

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>07/01/2013</u> and ending <u>06/30/2014</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>STAHL'S INC EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</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>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/2004</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>07/01/2004</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>07/01/2004</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>STAHL'S INC</u> <u>20600 STEPHENS</u> <u>ST. CLAIR SHORES, MI 48080</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>38-1897812</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>586-859-4310</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>339900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>38-1897812</u>	2c Sponsor's telephone number <u>586-859-4310</u>	2d Business code (see instructions) <u>339900</u>	
2b Employer Identification Number (EIN) <u>38-1897812</u>					
2c Sponsor's telephone number <u>586-859-4310</u>					
2d Business code (see instructions) <u>339900</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	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 716
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 569
b Retired or separated participants receiving benefits	6b
c Other retired or separated participants entitled to future benefits.....	6c 250
d Subtotal. Add lines 6a , 6b , and 6c	6d 819
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e
f Total. Add lines 6d and 6e	6f 819
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 819
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 14
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:
 2P 3I

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
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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)
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SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
For calendar plan year 2013 or fiscal plan year beginning <u>07/01/2013</u> and ending <u>06/30/2014</u>		
A Name of plan <u>STAHL'S INC EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u>		B Three-digit plan number (PN) ► <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>STAHL'S INC</u>		D Employer Identification Number (EIN) <u>38-1897812</u>

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(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)	4142276	5136178
(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	4142276	5136178

Liabilities

g Benefit claims payable	1g	22742	22742
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	22742	22742

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	4119534	5113436
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Part II Income and Expense Statement

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

Income**a Contributions:**

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

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

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

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

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	993902	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		993902

		(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		993902

Expenses

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

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		993902
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: UHY LLP

(2) EIN: 20-0694403

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.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN
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STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP PLAN AND TRUST

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

As of June 30, 2014 and 2013 and
For the year ended June 30, 2014

STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP PLAN AND TRUST

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of the
Stahls' Inc. Employees' Stock Ownership Plan and Trust

Report on the Financial Statements

We have audited the accompanying financial statements of Stahls' Inc. Employees' Stock Ownership Plan and Trust, which comprise the statements of net assets available for benefits as of June 30, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended June 30, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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.

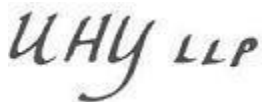
To the Plan Administrator of the
Stahls' Inc. Employees' Stock Ownership Plan and Trust
Page Two

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Stahls' Inc. Employees' Stock Ownership Plan and Trust as of June 30, 2014 and 2013, and the changes in its net assets available for benefits for the year ended June 30, 2014, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year), referred to as "supplemental information," is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and 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.

The image shows a handwritten signature in dark ink. The letters "UHY" are written in a large, stylized, cursive font. To the right of "UHY", the letters "LLP" are written in a smaller, more straightforward, sans-serif font.

Sterling Heights, Michigan
April 14, 2015

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	June 30,	
	2014	2013
ASSETS		
Investment in sponsor company common stock at fair value	\$ 5,136,178	\$ 4,142,276
LIABILITIES		
Distribution payable	22,743	22,743
Net assets available for plan benefits	<u>\$ 5,113,435</u>	<u>\$ 4,119,533</u>

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended June 30, 2014

ADDITIONS TO NET ASSETS ATTRIBUTED TO

Net investment gain on employer securities	\$ 993,902
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NET ASSETS AVAILABLE FOR BENEFITS - Beginning	<u>4,119,533</u>
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NET ASSETS AVAILABLE FOR BENEFITS - Ending	<u><u>\$ 5,113,435</u></u>
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**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 1 – DESCRIPTION OF THE PLAN

The following description of the Stahl's Inc. Employee's Stock Ownership Plan and Trust (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, established effective July 1, 2004, operates as a leveraged employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (code) and is subject to the applicable provisions of ERISA. The Plan covers all employees of Stahl's, Inc. and related entities (the "Company" or "Plan Sponsor") except for employees covered by a collective bargaining agreement, non-resident aliens, leased employees, and independent contractors. All employees of the Company who have attained the age of 21 and completed one year of eligible service are eligible to participate in the plan. The Company stock was transferred to the Plan on May 10, 2007.

Plan Administration

Jon Deimel is the Plan's trustee. The trustee is responsible for the management and control of the Plan's assets. The Plan's record keeper function is administered by Stahl's, Inc.

