



**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C. 20549  
FORM 10-K/A  
Amendment No. 1**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the Fiscal Year Ended June 30, 2011  
Commission File Number 1-7635

**TWIN DISC, INCORPORATED**  
(Exact Name of Registrant as Specified in its Charter)

Wisconsin  
(State or Other Jurisdiction of Incorporation or Organization)

39-0667110  
(I.R.S. Employer Identification Number)

1328 Racine Street, Racine, Wisconsin  
(Address of Principal Executive Office)

53403  
(Zip Code)

Registrant's Telephone Number, including area code:

(262) 638-4000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class  
Common stock, no par  
Preferred stock purchase rights

Name of each exchange on which registered:  
The NASDAQ Stock Market LLC  
The NASDAQ Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:

None  
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  
YES [ ] NO [  ]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.  
YES [ ] NO [  ]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  
YES [  ] NO [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files) YES [ ] NO [  ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K [  ].

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company (as defined in Rule 12b-2 of the Exchange Act).  
Large Accelerated Filer [ ] Accelerated Filer [  ] Non-accelerated Filer [ ] Smaller reporting company [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).  
YES [ ] NO [  ]

At December 31, 2010, the last business day of the registrant's second fiscal quarter, the aggregate market value of the common stock held by non-affiliates of the registrant was \$248,814,593. Determination of stock ownership by affiliates was made solely for the purpose of responding to this requirement and registrant is not bound by this determination for any other purpose.

At August 18, 2011, the registrant had 11,419,701 shares of its common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the Proxy Statement for the Annual Meeting of Shareholders to be held October 21, 2011, which will be filed pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report, are incorporated by reference into Part III.

## EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A amends the Annual Report on Form 10-K of Twin Disc, Incorporated for the fiscal year ended June 30, 2011 as originally filed with the Securities and Exchange Commission on September 13, 2011 (the "Original Filing"). This Form 10-K/A amends the Original Filing to include the following exhibits, which were listed at Part IV, Item 15 (a)(3) of the Original Filing but not included therewith:

Exhibit 10a)	Director Tenure and Retirement Policy
Exhibit 10ff)	Amendment 5 to Note Agreement for 6.05% Senior Notes

Pursuant to Rule 12b-15 under the Securities Exchange Act of 1934, as amended ("Exchange Act"), this Form 10-K/A also includes new certifications required by Rule 13a-14(a) of the Exchange Act and Section 302 of the Sarbanes-Oxley Act of 2002 as Exhibits 31a and 31b.

Paragraphs 3, 4 and 5 of the certifications have been omitted because the amended filing does not contain any financial statements or other financial information and does not contain or amend disclosures pursuant to Item 307 or 308 of Regulation S-K.

This Form 10-K/A does not reflect events occurring after the Original Filing, does not update disclosures contained in the Original Filing and does not modify or amend the Original Filing except as specifically described above.

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## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

September 19, 2011

TWIN DISC, INCORPORATED

By: /s/ MICHAEL E. BATTEN

Michael E. Batten  
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

September 19, 2011

By: /s/ MICHAEL E. BATTEN

Michael E. Batten  
Chairman, Chief Executive Officer and Director

September 19, 2011

By: /s/ JOHN H. BATTEN

John H. Batten  
President, Chief Operating Officer and Director

September 19, 2011

By: /s/ CHRISTOPHER J. EPERJESY

Christopher J. Eperjesy  
Vice President-Finance, Chief Financial Officer and Treasurer

September 19, 2011

By: /s/ JEFFREY S. KNUTSON

Jeffrey S. Knutson  
Corporate Controller (Chief Accounting Officer)

September 19, 2011

Michael Doar, Director  
Malcolm F. Moore, Director  
David B. Rayburn, Director  
Michael C. Smiley, Director  
Harold M. Stratton II, Director  
David R. Zimmer, Director

By: /s/ THOMAS E. VALENTYN

Thomas E. Valentyn  
General Counsel and Secretary (Attorney in Fact)

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TWIN DISC, INCORPORATED

**DIRECTOR TENURE AND RETIREMENT POLICY**

This Director Tenure and Retirement Policy of Twin Disc, Incorporated (the “Corporation”) replaces all prior tenure and retirement policies and is effective January 21, 2011. Such prior policies shall remain applicable only to previously retired Directors. This policy shall be reviewed periodically by the Directors’ Nominating and Governance Committee (the “Committee”), and any proposed changes shall be subject to approval of the full Board of Directors (the “Board”).

