

CASTLE A M & CO  
Form 11-K  
June 28, 2013

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2012.

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_ to \_\_\_.

Commission file number: 1-5415

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

A.M. Castle & Co.  
401(K) Savings and Retirement Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

A. M. Castle & Co.  
1420 Kensington Road, Suite 220  
Oak Brook, Illinois 60523

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A. M. CASTLE & CO.  
401(k) SAVINGS AND RETIREMENT PLAN

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and the Administrator of the  
A.M. Castle & Co. 401(k) Savings and Retirement Plan  
Oak Brook, Illinois

We have audited the accompanying financial statements of net assets available for benefits of A.M. Castle & Co. 401(k) Savings and Retirement Plan (the "Plan") 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. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the 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 conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of A.M. Castle & Co. 401(k) Savings and Retirement Plan, as listed in the accompanying table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Baker Tilly Virchow Krause, LLP  
Chicago, Illinois  
June 28, 2013

A.M. CASTLE & CO.  
401(k) SAVINGS AND RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

As of December 31, 2012 and 2011

	2012	2011
NET ASSETS		
Participant directed investments at fair value	\$93,492,562	\$78,509,654
Notes receivable from participants	2,397,035	2,315,817
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	95,889,597	80,825,471
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(187,345 )	(47,565 )
NET ASSETS AVAILABLE FOR BENEFITS	\$95,702,252	\$80,777,906

See accompanying notes to financial statements

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A.M. CASTLE & CO.  
401(k) SAVINGS AND RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
For the Year ended December 31, 2012

ADDITIONS TO NET ASSETS

Investment income	
Net appreciation in fair value of investments	\$7,220,877
Interest	91,445
Dividends	1,200,130
Realized gains	1,088,697
Total investment income	9,601,149
Contributions	
Employer	3,761,436
Participant	4,445,194
Rollovers from other qualified plans	172,425
Total contributions	8,379,055
Total additions	17,980,204

DEDUCTIONS FROM NET ASSETS

Benefits paid to participants	(9,496,633 )
Administrative fees	(126,562 )
Total deductions	(9,623,195 )

NET INCREASE BEFORE TRANSFERS	8,357,009
Net transfers from Tube Supply, LLC 401(k) Plan	6,567,337
NET INCREASE INCLUDING TRANSFERS	14,924,346
NET ASSETS AVAILABLE FOR BENEFITS - BEGINNING OF YEAR	80,777,906
NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	\$95,702,252

See accompanying notes to financial statements.

A.M. CASTLE & CO.  
401(K) SAVINGS AND RETIREMENT PLAN  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF DECEMBER 31, 2012 AND 2011 AND FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 - DESCRIPTION OF PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following description of the A. M. Castle & Co. 401(k) Savings and Retirement Plan (“the Plan”) is provided for general information purposes only. Users of these financial statements should refer to the Plan document for more complete information.

General: The Plan was established on January 1, 1957. The Plan was amended and restated from time to time to provide a means for eligible (salaried and nonsalaried) employees to participate in the earnings of A. M. Castle & Co. and its subsidiaries (the “Company”) in order to build a supplemental retirement fund and to provide additional disability and death benefits. Participants should refer to the Plan document for more complete information.

The Plan is a defined contribution 401(k) plan available to salaried and other eligible employees of the Company and certain of its subsidiaries. Employees of the Company are eligible to become participants in the Plan on the first day of the month following the completion of 30 days of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Trustee: The Principal Financial Group (the “Trustee”) is the Trustee of the Plan effective September 1, 2005. The Plan's trust fund is administered under the terms of certain trust agreements between the Plan and the Trustee. The trust agreements provide, among other things, that the Trustee shall account for all investments, receipts, and disbursements and other transactions and shall provide annually a report setting forth such transactions and the status of the fund at the close of the period.

