

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 <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>WARE INDUSTRIES, INC. SOUTH PLAINFIELD LOCAL 8228 RETIREMENT 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>008</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>05/01/1994</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>008</u>	1c Effective date of plan <u>05/01/1994</u>	
1b Three-digit plan number (PN) ▶	<u>008</u>				
1c Effective date of plan <u>05/01/1994</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>WARE INDUSTRIES, INC.</u> <u>400 METUCHEN ROAD</u> <u>SOUTH PLAINFIELD, NJ 07080</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>22-2952878</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>908-757-9000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332300</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>22-2952878</u>	2c Sponsor's telephone number <u>908-757-9000</u>	2d Business code (see instructions) <u>332300</u>	
2b Employer Identification Number (EIN) <u>22-2952878</u>					
2c Sponsor's telephone number <u>908-757-9000</u>					
2d Business code (see instructions) <u>332300</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	<u>10/15/2013</u> Date	<u>LORI HAGEDORN</u> Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature. Signature of employer/plan sponsor	<u>10/15/2013</u> Date	<u>LORI HAGEDORN</u> 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) <u>PLANNED RETIREMENT CONSULTANTS & ADMINISTRATORS, INC.</u> <u>P.O. BOX 5126</u> <u>RIDGEWOOD, NJ 07451-5126</u>			Preparer's telephone number (optional) <u>201-447-6010</u>

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
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		5 389
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 158	
b Retired or separated participants receiving benefits.....	6b 0	
c Other retired or separated participants entitled to future benefits.....	6c 134	
d Subtotal. Add lines 6a , 6b , and 6c	6d 292	
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 0	
f Total. Add lines 6d and 6e	6f 292	
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 292	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h 13	
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: 2C		
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>WARE INDUSTRIES, INC. SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>008</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WARE INDUSTRIES, INC.</u>	D Employer Identification Number (EIN) <u>22-2952878</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

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

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

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

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

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

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

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

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

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

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

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

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

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

WOODBURY FINANCIAL SERVICES, INC.

200 HOPMEADOW STREET
SIMSBURY, CT 06089

41-0944586

(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?
51	INVESTMENT ADVISOR	7886	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.	

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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 <u>01/01/2012</u> and ending <u>12/31/2012</u>		
A Name of plan <u>WARE INDUSTRIES, INC. SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>008</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WARE INDUSTRIES, INC.</u>	D Employer Identification Number (EIN) <u>22-2952878</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a Total noninterest-bearing cash	1a			
b Receivables (less allowance for doubtful accounts):				
(1) Employer contributions	1b(1)	24079		1002
(2) Participant contributions	1b(2)			
(3) Other	1b(3)	157		75
c General investments:				
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	11596		16147
(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)	100232		91327
(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)	510237		571585
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)			
(15) Other	1c(15)			

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	646301	680136

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	24079	72614
k Total liabilities (add all amounts in lines 1g through 1j)	1k	24079	72614

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	622222	607522
---	-----------	--------	--------

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)	1002	
(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)		1002
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	13322	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		13322
(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)	52502	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		52502

		(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		66826

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	72614	
(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)		72614
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	7886	
(4) Other	2i(4)	1026	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		8912
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		81526

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		-14700
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☐ Yes ☒ No

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

(1) Name: ROSEN SEYMOUR SHAPSS MARTIN & COMPA

(2) EIN: 13-5653927

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		500000
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.

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

A Name of plan <u>WARE INDUSTRIES, INC. SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>008</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WARE INDUSTRIES, INC.</u>	D Employer Identification Number (EIN) <u>22-2952878</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
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>22-3388803</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	<u>1002</u>	
b Enter the amount contributed by the employer to the plan for this plan year	6b	<u>1002</u>	
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): _____

**WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228
RETIREMENT PLAN
FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES**

December 31, 2012 and 2011

**WITH
INDEPENDENT AUDITORS' REPORT**

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

INDEX

December 31, 2012 and 2011

	Page
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5-10
SUPPLEMENTAL SCHEDULES	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	11-22
Schedule H, Line 4j – Schedule of Reportable Transactions	23



ROSEN SEYMOUR SHAPSS MARTIN & COMPANY LLP
Certified Public Accountants & Profitability Consultants

INDEPENDENT AUDITORS' REPORT



To the Plan Administrator of
Ware Industries, Inc.
South Plainfield Local 8228 Retirement Plan:

Report on the Financial Statements

We have audited the accompanying financial statements of Ware Industries, Inc. South Plainfield Local 8228 Retirement Plan, which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012, 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 our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States 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 audit 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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 the Ware Industries, Inc. South Plainfield Local 8228 Retirement Plan as of December 31, 2012 and 2011, and the changes in net assets available for benefits for the year ended December 31, 2012, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of (1) Schedule H, Line 41 – Schedule of Assets Held (At End of Year) and (2) Schedule H, Line 4j, Schedule of Reportable Transactions, together referred to as “supplemental information,” are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security 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 audits 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.



CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
July 30, 2013

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2012 and 2011

	2012	2011
Assets:		
Investments at fair value (Notes 2, 3 and 4)	<u>\$ 679,059</u>	<u>\$ 622,065</u>
Receivables:		
Employer contribution	1,002	24,079
Interest receivable	<u>75</u>	<u>157</u>
Total receivables	<u>1,077</u>	<u>24,236</u>
Total assets	680,136	646,301
Liabilities:		
Due to Ware Industries, Inc. – for benefit payments	<u>72,614</u>	<u>24,079</u>
Net assets available for benefits, at fair value	<u>\$ 607,522</u>	<u>\$ 622,222</u>

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

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2012

Additions:	
Investment income:	
Net appreciation in fair value of investments (Note 3)	\$ 52,502
Interest and dividends	<u>13,322</u>
	65,824
Less investment expenses	<u>7,886</u>
	57,938
Contributions:	
Employer	<u>1,002</u>
Total additions	<u>58,940</u>
Deductions:	
Benefits paid to participants	72,614
Administrative expenses	<u>1,026</u>
Total deductions	<u>73,640</u>
Net decrease	(14,700)
Net assets available for benefits:	
Beginning of year	<u>622,222</u>
End of year	<u><u>\$ 607,522</u></u>

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

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

1. Description of Plan

The following brief description of the Ware Industries, Inc. (the "Company") South Plainfield Local 8228 Retirement 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 is a defined contribution money purchase plan covering hourly employees of the Company, whose employment is governed by the terms of a collective bargaining agreement between employee representatives and the Company and have satisfied union requirements, as defined. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Effective January 1, 2013 the Plan was frozen with respect to eligibility and contributions. As of that date, no additional employees could become eligible to participate in the plan and the Company could no longer contribute to the Plan.