**1. Director Independence.** The Corporation requires that each of the Board’s outside Directors be and remain for his/her entire tenure independent from any conflicts of interest in representing the interests of the shareholders. Accordingly, no outside Director shall be elected or nominated for election to the Board if such person, a member of such person’s family or his/her employer has a material or significant business relationship with the Corporation, its affiliates or major suppliers. The Committee will review and confirm on an annual basis the independence of the outside Directors, pursuant to the applicable standards then in effect.

**2. Director Tenure.** No outside Director or candidate shall be considered or allowed to stand for election to the Board if he/she shall have reached 71 years of age at the time of such election, unless this limit is waived by the Board.

Any outside Director whose employment status materially changes, through retirement or otherwise, may, subject to Committee review, remain on the Board until his/her current term expires and, provided he/she has not reached 71 years of age upon expiration of his/her current term, will be eligible for nomination for election to one or more additional three-year term(s).

Any inside Director whose employment by this Corporation terminates for any reason is expected to resign from the Board effective as of the commencement of the next regular or special meeting of the Board following said termination. However, any Director who retires from the Corporation as its Chief Executive Officer may remain on the Board until his/her current term expires and will be eligible, without regard to age, for nomination for election to one or more additional three-year term(s).

Exceptions regarding a Director’s tenure may be effected only by an action of the Board upon the recommendation of the Committee.

**3. Director Retirement.** Provided that he/she serves at least one complete three-year term, an outside Director who retires from the Board, resigns from the Board, or decides not to stand for re-election to the Board (i.e. reaches “retirement”) shall be entitled to annual retirement pay equal to the cash portion of the annual Director’s retainer (exclusive of any committee chair fees) last paid to the Director prior to his/her retirement.

Retirement payments shall be payable quarterly, between the first and fifteenth days of each December, March, June and September (commencing on the first such quarterly date following the effective date of retirement), and shall continue for the number of quarters equivalent to the period of his/her service as a Director or until his/her death, whichever elapses first.

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March 9, 2011

Twin Disc, Incorporated  
 1328 Racine Street  
 Racine, Wisconsin 5340311208  
 Attention: Mr. Christopher J. Eperjesy

**Re: Amendment No. 5 to Note Agreement**

Ladies and Gentlemen:

This letter amendment (this "**Letter**") makes reference to that certain Note Agreement, dated as of April 10, 2006 (as amended by Amendment No. 1 thereto dated March 1, 2007, Amendment No. 2 thereto dated August 22, 2007, Amendment No. 3 thereto dated February 19, 2009 and Amendment No. 4 thereto dated May 27, 2009, the "**Note Agreement**"), among The Prudential Insurance Company of America, Pruco Life Insurance Company, Pruco Life Insurance Company of New Jersey, Security Benefit Life Insurance Company, Inc., American Skandia Life Assurance Corporation, Mutual of Omaha Insurance Company (collectively, the "**Holders**" and each, a "**Holder**") and Twin Disc, Incorporated, a Wisconsin corporation (the "**Company**"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Note Agreement, as amended hereby.

The Company has requested that the Holders amend the Note Agreement as set forth below. Subject to the terms and conditions hereof, the Holders are willing to agree to such requests.

Accordingly, and in accordance with the provisions of paragraph 11C of the Note Agreement, the parties hereto agree as follows:

**SECTION 1. Amendments.** Effective upon the Effective Date (as defined in Section 2 below), the Holders party hereto and the Company agree that the Note Agreement is amended as follows:

1.1. The definition of "Permitted Indebtedness" in paragraph 10B of the Note Agreement is amended by deleting the "and" after clause (v) thereof and adding the following after clause (vi) thereof:

“; and (vii) the Additional Standard Chartered Credit Facility.