Participant Accounts: Participants may contribute up to 100% of their eligible compensation, as defined by the Plan, subject to Internal Revenue Code (“IRC”) limitations as well as rollover contributions. Participants who are 50 years of age or older by the end of a particular plan year and have contributed the maximum 401(k) deferral amount allowed under the Plan for that year are eligible to contribute an additional portion of their annual compensation on a before-tax basis as catch-up contributions, up to the annual IRC limit. Participants direct the investment of their participant and employer contributions among various investment options offered by the Plan, including the common stock of the Company.

Effective January 1, 2011, eligible employees that did not previously participate in the Plan were automatically enrolled unless an alternative action was made. A salary deferral of three percent of pre-tax compensation, increasing one percent annually until a maximum deferral of ten percent is reached, for each automatically enrolled participant defaults into the T. Rowe Price Target Date Retirement Funds, unless the participant elects an alternative investment option.

Effective January 1, 2013, the Plan was amended to allow participants to make Roth elective deferrals. The Plan was also amended at this time to discontinue the after-tax contribution previously available as a contribution option to participants.

Employer Contributions: Effective July 1, 2011, the Plan was amended to increase Company matching contribution from 50% to 100% of each dollar the employee contributes to the Plan up to the first 6% of the participant's pretax compensation and the portion of the Plan that previously provided for a fixed contribution of 4% of eligible earnings for all employees was eliminated. For employees whose pension benefit was previously frozen and who met eligibility

requirements, there is a fixed “pension credit” contribution of either 3% or 6% of eligible compensation earned on and after July 1, 2008, the date the pension benefit was frozen, based on age and service at the time the benefit was frozen. USWA participants receive no employer contributions.

Vesting: Participant contributions (including rollover contributions) and earnings thereon are at all times 100% vested. For employer contributions to the Plan, and any earnings thereon, participants will be fully vested after completing two calendar years of service. In addition, the Plan contains provisions under which the entire amount credited to a participant's account is distributable upon a participant's disability or death.

NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2012 AND 2011 AND FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 - DESCRIPTION OF PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Forfeitures:** Matching contributions made by the Company may be reduced by the amount of forfeitures from employees' matching contribution accounts. Amounts forfeited from employees' matching contribution accounts are to be allocated to eligible participants, as defined by the Plan. Forfeitures were used to reduce employer contributions in the amount of \$55,776 for the year ended December 31, 2012.

**Allocations of Income:** Earnings of the Plan, as defined, are allocated to participants' accounts based on the proportion of each participant's account balance within each fund to the total account balance.

**Notes Receivable from Participants:** Participants may borrow a minimum of \$1,000 and a maximum of the lesser of \$50,000 or 50% of their vested account balances for a specified time period, as defined in the Plan document. Interest is charged on outstanding loans at one percentage point above the prime rate in effect at the time of the loan. Loan rates are established at the beginning of each quarter. Loans are secured by the balance in the participant's account. Upon termination of employment, notes receivable from participants (if in default) are first deducted from participant equity, with the remaining equity balance distributed to the participant.

**Payment of Benefits:** Benefit payments from the Plan will not be made until a participant retires, dies, attains age 65, or otherwise terminates employment with the Company. However, in-service benefit payments may be taken when participants reach 59.5 years of age. Benefit payments are made in cash in a lump sum, an installment basis, purchase of an annuity, or can be rolled over to another plan or an individual's Individual Retirement Account. Hardship withdrawals are allowed by the Plan in certain cases of financial hardship, as defined by the Plan. Benefit payments to participants are recorded when paid. Included in net assets available for benefits are amounts allocated to individuals who have completed an election to withdraw from the Plan and requested that their benefits be paid but whose distributions have not yet been paid. Plan assets allocated to the accounts of these participants were \$13,221 and \$2,500 as of December 31, 2012 and 2011, respectively.

**Basis of Accounting:** The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

**Use of Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the use of estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

**Risks and Uncertainties:** The Plan utilizes various investment instruments, including mutual funds, a common collective fund, and common stock. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants account balances and the amounts reported in the financial statements.