Plan Contributions

In accordance with the Plan Agreement, annual employer contributions to the Plan are made by approval of the Company's Board of Directors. Plan contributions can be made in the form of cash, company common stock, or in-kind. Employer contributions are allocated to participants based on eligible compensation during each plan year. The participants must be employed at the end of the plan year to qualify for an employer contribution. The Company did not make contributions to the Plan for the plan year ending June 30, 2014. No participant contributions are allowed in the Plan.

Participant Accounts

Each participant's account is credited with an allocation of (a) the Plan Sponsor's contribution, (b) plan earnings less plan expenses, and (c) forfeitures of terminated participants' non-vested accounts. Allocation of plan earnings are based on the participant's account balance, while employer contributions and forfeitures are allocated based upon a participant's compensation to total compensation, as defined in the Plan Agreement.

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 1 – DESCRIPTION OF THE PLAN (Continued)

Vesting

A participant will vest in their Plan account balance on a graduated basis over six years of service, with 20% vesting after two years of service and an additional 20% vesting each year thereafter until six or more years of service when the participant will be 100% vested. In addition, a participant will be fully vested in their plan account balance upon normal retirement (i.e., attainment of age 65) or retirement due to disability or death.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent. Participants who elect to diversify receive a cash distribution.

Forfeited Accounts

In the event a participant incurs a break in service as defined by the Plan Agreement, the non-vested portion of the participant's account is forfeited by the participant and is reallocated to the remaining participants as of the last day of the Plan year, based on compensation during the Plan year. Such forfeiture may be restored by the Company if the participant resumes employment with the Company within five years. There were forfeited non-vested amounts for the year ended June 30, 2014 in the amount of \$19,510. There were no amounts held in the forfeiture account as of June 30, 2014 or 2013, respectively.

Participant Loans

Participant loans are not allowed by the Plan.

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 1 – DESCRIPTION OF THE PLAN (Continued)

Distribution of Benefits

Distributions on account of separation from service, disability or death generally will be made to participants in a lump sum payment. If the participant's vested balance is \$1,000 or less, a distribution will be paid as soon as administratively practicable. Distributions on account of separation of service, disability, or death for participants with vested balances greater than \$1,000 must be requested in writing by the participant or can be deferred until normal retirement age. If the participant does not elect a distribution or elects to defer their distribution, the distribution must be paid within 60 days of the later of the separation of service, reaching age 65, or reaching their 10th anniversary of participation in the Plan. The Company paid a participant a distribution and recorded a payable in the amount of \$22,743 for the plan year ending June 30, 2013. The Plan has not distributed the shares as of June 30, 2014 and the related payable of \$22,743 is included in the statements of net assets available for benefits.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to amend, modify, terminate, or partially terminate the Plan at any time subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested and the net assets would be distributed to the participants according to the participant's account balances.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain accounting policies followed in the preparation of these financial statements.

Basis of Accounting

The financial statements of the Plan have been prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

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

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 5 for a discussion of fair value measurements.

Unrealized appreciation or depreciation in the aggregate fair value of investments represents the change in the difference between aggregate fair value and the cost of investments, including reinvestment of earnings.

The common stock of the Company which is held by the Plan has been recorded based on estimated fair value. As of June 30, 2014, the appraised fair value of the common stock was \$25.27 per share, or \$5,136,178 in the aggregate.

Risks and Uncertainties

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

Administrative Expenses

The Plan pays administrative expenses to the extent that the Company does not pay them. Personnel and facilities of the Company have been used by the Plan for its accounting and other activities at no charge to the Plan.

NOTE 3 – INCOME TAX STATUS

The Plan obtained its latest determination letter on August 19, 2011, in which the Internal Revenue Service ("IRS") stated the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, the Plan Sponsor and the Plan's tax counsel believe that the Plan is currently designed and is being operated in compliance with the applicable requirements of the Internal Revenue Code.

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 3 – INCOME TAX STATUS (Continued)

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the applicable taxing authorities. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of June 30, 2014 and 2013, 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.

NOTE 4 – INVESTMENTS

The following details Plan investments at June 30:

	<u>2014</u>	<u>2013</u>
	<u>Allocated</u>	<u>Allocated</u>
Stahls', Inc. common stock:		
Number of shares	203,252	203,252
Cost	\$ 2,500,000	\$ 2,500,000
Fair value	\$ 5,136,178	\$ 4,142,276

NOTE 5 – FAIR VALUE MEASUREMENTS

ASC Topic *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC Topic *Fair Value Measurements* 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.