The Company anticipates that the Plan will merge into the United Steel Worker's Industry 401(k) Plan prior to December 31, 2013.

Employer Contributions

Prior to the January 1, 2013 plan freeze, the Company contributed to the Plan an amount equal to \$.15 per hour of service by eligible

participants, as defined, up to 40 hours per week each year. This funding requirement was met for the year ended December 31, 2012. Participants were not permitted at any time to make contributions other than rollovers from other qualified plans as allowed by the Plan administrator.

Participant Accounts

Participant accounts were non-participant directed. Each participant's account was credited with the Company's contributions and an allocation of Plan earnings. Allocations to participants are made as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Forfeitures

Under the Plan, upon termination of service any unvested portion of the employer's contribution account was subject to forfeiture. Forfeitures were to be used to reduce future employer contributions to the Plan. Forfeited amounts at December 31, 2012 amounted to \$42,095 which was used to reduce the amount of the 2012 employer contributions.

Vesting

Vesting was based on years of service. Vesting began at 20% upon completion of two year of service and increased by 20% annually until fully vested, upon completion of six years of service. A participant is always vested in any rollover contribution.

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

Payment of Benefits

Upon retirement, death or disability, participants or their beneficiaries had the choice of, in accordance with the Plan's provisions, electing to receive their vested interests in (a) a qualified joint and survivor annuity, (b) a life annuity or (c) in a lump-sum amount.

Participants may receive their vested interest on the later of the first day of the month coincident with or following attainment of age 65 or completion of five years of participation.

Expenses

Certain expenses of maintaining the Plan have been paid directly by the Company and are excluded from these financial statements. Investment-related expenses are included in net appreciation of fair value of investments.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan are prepared on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America ("GAAP") applicable to defined contribution pension plans for filing with the Department of Labor.

Use of Estimates

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

Payment of Benefits

Benefit payments to participants are recorded when paid.

3. Investments

Investments have been managed by Woodbury Financial Services Inc. All investments are non-participant directed. The following pre-

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

sents investments that represent 5% or more of the Plan's net assets:

	2012	2011
<u>Investments at fair value as determined by quoted market prices:</u>		
<u>Mutual funds:</u>		
Schwab Fundamental U.S. Large Company	\$ 59,564	\$ 51,218
Invesco Development Markets Fund Class Y	36,336	-
AQR-Momentum Fund Class L	57,402	-
Other mutual funds	134,142	139,443
	<u>287,444</u>	<u>190,661</u>
<u>Exchange-traded products:</u>		
Ishares TR Barclays 1-3 YR Treasury Index BD FD	\$ 17,559	\$ 59,319
Ishares TR Barclays 7-10 YR Treasury Index BD FD	27,195	37,688
Vanguard Specialized Portfolios Dividend	79,228	81,702
Vanguard BD Index FD Inc. Total BD Market	83,106	60,734
Other exchange-traded products	77,052	80,133
	<u>284,140</u>	<u>319,576</u>
<u>Common stocks</u>		
	<u>91,328</u>	<u>100,232</u>
<u>Money market</u>		
	<u>16,147</u>	<u>11,596</u>
Total Investments	<u>\$ 679,059</u>	<u>\$ 622,065</u>

During 2012 the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$52,502.

4. Fair Value Measurements

GAAP has established a framework for measuring fair value that provides a fair value hierarchy based on the degree of objectivity inherent in 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 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

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

Level 2 – Inputs to the valuation methodology include:

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

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

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

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

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

The following is a description of the valuation methods used for assets measured at fair value. There have been no changes in the methods used at December 31, 2012 from those used at December 31, 2011.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common stocks and exchange traded products: Valued at the closing price reported on the active market on which the individual securities are traded.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2012 and 2011:

Assets at Fair Value as of December 31, 2012				
	Level 1	Level 2	Level 3	Total
<i>Mutual funds:</i>				
Index	\$ 59,564	\$ -	\$ -	\$ 59,564
Growth	107,244	-	-	107,244
Blend	56,510	-	-	56,510
Fixed income	64,126	-	-	64,126
Total mutual funds	287,444	-	-	287,444
<i>Exchange-traded products:</i>				
Fixed income	172,792	-	-	172,792
Specialized	79,228	-	-	79,228
Intermediate term bond	24,019	-	-	24,019
Other	8,101	-	-	8,101
Total exchange-traded products	284,140	-	-	284,140
Common stocks - other	91,328	-	-	91,328
Federal Capital Reserve money market	16,147	-	-	16,147
Total assets at fair value	\$ 679,059	\$ -	\$ -	\$ 679,059
Assets at Fair Value as of December 31, 2011				
	Level 1	Level 2	Level 3	Total
<i>Mutual funds:</i>				
Index	\$ 51,218	\$ -	\$ -	\$ 51,218
Growth	58,403	-	-	58,403
Blend	49,964	-	-	49,964
Fixed income	31,076	-	-	31,076
Total mutual funds	190,661	-	-	190,661
<i>Exchange-traded products:</i>				
Fixed income	218,115	-	-	218,115
Specialized	81,702	-	-	81,702
Other	19,759	-	-	19,759
Total exchange-traded products	319,576	-	-	319,576
Common stocks - other	100,232	-	-	100,232
Federal Capital Reserve money market	11,596	-	-	11,596
Total assets at fair value	\$ 622,065	\$ -	\$ -	\$ 622,065

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

5. Related-Party Transactions

Benefits of the Plan have been paid out of the Company's operating account.

The assets of the Plan, which have been invested with the investment company as of December 31, 2012 and 2011, are considered party-in-interest investments. The investment company is a party-in-interest as a provider of administrative, investment management and accounting services to the funds. These transactions are exempt from the prohibited transaction rules.

6. Plan Termination

The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants would become 100 percent vested in the Company contributions. The Company anticipates that the Plan will merge into the United Steel Worker's Industry 401(k) plan prior to December 31, 2013. Immediately prior to the merger, all participant accounts will become 100 percent vested. Upon the merger, the Plan will terminate.

7. Tax Status

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated September 4, 2010, that the Plan and related trust are designed for tax

qualification in accordance with applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is design continues to be in compliance with the applicable requirements of the IRC; and therefore, believes that the Plan is qualified and the related trust is tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would be overruled upon examination by the federal and state taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income examinations for years prior to 2009.

8. Risks and Uncertainties

The Plan's assets are invested in various investment securities which 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

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits. Participants bear all risks of market fluctuations.