**Investment Valuation and Income Recognition:** Investments are stated at fair value. The fair values of common stock and mutual fund investments are based on quoted market prices as of the last day of the year. Common collective trusts are valued at the fair value based on the Net Asset Value (NAV) of the underlying investments of participant units held by the Plan as of the last trading day of the period, as reported by the managers of the trust. Interest and dividends earned on investments, but not yet received, are included in the statements of net assets available for



benefits.

Net appreciation in fair value of investments is calculated as the difference between market value at January 1, or date of purchase if subsequent to January 1, and fair value at year end. Fully benefit-responsive investment contracts included in the underlying investments of the FFTW Income Plus Fund, a common collective trust fund in which the Plan holds an interest, is to be presented at fair value. The difference between the fair value of this investment and its contract value is presented as a separate adjustment in the Statements of Net Assets Available for Benefits because the contract value remains the relevant measurement attribute for that portion of net assets available for benefits attributable to fully benefit-responsive investment contracts.

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NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2012 AND 2011 AND FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 - DESCRIPTION OF PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Options

The investment options provided under the Plan are as follows:

Common Stock

A. M. Castle & Co. common stock - consists entirely of A. M. Castle & Co. common stock.

Mutual Funds

Conservative Allocation Fund - The fund's objective is to provide long-term growth of income and a high and sustainable level of current income, along with moderate long-term capital appreciation. The fund invests approximately 60% to 65% of assets in investment-grade corporate, U.S. Treasury, and government agency bonds, as well as mortgage-backed securities. The remaining 35% to 40% of fund assets are invested in common stocks of companies that have a history of above-average dividends or expectations of increasing dividends.

Large Value Fund - The fund's objective is to provide long-term growth of capital and income. The fund invests at least 80% of assets in common stocks and other equity securities of companies that pay or are expected to pay dividends. It invests primarily in common stocks of companies with market capitalizations greater than \$3.5 billion. The fund may also invest in real estate investment trusts and in non-U.S. securities, including emerging market securities.

Large Growth Fund - The fund's objective is to provide long-term capital appreciation and, secondly, current income. The fund primarily invests in common stocks and convertible securities. The portfolio manager uses a bottom-up approach to stock selection and seeks high quality, well-established large-cap companies that are believed to be growing their near-term earnings at an above average rate. It defines a large-cap company as one having a market capitalization of \$5.0 billion or more at the time of acquisition. The fund may invest in foreign securities.

Large Blend Fund - The fund's objective is to track the performance of a benchmark index that measures the investment return of large-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Mid-Cap Value Fund - The investment seeks capital appreciation. The fund primarily invests in the common stocks of mid-sized companies whose stock prices the portfolio managers believe are undervalued. It normally invests at least 80% of the net assets in equity securities of companies whose market capitalization falls, at the time of purchase, within the 12-month average of the capitalization range of the Russell Midcap Value Index. The fund may also invest in foreign equity and debt securities, which may include investments in emerging markets.

Small Growth Fund - The investment seeks long-term growth of capital. The fund invests at least 80% of assets in equities securities of small-, mid-, and/or micro-cap companies with market capitalizations up to \$5.0 billion that it believes are trading significantly below its estimate of their current worth, basing the assessment chiefly on balance

sheet quality and cash flow levels. Although the fund normally focuses on the securities of U.S. companies, it may invest up to 25% of its net assets in foreign securities.

Foreign Large Blend Fund - The investment seeks long term growth of capital. The fund normally invests in the equity securities of issuers located in international markets. It typically invests in equity and equity-related instruments of mid-size, and larger companies. The fund invests at least 80% of net assets in equity securities of issuers located anywhere in the world, normally excluding the U.S. It may invest in derivatives for hedging and non-hedging purposes. The fund may invest up to 35% of its net assets in emerging market securities. The maximum allocation to any one country, measured at the time of purchase, is the higher of 15% or double the country's weighting in the Morgan Stanley Capital International Europe, Australasia, and Far East (EAFE) Index.

