,333 unallocated shares	Sponsor Company's Common Stock	2,724,587	1,670,340
*	Marshall Prime Money Market Cl Y	Money Market	5,010	5,010
			$7,141,888	$5,208,030

*Indicates parties-in-interest

SPONSOR: SEBESTA BLOMBERG & ASSOCIATES, INC.
EIN: 41-1787792
PLAN NUMBER: 002
NAME: SEBESTA BLOMBERG & ASSOCIATES, INC. 2012 AMENDED AND RESTATED

SCHEDULE H, LINE 4i-SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2012

(a)	(b) Identity 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
*	BMO FUNDS	BMO PRIME MONEY MARKET CL Y # 200	5,010	5,010
*	SEBESTA BLOMBERG - Common stock allocated	COMMON STOCK	4,412,291	3,532,680
*	SEBESTA BLOMBERG - Common stock unallocated	COMMON STOCK	2,724,587	1,670,340

* A party-in-interest as defined by ERISA