9. Subsequent Events

The Plan has evaluated subsequent events through July 30, 2013, the date that the financial statements were available to be issued. Except as disclosed in Note 1, there are no other material subsequent events that must be recognized or disclosed in the financial statements.

SUPPLEMENTAL SCHEDULES

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value			
	Common stocks, at fair value			
	Abaxis Inc COM	Common stocks	\$ 446	\$ 594
	Agrium Inc COM	Common stocks	184	399
	Allianz SE Spons SDR REPSTG 1/10 SHS	Common stocks	514	497
	American Movil SAB DE C V Sponsored ADR	Common stocks	687	671
	Anglogold Ashanti LTD Sponsored ADR	Common stocks	558	502
	Anheuser Bush Inbev SA NV Sponsored ADR	Common stocks	236	350
	Ansys Inc COM	Common stocks	308	404
	ASSA Abloy AB ADR	Common stocks	260	299
	Athenahealth Inc COM	Common stocks	459	733
	Atlas Copco AB SP ADR B New	Common stocks	272	496
	BAE SYS PLC Sponsored ADR	Common stocks	258	285
	Bally Technologies Inc COM	Common stocks	288	313
	Barclays PLC ADR	Common stocks	419	416
	BASF	Common stocks	519	750
	Bayer AG Sponsored ADR	Common stocks	560	948
	Bayerische Motoren Werke A G ADR	Common stocks	1,231	1,506
	Beacon Roofing Supply Inc COM	Common stocks	778	1,098
				<u>10,261</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value (continued)			
	Common stocks, at fair value (continued)			
	BG Group PLC ADR Final Installment	Common stocks	\$ 587	\$ 560
	BHP Billiton PLC SPON ADR	Common stocks	565	563
	BOC Hong Kong HLDGS LTD Sponsored ADR	Common stocks	216	373
	British Amern TOB PLC Sponsored ADR	Common stocks	576	1,013
	Brookfield Asset Mgmt Inc VTG	Common stocks	255	293
	BT Group PLC ADR	Common stocks	636	837
	Cabot Microelectronics	Common stocks	347	355
	Cabot Oil & Gas Corp Com	Common stocks	237	348
	Cameron Intl Corp Com	Common stocks	692	734
	Canadian Pac RY LTD Com	Common stocks	258	305
	Carnival PLC ADR	Common stocks	260	271
	CBS Corp CL B COM	Common stocks	271	761
	Cepheid Com	Common stocks	727	948
	Chart Inds INC CO PAR	Common stocks	214	200
	Check Point Software Technologies LTD SHS	Common stocks	277	286
	Chemed Corp New Com	Common stocks	642	686
	China Mobile LTD Spon ADR S A	Common stocks	223	235
				<u>8,768</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	China Unicom Hong Kong LTD ADR	Common stocks	\$ 611	\$ 603
	CIT Group Inc New Com New	Common stocks	428	386
	Coach Inc Com	Common stocks	283	278
	Comerica Inc Com	Common stocks	728	576
	Concho Res Inc Com	Common stocks	189	161
	Concur Technologies Inc Com	Common stocks	505	608
	Copa Holding S A CL A COM	Common stocks	253	298
	Costar Group Inc Com	Common stocks	253	268
	DBS Group Hldgs LTD Spons ADR	Common stocks	1,371	1,409
	Deutsche Bank AG Namen AKT	Common stocks	250	266
	Deutsche Boerse ADR	Common stocks	906	810
	Digi Intl Inc COM	Common stocks	480	398
	Dresser Rand Group Inc COM	Common stocks	519	561
	East Japan RY Co ADR	Common stocks	660	635
	Echo Global Logistics inc Com	Common stocks	283	288
	Edwards Lifesciences Corp Com	Common stocks	218	180
	ENSCO PLC SHS CL A	Common stocks	643	830
				<u>8,555</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	Fastenal Co	Common stocks	\$ 718	\$ 1,026
	First Horizon Natl Corp Com	Common stocks	272	277
	Fiserv Inc Com	Common stocks	432	632
	Fomento Economico Mexicano SADR	Common stocks	101	403
	Forrester Resh Inc Com	Common stocks	605	429
	Fresenius Med Care AG Sponsored ADR	Common stocks	451	617
	Gazprom O A O Spon ADR Reg S	Common stocks	837	499
	Gentex Corp COM	Common stocks	1,351	924
	Harris Corp Del	Common stocks	519	539
	Hershey Co Com	Common stocks	287	289
	Hitachi LTD ADR 10 COM New	Common stocks	348	350
	Hologic Inc New	Common stocks	678	900
	Honda Mtr Ltd ADR Representing 2 ORD	Common stocks	291	369
	Hormel Foods Corp COM	Common stocks	882	968
	HSBC Hldgs PLC Spons ADR New	Common stocks	211	212
	IHS Inc COM CL A	Common stocks	813	1,056
	Imperial Tobacco Group PLC	Common stocks	509	694
				<u>10,184</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	Innerworkings Inc Com	Common stocks	\$ 515	\$ 717
	International Paper Co	Common stocks	651	717
	Invesco Ltd ORD SHS	Common stocks	547	574
	IPC The Hospitalist Co Inc COM	Common stocks	743	596
	JDS Uniphase Corp Com PAR	Common stocks	387	432
	Joy Global Inc Com	Common stocks	504	574
	Julius Baer Group LTD ADR	Common stocks	690	572
	Jupiter Telecommunication CO	Common stocks	643	824
	KBR Inc Com	Common stocks	452	449
	Keppel LTD Spon ADR	Common stocks	409	666
	Keycorp New Com	Common stocks	281	269
	Kinder Morgan Mgmt LLC SHS	Common stocks	570	755
	Kyocera Corp ADR Frnly Kyoto	Common stocks	859	731
	Linear Technology Corp	Common stocks	656	823
	LKQ Corp COM	Common stocks	544	1,013
	Lukoil Spond ADR SHS	Common stocks	394	458
	LVMH Moet Hennessy Louis Vuitton ADR	Common stocks	207	220
				<u>10,390</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	Macys Inc Com	Common stocks	\$ 354	\$ 351
	Maximus Inc COM	Common stocks	354	1,138
	MDU RES Group Inc COM	Common stocks	751	786
	Mednax Inc COM	Common stocks	581	716
	Microchip Technology Inc Com	Common stocks	298	293
	Mitsui & Co Ltd ADR	Common stocks	486	594
	Mobile Mini Inc	Common stocks	479	459
	Mylan Inc Com	Common stocks	503	576
	National Grid PLC Spon ADR New	Common stocks	225	230
	National Instrs Corp Com	Common stocks	1,078	929
	Neogen Corp Com	Common stocks	299	317
	Nestle SA Sponsored ADRS Registered	Common stocks	597	1,172
	Newcrest Mining LTD ADR	Common stocks	420	507
	Nidec Corp Spons ADR	Common stocks	735	495
	Nippon teleg & Telephone Corp	Common stocks	268	231
	Nissan Motor LTS Spon ADR	Common stocks	458	506