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 5 – FAIR VALUE MEASUREMENTS (Continued)

Level 2 Inputs to the valuation methodology include:

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

If the asset or liability has a specific (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.

Following is a description of the valuation methodologies used for assets measured at fair value.

Common Stock: Valued at the amount that the Plan could reasonably expect to receive in a sale between a willing buyer and a willing seller. As there is no ready market for the common stock, the Plan has engaged an independent appraisal firm to appraise its fair value at year end.

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

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 5 – FAIR VALUE MEASUREMENTS (Continued)

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

June 30, 2014				
	Level 1	Level 2	Level 3	Total
Common stock	\$ -	\$ -	\$ 5,136,178	\$ 5,136,178

June 30, 2013				
	Level 1	Level 2	Level 3	Total
Common stock	\$ -	\$ -	\$ 4,142,276	\$ 4,142,276

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the Plan's level 3 asset for the years ended June 30:

	Common Stock	
	2014	2013
Beginning balance	\$ 4,142,276	\$ 3,581,300
Unrealized gain	993,902	560,976
Ending balance	\$ 5,136,178	\$ 4,142,276

NOTE 6 – PARTY-IN-INTEREST TRANSACTIONS

The Plan has invested in the Company's common stock ownership. Transactions in Company stock are considered party-in-interest transactions because the Company is the Plan Sponsor.

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 7 – SUBSEQUENT EVENTS

The Plan has performed a review of events subsequent to the statements of net assets available for benefits through April 14, 2015, the date the financials were available to be issued.

Subsequent to June 30, 2014, the Plan is in the process of filing an application to make corrections under the Internal Revenue Service's (IRS) voluntary correction program (VCP). The VCP filing addresses two issues; (1) required minimum distributions not made, and (2) distributions that were not made for terminated participants who had vested balances of \$1,000 or less. The Plan is working to correct the above errors through their filing of the VCP and making changes to the plan sponsor's internal controls.

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**

EIN # 38-1897812

Plan # 002

Schedule H, Line 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

June 30, 2014

(a)	(b)	(c)	(e)
Party in Interest	Identity of issuer, borrower, lessor or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current Value
*	Stahls', Inc.	Common Stock	<u>\$ 5,136,178</u>

**STAHL'S INC. EMPLOYEES' STOCK OWNERSHIP
PLAN AND TRUST**

EIN # 38-1897812

Plan # 002

Schedule H, Line 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

June 30, 2014

(a)	(b)	(c)	(e)
Party in Interest	Identity of issuer, borrower, lessor or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current Value
*	Stahls', Inc.	Common Stock	<u>\$ 5,136,178</u>

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 2013 This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2013 or fiscal plan year beginning <u>07/01/2013</u> and ending <u>06/30/2014</u>			
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 STAHL'S INC EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST	1b Three-digit plan number (PN) ▶	002	
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) STAHL'S INC 20600 STEPHENS ST. CLAIR SHORES MI 48080	1c Effective date of plan	07/01/2004	
	2b Employer Identification Number (EIN)	38-1897812	
	2c Sponsor's telephone number	586-859-4310	
	2d Business code (see instructions)	339900	

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		4-14-15	JON DEIMEL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2013)
v. 130118

Service Provider Affidavit

I certify that I have been specifically authorized in writing by the plan administrator/employer, as applicable, to enter my EFAST2 PIN on this return/report in order to electronically submit this return/report. I further certify that: (1) I will retain a copy of the administrator's/employer's specific written authorization in my records; (2) I have attached to this electronic filing, in addition to any other required schedules or attachments, a true and correct PDF copy of the first two pages of the completed Form 5500 or Form 5500-SF return/report bearing the manual signature of the plan administrator/employer under penalty of perjury; (3) I advised the plan administrator/employer that by selecting this electronic signature option the PDF image of that manual signature will be included with the rest of the return/report posted by the Department of Labor (DOL) on the Internet for public disclosure; and (4) I will communicate to the plan administrator/employer any inquiries and information that I receive from EFAST2, DOL, IRS or PBGC regarding this annual return/report.


Signature of service provider (optional)

04/14/2015

Date

MATTHEW G MUNN

Enter name of individual signing as service provider