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NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2012 AND 2011 AND FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 - DESCRIPTION OF PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Retirement Income Fund - The investment seeks the highest total return over time consistent with an emphasis on both capital growth and income. The fund invests in a diversified portfolio of other T. Rowe Price stock and bond funds that represent various asset classes and sectors. It is intended for retired investors who seek income and relative stability from bonds along with some capital appreciation potential from stocks. The fund's "neutral allocations," which are what T. Rowe Price considers broadly appropriate for investors during their retirement years, are 40% stock funds and 60% bond funds. While the investment is non-diversified, it invests in diversified underlying holdings.

Target Date 2000-2010, Target Date 2011-2015, Target Date 2016-2020, Target Date 2021-2025, Target Date 2026-2030, Target Date 2031-2035, Target Date 2036-2040, Target Date 2041-2045, Target Date 2046-2050 and Target Date 2051+ Funds - The investments seek the highest total return over time consistent with an emphasis on both capital growth and income. The funds invest in a diversified portfolio of other T. Rowe Price stock and bond funds that represent various asset classes and sectors. Their allocation between T. Rowe Price stock and bond funds will change over time in relation to the target retirement date. While the investments are non-diversified, they invest in diversified underlying holdings.

Common Collective Trust

Fixed Income Fund - The fund seeks to preserve invested principal while providing a competitive current rate of return. The fund invests primarily in guaranteed investment contracts ("GICs"), money market funds, money market instruments, repurchase agreements, private placements, bank investment contracts and synthetic GICs. The fund will operation within a weighted average maturity range selected by the fund's trustee from time to time.

Administrative Expenses: Administrative and trustee expenses are allocated to participants' accounts based on the proportion of each participant's account balance to the total of all account balances. Some Plan expenses are also paid by the Plan sponsor.

Recent Accounting Pronouncements: In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-04, "Fair Value Measurement," which aligns disclosures related to fair value between generally accepted accounting principles of the United States of America ("U.S. GAAP") and International Financial Reporting Standards. The ASU requires new quantitative and qualitative disclosures about the sensitivity of recurring Level 3 measurement disclosures, as well as transfers between Level 1 and Level 2 of the fair value hierarchy. This update was effective for the Plan for the year ended December 31, 2012 and had no impact on the Plan's financial statements or related disclosures as the Plan does not currently have any investments that require Level 3 investment disclosures nor have there been any transfers of investments between Level 1 and Level 2 within the fair value hierarchy.

## NOTE 2 - INVESTMENTS

The Plan's investments that represent 5% or more of the Plan's net assets available for benefits (at fair value) as of December 31 are as follows:

	2012	2011
Common collective trust fund		
FFTW Income Plus Fund	\$24,998,432	\$23,401,545
Mutual funds		
Vanguard Wellesley Income Fund	11,056,329	10,237,151
Allianz NFJ Dividend Value Fund	11,312,921	9,974,303
Aston Asset Management Montag & Caldwell Growth Fund	10,803,211	9,032,483

During 2012, the Plan's investments appreciated as follows:

A. M. Castle & Co. common stock	\$1,999,746
Common collective trust fund	233,822
Mutual funds	4,987,309
Net appreciation in fair value of investments	\$7,220,877

The realized gains for the Plan's investments during 2012 of \$1,088,697 relate entirely to mutual funds.

## NOTE 3 - PLAN MERGER

On June 30, 2012, all of the assets and liabilities of the Tube Supply, LLC 401(k) Plan ("Tube Supply Plan") were merged into the Plan and all participants of the Tube Supply Plan became participants of the Plan. On July 3, 2012, \$6,567,337 was transferred into the Plan, which included \$6,375,514 in rollovers, and \$191,823 related to participant loans and accrued interest related to the merger. On July 18, 2012, employer contributions were remitted into the plan on behalf of the Tube Supply Plan participants equal to 3% of eligible compensation earned from January 1, 2012 through June 30, 2012.

## NOTE 4 - FEDERAL INCOME TAX STATUS