	Novartis AG Sponsored ADR	Common stocks	340	443
				<u>9,743</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value (continued)			
	Common stocks, at fair value (continued)			
	Novo Nordisk AS ADR formerly Novo	Common stocks	\$ 323	\$ 326
	Oil STS Intl Inc Com	Common stocks	228	215
	Orix Corp Sponsored ADR	Common stocks	417	566
	Owens Corning New Com	Common stocks	278	296
	Paladin Energy LTD ADR	Common stocks	737	257
	Patterson Cos Inc Com	Common stocks	499	582
	Perrigo Company	Common stocks	445	416
	Portfolio Recovery Assocs Inc Com	Common stocks	478	641
	Postnl N V Sponsored ADR	Common stocks	274	285
	Power Integrations Inc Com	Common stocks	462	403
	Qlik Technologies Inc Com	Common stocks	273	282
	Quanta Svcs Inc Com	Common stocks	689	873
	Rangold Res LTD ADR	Common stocks	539	694
	Repsol YPF SA Spóns ADR	Common stocks	196	121
	Republic Svcs Inc Com	Common stocks	274	293
	Ritchie Bros Auctioneers Inc	Common stocks	658	543
	Roche Hldgs LTD Sponsored ADR	Common stocks	498	553
				<u>7,346</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value (continued)			
	Common stocks, at fair value (continued)			
	Rockwell Collins Inc Del Com Stk	Common stocks	\$ 502	\$ 524
	Rockwood Hldgs Inc Com	Common stocks	285	297
	Rollins Inc	Common stocks	408	441
	Rolls Royce Group PLC Spons ADR	Common stocks	273	710
	Roper Industries Inc New COM	Common stocks	570	892
	Royal Dutch Shell PLC Sponsored ADR	Common stocks	491	483
	Sabmiller PLC Sponsored ADR	Common stocks	679	689
	Sands China LTD Unsponsored ADR	Common stocks	257	296
	Sanofi Spons ADR	Common stocks	1,434	1,990
	SAP AG Sponsored ADR	Common stocks	212	241
	Sberbank Russian Spons ADR	Common stocks	319	280
	Semtech Corp	Common stocks	423	521
	Seven & I Hldgs Co Ltd ADR	Common stocks	238	225
	Shire PLC Spons ADR	Common stocks	444	1,014
	Siemens A G Sponsored ADR	Common stocks	135	109
	Skyworks Solutions Inc Com	Common stocks	23	20
	Smith A O Corp Common	Common stocks	229	252
				<u>8,984</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value (continued)			
	Common stocks, at fair value (continued)			
	Southwest Energy Co Com	Common stocks	\$ 35	\$ 33
	Starwood Hotels & Resorts Worldwide	Common stocks	435	516
	Stericycle Inc Com	Common stocks	804	933
	Suez Environment Co S A ADR Repstg 1/2	Common stocks	1,010	613
	Sun Hung Kai PPTYS Ltd ADR New	Common stocks	598	720
	Suncor Energy Inc New Com	Common stocks	298	297
	Swedbank A B Spons ADR	Common stocks	264	273
	Syngenta AG Spon ADR	Common stocks	626	970
	Techne Corp COM	Common stocks	797	683
	Tencent Hldgs LTD ADR	Common stocks	501	932
	Terex Corp New	Common stocks	272	337
	Timken Co Com	Common stocks	266	335
	Tokio Marine Hldgs Inc. ADR	Common stocks	775	772
	Total S A Sponsored ADR	Common stocks	1,349	1,248
	Transoceca LTD SUG Namen AKT	Common stocks	267	223
	Triumph Group Inc New COM	Common stocks	541	718
	Ultimate Software Group Inc COM	Common stocks	692	1,231
				<u>10,834</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value (continued)			
	Common stocks, at fair value (continued)			
	Unilever PLC Spon ADR New	Common stocks	\$ 257	\$ 271
	United NAT Foods Inc COM	Common stocks	823	1,072
	Universal Health Svcs Inc CL B	Common stocks	549	532
	Valeo Spon ADR	Common stocks	505	496
	Vodafone Group PLC Spons ADR New	Common stocks	173	151
	Volvo Aktiebolaget ADR F	Common stocks	252	300
	Whole Foods Mkt Inc Com	Common stocks	538	820
	Wyndham Worldwide Corp Com	Common stocks	137	213
	Wynn Resorts Ltd Com	Common stocks	480	450
	Xilinx Inc Com	Common stocks	304	323
	Zions Bankcorp	Common stocks	187	214
	Zurich Finl Svcs Spons ADR	Common stocks	592	718
	Vale SA ADR Repstg PFD	Preferred Stock	152	264
	Host Hotels & Resorts Inc	Real Estate Investment Trusts	301	439
				<u>6,263</u>
	Total common stocks, at fair value			<u>91,328</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Mutual funds, at fair value				
	AQR Momentum Fund Class L	Mutual Funds	\$ 54,513	\$ 57,402
	Gateway Fund Class Y	Mutual Funds	18,831	20,174
	Investco Developing Markets Fund Class Y	Mutual Funds	32,456	36,336
	Mainstay High Yield Corporate Bond	Mutual Funds	6,721	6,755
	Prudential Jennison Health Sciences	Mutual Funds	17,036	19,859
	Ridgeworth FDS SEIX Floating Rate High	Mutual Funds	16,893	17,054
	Rivernorth Double Line Strategic	Mutual Funds	22,061	21,794
	Schwab Fundamental U.S. Large Company	Mutual Funds	55,707	59,564
	TCW Galileo FDS Emerging Markets	Mutual Funds	17,186	18,523
	Virtus Emerging Mkts Opportunities	Mutual Funds	11,588	12,134
	William Blair International Small Cap Growth FD CL I	Mutual Funds	11,882	17,849
	Total mutual funds, at fair value			287,444

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Exchange-traded products, at fair value				
	Ishares TR Barclays Tips BD FD	Exchange-Traded Products	\$ 22,375	\$ 27,317
	Ishares TR Barclays 1-3 YR Treas Index BD FD	Exchange-Traded Products	17,554	17,559
	Ishares TR Barclays 1-3 YR CR BD FD	Exchange-Traded Products	17,412	17,615
	Ishares TR Barclays 7-10 YR Treas Index BD FD	Exchange-Traded Products	24,713	27,195
	SPDR Gold TR Gold SHS	Exchange-Traded Products	4,448	8,101
	Vanguard Specialized Portfolios Dividend	Exchange-Traded Products	59,712	79,228
	Vanguard Scottsdale FDS Vanguard	Exchange-Traded Products	24,153	24,019
	Vanguard BD Index FD Inc Total BD Market	Exchange-Traded Products	79,384	83,106
	Total exchange-traded products, at fair value			<u>284,140</u>
	Federal Capital Reserve money market			<u>16,147</u>
	Total investments			<u>\$ 679,059</u>

* Party-in-Interest as defined by ERISA

See independent auditors' report.

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I – SCHEDULE OF REPORTABLE TRANSACTIONS

December 31, 2012

Identity of Party Involved (a)	Description of Assets (include interest rate and maturity in case of a loan) (b)	Purchase Price (c)	Selling Price (d)	Lease Rental (e)	Expense Incurred with Transaction (f)	Cost of Asset (g)	Current Value of Asset on Transaction Date (h)	Net Gain or (Loss) (i)
Woodbury Financial Services	Ishares TR Barclays 1-3 YR Treas Index BD FD	\$ -	\$ 41,722	\$ -	\$ -	\$ 41,736	\$ 41,722	\$ (14)

See independent auditors' report.

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 single-employer plan;	☐ a multiple-employer plan; or ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ an amended return/report;	☐ the final 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; ☐ special extension (enter description)	☐ automatic extension; ☐ the DFVC program;

Part II Basic Plan Information --- enter all requested information		
1a Name of plan Ware Industries, Inc. South Plainfield Local 8228 Retirement Plan	1b Three-digit plan number (PN) ▶	008
1c Effective date of plan 05/01/1994		
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) Ware Industries, Inc. 400 Metuchen Road US South Plainfield NJ 07080	2b Employer Identification Number (EIN) 22-2952878 2c Sponsor's telephone number (908) 757-9000 2d Business code (see instructions) 332300	

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	 Signature of plan administrator	7/31/13 Date	Lori Haqedorn Enter name of individual signing as plan administrator
SIGN HERE	 Signature of employer/plan sponsor	7/31/13 Date	Lori Haqedorn 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) Planned Retirement Consultants & Administrators, Inc. P.O. Box 5126 US Ridgewood NJ 07451-5126			Preparer's telephone number (optional) (201) 447-6010

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
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	5 389	
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 158	
b Retired or separated participants receiving benefits	6b 0	
c Other retired or separated participants entitled to future benefits	6c 134	
d Subtotal. Add lines 6a, 6b, and 6c	6d 292	
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e 0	
f Total. Add lines 6d and 6e	6f 292	
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 292	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 13	
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: 2C		
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)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value			
	Common stocks, at fair value			
	Abaxis Inc COM	Common stocks	\$ 446	\$ 594
	Agrium Inc COM	Common stocks	184	399
	Allianz SE Spons SDR REPSTG 1/10 SHS	Common stocks	514	497
	American Movil SAB DE C V Sponsored ADR	Common stocks	687	671
	Anglogold Ashanti LTD Sponsored ADR	Common stocks	558	502
	Anheuser Bush Inbev SA NV Sponsored ADR	Common stocks	236	350
	Ansys Inc COM	Common stocks	308	404
	ASSA Abloy AB ADR	Common stocks	260	299
	Athenahealth Inc COM	Common stocks	459	733
	Atlas Copco AB SP ADR B New	Common stocks	272	496
	BAE SYS PLC Sponsored ADR	Common stocks	258	285
	Bally Technologies Inc COM	Common stocks	288	313
	Barclays PLC ADR	Common stocks	419	416
	BASF	Common stocks	519	750
	Bayer AG Sponsored ADR	Common stocks	560	948
	Bayerische Motoren Werke A G ADR	Common stocks	1,231	1,506
	Beacon Roofing Supply Inc COM	Common stocks	778	1,098
				<u>10,261</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	BG Group PLC ADR Final Installment	Common stocks	\$ 587	\$ 560
	BHP Billiton PLC SPON ADR	Common stocks	565	563
	BOC Hong Kong HLDGS LTD Sponsored ADR	Common stocks	216	373
	British Amern TOB PLC Sponsored ADR	Common stocks	576	1,013
	Brookfield Asset Mgmt Inc VTG	Common stocks	255	293
	BT Group PLC ADR	Common stocks	636	837
	Cabot Microelectronics	Common stocks	347	355
	Cabot Oil & Gas Corp Com	Common stocks	237	348
	Cameron Intl Corp Com	Common stocks	692	734
	Canadian Pac RY LTD Com	Common stocks	258	305
	Carnival PLC ADR	Common stocks	260	271
	CBS Corp CL B COM	Common stocks	271	761
	Cepheid Com	Common stocks	727	948
	Chart Inds INC CO PAR	Common stocks	214	200
	Check Point Software Technologies LTD SHS	Common stocks	277	286
	Chemed Corp New Com	Common stocks	642	686
	China Mobile LTD Spon ADR S A	Common stocks	223	235
				<u>8,768</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	China Unicom Hong Kong LTD ADR	Common stocks	\$ 611	\$ 603
	CIT Group Inc New Com New	Common stocks	428	386
	Coach Inc Com	Common stocks	283	278
	Comerica Inc Com	Common stocks	728	576
	Concho Res Inc Com	Common stocks	189	161
	Concur Technologies Inc Com	Common stocks	505	608
	Copa Holding S A CL A COM	Common stocks	253	298
	Costar Group Inc Com	Common stocks	253	268
	DBS Group Hldgs LTD Spons ADR	Common stocks	1,371	1,409
	Deutsche Bank AG Namen AKT	Common stocks	250	266
	Deutsche Boerse ADR	Common stocks	906	810
	Digi Intl Inc COM	Common stocks	480	398
	Dresser Rand Group Inc COM	Common stocks	519	561
	East Japan RY Co ADR	Common stocks	660	635
	Echo Global Logistics inc Com	Common stocks	283	288
	Edwards Lifesciences Corp Com	Common stocks	218	180
	ENSCO PLC SHS CL A	Common stocks	643	830
				<u>8,555</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	Fastenal Co	Common stocks	\$ 718	\$ 1,026
	First Horizon Natl Corp Com	Common stocks	272	277
	Fiserv Inc Com	Common stocks	432	632
	Fomento Economico Mexicano SADR	Common stocks	101	403
	Forrester Resh Inc Com	Common stocks	605	429
	Fresenius Med Care AG Sponsored ADR	Common stocks	451	617
	Gazprom O A O Spon ADR Reg S	Common stocks	837	499
	Gentex Corp COM	Common stocks	1,351	924
	Harris Corp Del	Common stocks	519	539
	Hershey Co Com	Common stocks	287	289
	Hitachi LTD ADR 10 COM New	Common stocks	348	350
	Hologic Inc New	Common stocks	678	900
	Honda Mtr Ltd ADR Representing 2 ORD	Common stocks	291	369
	Hormel Foods Corp COM	Common stocks	882	968
	HSBC Hldgs PLC Spons ADR New	Common stocks	211	212
	IHS Inc COM CL A	Common stocks	813	1,056
	Imperial Tobacco Group PLC	Common stocks	509	694
				<u>10,184</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	Innerworkings Inc Com	Common stocks	\$ 515	\$ 717
	International Paper Co	Common stocks	651	717
	Invesco Ltd ORD SHS	Common stocks	547	574
	IPC The Hospitalist Co Inc COM	Common stocks	743	596
	JDS Uniphase Corp Com PAR	Common stocks	387	432
	Joy Global Inc Com	Common stocks	504	574
	Julius Baer Group LTD ADR	Common stocks	690	572
	Jupiter Telecommunication CO	Common stocks	643	824
	KBR Inc Com	Common stocks	452	449
	Keppel LTD Spon ADR	Common stocks	409	666
	Keycorp New Com	Common stocks	281	269
	Kinder Morgan Mgmt LLC SHS	Common stocks	570	755
	Kyocera Corp ADR Frnly Kyoto	Common stocks	859	731
	Linear Technology Corp	Common stocks	656	823
	LKQ Corp COM	Common stocks	544	1,013
	Lukoil Spond ADR SHS	Common stocks	394	458
	LVMH Moet Hennessy Louis Vuitton ADR	Common stocks	207	220
				<u>10,390</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	Macys Inc Com	Common stocks	\$ 354	\$ 351
	Maximus Inc COM	Common stocks	354	1,138
	MDU RES Group Inc COM	Common stocks	751	786
	Mednax Inc COM	Common stocks	581	716
	Microchip Technology Inc Com	Common stocks	298	293
	Mitsui & Co Ltd ADR	Common stocks	486	594
	Mobile Mini Inc	Common stocks	479	459
	Mylan Inc Com	Common stocks	503	576
	National Grid PLC Spon ADR New	Common stocks	225	230
	National Instrs Corp Com	Common stocks	1,078	929
	Neogen Corp Com	Common stocks	299	317
	Nestle SA Sponsored ADRS Registered	Common stocks	597	1,172
	Newcrest Mining LTD ADR	Common stocks	420	507
	Nidec Corp Spons ADR	Common stocks	735	495
	Nippon teleg & Telephone Corp	Common stocks	268	231
	Nissan Motor LTS Spon ADR	Common stocks	458	506
	Novartis AG Sponsored ADR	Common stocks	340	443
				<u>9,743</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value (continued)			
	Common stocks, at fair value (continued)			
	Novo Nordisk AS ADR formerly Novo	Common stocks	\$ 323	\$ 326
	Oil STS Intl Inc Com	Common stocks	228	215
	Orix Corp Sponsored ADR	Common stocks	417	566
	Owens Corning New Com	Common stocks	278	296
	Paladin Energy LTD ADR	Common stocks	737	257
	Patterson Cos Inc Com	Common stocks	499	582
	Perrigo Company	Common stocks	445	416
	Portfolio Recovery Assocs Inc Com	Common stocks	478	641
	Postnl N V Sponsored ADR	Common stocks	274	285
	Power Integrations Inc Com	Common stocks	462	403
	Qlik Technologies Inc Com	Common stocks	273	282
	Quanta Svcs Inc Com	Common stocks	689	873
	Rangold Res LTD ADR	Common stocks	539	694
	Repsol YPF SA Spóns ADR	Common stocks	196	121
	Republic Svcs Inc Com	Common stocks	274	293
	Ritchie Bros Auctioneers Inc	Common stocks	658	543
	Roche Hldgs LTD Sponsored ADR	Common stocks	498	553
				<u>7,346</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Common stocks, at fair value (continued)				
	Rockwell Collins Inc Del Com Stk	Common stocks	\$ 502	\$ 524
	Rockwood Hldgs Inc Com	Common stocks	285	297
	Rollins Inc	Common stocks	408	441
	Rolls Royce Group PLC Spons ADR	Common stocks	273	710
	Roper Industries Inc New COM	Common stocks	570	892
	Royal Dutch Shell PLC Sponsored ADR	Common stocks	491	483
	Sabmiller PLC Sponsored ADR	Common stocks	679	689
	Sands China LTD Unsponsored ADR	Common stocks	257	296
	Sanofi Spons ADR	Common stocks	1,434	1,990
	SAP AG Sponsored ADR	Common stocks	212	241
	Sberbank Russian Spons ADR	Common stocks	319	280
	Semtech Corp	Common stocks	423	521
	Seven & I Hldgs Co Ltd ADR	Common stocks	238	225
	Shire PLC Spons ADR	Common stocks	444	1,014
	Siemens A G Sponsored ADR	Common stocks	135	109
	Skyworks Solutions Inc Com	Common stocks	23	20
	Smith A O Corp Common	Common stocks	229	252
				<u>8,984</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value (continued)			
	Common stocks, at fair value (continued)			
	Southwest Energy Co Com	Common stocks	\$ 35	\$ 33
	Starwood Hotels & Resorts Worldwide	Common stocks	435	516
	Stericycle Inc Com	Common stocks	804	933
	Suez Environment Co S A ADR Repstg 1/2	Common stocks	1,010	613
	Sun Hung Kai PPTYS Ltd ADR New	Common stocks	598	720
	Suncor Energy Inc New Com	Common stocks	298	297
	Swedbank A B Spons ADR	Common stocks	264	273
	Syngenta AG Spon ADR	Common stocks	626	970
	Techne Corp COM	Common stocks	797	683
	Tencent Hldgs LTD ADR	Common stocks	501	932
	Terex Corp New	Common stocks	272	337
	Timken Co Com	Common stocks	266	335
	Tokio Marine Hldgs Inc. ADR	Common stocks	775	772
	Total S A Sponsored ADR	Common stocks	1,349	1,248
	Transoceca LTD SUG Namen AKT	Common stocks	267	223
	Triumph Group Inc New COM	Common stocks	541	718
	Ultimate Software Group Inc COM	Common stocks	692	1,231
				<u>10,834</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
	Investments, at fair value (continued)			
	Common stocks, at fair value (continued)			
	Unilever PLC Spon ADR New	Common stocks	\$ 257	\$ 271
	United NAT Foods Inc COM	Common stocks	823	1,072
	Universal Health Svcs Inc CL B	Common stocks	549	532
	Valeo Spon ADR	Common stocks	505	496
	Vodafone Group PLC Spons ADR New	Common stocks	173	151
	Volvo Aktiebolaget ADR F	Common stocks	252	300
	Whole Foods Mkt Inc Com	Common stocks	538	820
	Wyndham Worldwide Corp Com	Common stocks	137	213
	Wynn Resorts Ltd Com	Common stocks	480	450
	Xilinx Inc Com	Common stocks	304	323
	Zions Bankcorp	Common stocks	187	214
	Zurich Finl Svcs Spons ADR	Common stocks	592	718
	Vale SA ADR Repstg PFD	Preferred Stock	152	264
	Host Hotels & Resorts Inc	Real Estate Investment Trusts	301	439
				<u>6,263</u>
	Total common stocks, at fair value			<u>91,328</u>

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Mutual funds, at fair value				
	AQR Momentum Fund Class L	Mutual Funds	\$ 54,513	\$ 57,402
	Gateway Fund Class Y	Mutual Funds	18,831	20,174
	Investco Developing Markets Fund Class Y	Mutual Funds	32,456	36,336
	Mainstay High Yield Corporate Bond	Mutual Funds	6,721	6,755
	Prudential Jennison Health Sciences	Mutual Funds	17,036	19,859
	Ridgeworth FDS SEIX Floating Rate High	Mutual Funds	16,893	17,054
	Rivernorth Double Line Strategic	Mutual Funds	22,061	21,794
	Schwab Fundamental U.S. Large Company	Mutual Funds	55,707	59,564
	TCW Galileo FDS Emerging Markets	Mutual Funds	17,186	18,523
	Virtus Emerging Mkts Opportunities	Mutual Funds	11,588	12,134
	William Blair International Small Cap Growth FD CL I	Mutual Funds	11,882	17,849
	Total mutual funds, at fair value			287,444

(Continued)

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (Continued)

December 31, 2012

(a)	Identity of Issue, Borrower, Lessor, or Similar Party (b)	Description of investment including maturity date, rate of interest, collateral, par, or maturity value (c)	Cost (d)	Current Value (e)
Investments, at fair value (continued)				
Exchange-traded products, at fair value				
	Ishares TR Barclays Tips BD FD	Exchange-Traded Products	\$ 22,375	\$ 27,317
	Ishares TR Barclays 1-3 YR Treas Index BD FD	Exchange-Traded Products	17,554	17,559
	Ishares TR Barclays 1-3 YR CR BD FD	Exchange-Traded Products	17,412	17,615
	Ishares TR Barclays 7-10 YR Treas Index BD FD	Exchange-Traded Products	24,713	27,195
	SPDR Gold TR Gold SHS	Exchange-Traded Products	4,448	8,101
	Vanguard Specialized Portfolios Dividend	Exchange-Traded Products	59,712	79,228
	Vanguard Scottsdale FDS Vanguard	Exchange-Traded Products	24,153	24,019
	Vanguard BD Index FD Inc Total BD Market	Exchange-Traded Products	79,384	83,106
	Total exchange-traded products, at fair value			<u>284,140</u>
	Federal Capital Reserve money market			<u>16,147</u>
	Total investments			<u>\$ 679,059</u>

* Party-in-Interest as defined by ERISA

See independent auditors' report.

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

SPONSOR ID NO: 22-2952878
PLAN NO. 008

SCHEDULE H, LINE 4I – SCHEDULE OF REPORTABLE TRANSACTIONS

December 31, 2012

Identity of Party Involved (a)	Description of Assets (include interest rate and maturity in case of a loan) (b)	Purchase Price (c)	Selling Price (d)	Lease Rental (e)	Expense Incurred with Transaction (f)	Cost of Asset (g)	Current Value of Asset on Transaction Date (h)	Net Gain or (Loss) (i)
Woodbury Financial Services	Ishares TR Barclays 1-3 YR Treas Index BD FD	\$ -	\$ 41,722	\$ -	\$ -	\$ 41,736	\$ 41,722	\$ (14)

See independent auditors' report.

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2012 and 2011

	2012	2011
Assets:		
Investments at fair value (Notes 2, 3 and 4)	<u>\$ 679,059</u>	<u>\$ 622,065</u>
Receivables:		
Employer contribution	1,002	24,079
Interest receivable	<u>75</u>	<u>157</u>
Total receivables	<u>1,077</u>	<u>24,236</u>
Total assets	680,136	646,301
Liabilities:		
Due to Ware Industries, Inc. – for benefit payments	<u>72,614</u>	<u>24,079</u>
Net assets available for benefits, at fair value	<u>\$ 607,522</u>	<u>\$ 622,222</u>

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

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2012

Additions:	
Investment income:	
Net appreciation in fair value of investments (Note 3)	\$ 52,502
Interest and dividends	<u>13,322</u>
	65,824
Less investment expenses	<u>7,886</u>
	57,938
Contributions:	
Employer	<u>1,002</u>
Total additions	<u>58,940</u>
Deductions:	
Benefits paid to participants	72,614
Administrative expenses	<u>1,026</u>
Total deductions	<u>73,640</u>
Net decrease	(14,700)
Net assets available for benefits:	
Beginning of year	<u>622,222</u>
End of year	<u><u>\$ 607,522</u></u>

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

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

1. Description of Plan

The following brief description of the Ware Industries, Inc. (the "Company") South Plainfield Local 8228 Retirement 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 is a defined contribution money purchase plan covering hourly employees of the Company, whose employment is governed by the terms of a collective bargaining agreement between employee representatives and the Company and have satisfied union requirements, as defined. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Effective January 1, 2013 the Plan was frozen with respect to eligibility and contributions. As of that date, no additional employees could become eligible to participate in the plan and the Company could no longer contribute to the Plan.

The Company anticipates that the Plan will merge into the United Steel Worker's Industry 401(k) Plan prior to December 31, 2013.

Employer Contributions

Prior to the January 1, 2013 plan freeze, the Company contributed to the Plan an amount equal to \$.15 per hour of service by eligible

participants, as defined, up to 40 hours per week each year. This funding requirement was met for the year ended December 31, 2012. Participants were not permitted at any time to make contributions other than rollovers from other qualified plans as allowed by the Plan administrator.

Participant Accounts

Participant accounts were non-participant directed. Each participant's account was credited with the Company's contributions and an allocation of Plan earnings. Allocations to participants are made as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Forfeitures

Under the Plan, upon termination of service any unvested portion of the employer's contribution account was subject to forfeiture. Forfeitures were to be used to reduce future employer contributions to the Plan. Forfeited amounts at December 31, 2012 amounted to \$42,095 which was used to reduce the amount of the 2012 employer contributions.

Vesting

Vesting was based on years of service. Vesting began at 20% upon completion of two year of service and increased by 20% annually until fully vested, upon completion of six years of service. A participant is always vested in any rollover contribution.

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

Payment of Benefits

Upon retirement, death or disability, participants or their beneficiaries had the choice of, in accordance with the Plan's provisions, electing to receive their vested interests in (a) a qualified joint and survivor annuity, (b) a life annuity or (c) in a lump-sum amount.

Participants may receive their vested interest on the later of the first day of the month coincident with or following attainment of age 65 or completion of five years of participation.

Expenses

Certain expenses of maintaining the Plan have been paid directly by the Company and are excluded from these financial statements. Investment-related expenses are included in net appreciation of fair value of investments.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan are prepared on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America ("GAAP") applicable to defined contribution pension plans for filing with the Department of Labor.

Use of Estimates

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

Payment of Benefits

Benefit payments to participants are recorded when paid.

3. Investments

Investments have been managed by Woodbury Financial Services Inc. All investments are non-participant directed. The following pre-

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

sents investments that represent 5% or more of the Plan's net assets:

	2012	2011
<u>Investments at fair value as determined by quoted market prices:</u>		
<u>Mutual funds:</u>		
Schwab Fundamental U.S. Large Company	\$ 59,564	\$ 51,218
Invesco Development Markets Fund Class Y	36,336	-
AQR-Momentum Fund Class L	57,402	-
Other mutual funds	134,142	139,443
	<u>287,444</u>	<u>190,661</u>
<u>Exchange-traded products:</u>		
Ishares TR Barclays 1-3 YR Treasury Index BD FD	\$ 17,559	\$ 59,319
Ishares TR Barclays 7-10 YR Treasury Index BD FD	27,195	37,688
Vanguard Specialized Portfolios Dividend	79,228	81,702
Vanguard BD Index FD Inc. Total BD Market	83,106	60,734
Other exchange-traded products	77,052	80,133
	<u>284,140</u>	<u>319,576</u>
<u>Common stocks</u>		
	<u>91,328</u>	<u>100,232</u>
<u>Money market</u>		
	<u>16,147</u>	<u>11,596</u>
Total Investments	<u>\$ 679,059</u>	<u>\$ 622,065</u>

During 2012 the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$52,502.

4. Fair Value Measurements

GAAP has established a framework for measuring fair value that provides a fair value hierarchy based on the degree of objectivity inherent in 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 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

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

Level 2 – Inputs to the valuation methodology include:

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

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

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

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

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

The following is a description of the valuation methods used for assets measured at fair value. There have been no changes in the methods used at December 31, 2012 from those used at December 31, 2011.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common stocks and exchange traded products: Valued at the closing price reported on the active market on which the individual securities are traded.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2012 and 2011:

Assets at Fair Value as of December 31, 2012				
	Level 1	Level 2	Level 3	Total
<i>Mutual funds:</i>				
Index	\$ 59,564	\$ -	\$ -	\$ 59,564
Growth	107,244	-	-	107,244
Blend	56,510	-	-	56,510
Fixed income	64,126	-	-	64,126
Total mutual funds	287,444	-	-	287,444
<i>Exchange-traded products:</i>				
Fixed income	172,792	-	-	172,792
Specialized	79,228	-	-	79,228
Intermediate term bond	24,019	-	-	24,019
Other	8,101	-	-	8,101
Total exchange-traded products	284,140	-	-	284,140
Common stocks - other	91,328	-	-	91,328
Federal Capital Reserve money market	16,147	-	-	16,147
Total assets at fair value	\$ 679,059	\$ -	\$ -	\$ 679,059
Assets at Fair Value as of December 31, 2011				
	Level 1	Level 2	Level 3	Total
<i>Mutual funds:</i>				
Index	\$ 51,218	\$ -	\$ -	\$ 51,218
Growth	58,403	-	-	58,403
Blend	49,964	-	-	49,964
Fixed income	31,076	-	-	31,076
Total mutual funds	190,661	-	-	190,661
<i>Exchange-traded products:</i>				
Fixed income	218,115	-	-	218,115
Specialized	81,702	-	-	81,702
Other	19,759	-	-	19,759
Total exchange-traded products	319,576	-	-	319,576
Common stocks - other	100,232	-	-	100,232
Federal Capital Reserve money market	11,596	-	-	11,596
Total assets at fair value	\$ 622,065	\$ -	\$ -	\$ 622,065

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

5. Related-Party Transactions

Benefits of the Plan have been paid out of the Company's operating account.

The assets of the Plan, which have been invested with the investment company as of December 31, 2012 and 2011, are considered party-in-interest investments. The investment company is a party-in-interest as a provider of administrative, investment management and accounting services to the funds. These transactions are exempt from the prohibited transaction rules.

6. Plan Termination

The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants would become 100 percent vested in the Company contributions. The Company anticipates that the Plan will merge into the United Steel Worker's Industry 401(k) plan prior to December 31, 2013. Immediately prior to the merger, all participant accounts will become 100 percent vested. Upon the merger, the Plan will terminate.

7. Tax Status

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated September 4, 2010, that the Plan and related trust are designed for tax

qualification in accordance with applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is design continues to be in compliance with the applicable requirements of the IRC; and therefore, believes that the Plan is qualified and the related trust is tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would be overruled upon examination by the federal and state taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income examinations for years prior to 2009.

8. Risks and Uncertainties

The Plan's assets are invested in various investment securities which 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

WARE INDUSTRIES, INC.
SOUTH PLAINFIELD LOCAL 8228 RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2012

term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits. Participants bear all risks of market fluctuations.

9. Subsequent Events

The Plan has evaluated subsequent events through July 30, 2013, the date that the financial statements were available to be issued. Except as disclosed in Note 1, there are no other material subsequent events that must be recognized or disclosed in the financial statements.

[illegible]

Schedule H, line 4j
Schedule of Reportable Transactions.

[illegible]