1.2. The definition of "Permitted Liens" in paragraph 10B of the Note Agreement is amended by deleting the "and" at the end of clause (v) thereof, renumbering clause (vi) thereof as clause (vii), and adding a new clause (vi) thereto as follows:

“(vi) Liens evidenced by the Standard Chartered Debenture securing solely the Indebtedness of Twin Disc (Far East) Ltd. owed to Standard Chartered Bank described on Schedule 10B and under the Additional Standard Chartered Credit Facility; provided such Liens are upon only the assets of Twin Disc (Far East) Ltd. and no assets of the Company are pledged or subject to Liens under the Standard Chartered Debenture; and”

1.3. Paragraph 10B of the Note Agreement is amended by adding the following new definitions thereto as follows:

“**Additional Standard Chartered Credit Facility**” shall mean a credit facility by and between Twin Disc (Far East) Ltd., as borrower, and Standard Chartered Bank, as lender, providing for a credit facility with maximum available funds not to exceed SGD800,000 at any time.

“**Standard Chartered Debenture**” shall mean that certain debenture registered in the amount of SGD3,500,000 executed by Twin Disc (Far East) Ltd. covering the assets of Twin Disc (Far East) Ltd.

**SECTION 2. Effectiveness.** The amendments in Section 1 of this Letter shall become effective on the date (the "**Effective Date**") of satisfaction of the following:

(a) Receipt by each Holder party hereto of counterparts of this Letter executed by the Company and the Required Holders;

(b) Receipt by each Holder party hereto of a copy of an amendment or consent under the Credit Agreement, modifying the Credit Agreement consistent with the amendments set forth herein and otherwise in form and substance satisfactory to the Required Holders, duly executed by the Company and the Bank, and such amendment or consent shall be in full force and effect; and

(c) All corporate and other proceedings in connection with the transactions contemplated by this Letter shall be satisfactory to the Required Holders, and each Holder party hereto shall have received all such counterpart originals or certified or other copies of such documents as it may reasonably request.

**SECTION 3. Representations and Warranties.** The Company represents and warrants to the Holders that, after giving effect hereto (a) each representation and warranty set forth in paragraph 8 of the Note Agreement is true and correct as of the date of the execution and delivery of this Letter by the Company with the same effect as if made on such date (except to the extent such representations and warranties expressly refer to an earlier date, in which case they were true and correct as of such earlier date), (b) no Event of Default or Default exists and (c) neither the Company nor any of its Subsidiaries has paid or agreed to pay, and neither the Company nor any of its Subsidiaries will pay or agree to pay, any fees or other consideration to any Person in connection with the amendment referenced in Section 2(b) hereof.

**SECTION 4. Reference to and Effect on Note Agreement.** Upon the effectiveness of the amendments made in this Letter, each reference to the Note Agreement in any other document, instrument or agreement shall mean and be a reference to the Note Agreement as modified by this Letter. Except as specifically set forth in Section 1 hereof, the Note Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. The Company hereby represents and warrants that all necessary or required consents to this Letter have been obtained and are in full force and effect. Except as specifically stated in Section 1 of this Letter, the execution, delivery and effectiveness of this Letter shall not (a) amend the Note Agreement or any Note, (b) operate as a waiver of any right, power or remedy of the holder of any Note, or (c) constitute a waiver of, or consent to any departure from, any provision of the Note Agreement or any Note at any time. The execution, delivery and effectiveness of this Letter shall not be construed as a course of dealing or other implication that any Holder has agreed to or is prepared to grant any amendments to the Note Agreement or any Note in the future, whether or not under similar circumstances.

**SECTION 5. Expenses.** The Company hereby confirms its obligations under the Note Agreement, whether or not the transactions hereby contemplated are consummated, to pay, promptly after request by any Holder, all reasonable out-of-pocket costs and expenses, including attorneys' fees and expenses,

incurred by the Holders in connection with this Letter or the transactions contemplated hereby, in enforcing any rights under this Letter, or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Letter or the transactions contemplated hereby. The obligations of the Company under this Section 5 shall survive transfer by any Holder of any Note and payment of any Note.

**SECTION 6. Governing Law.** THIS LETTER SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS OF SUCH STATE WHICH WOULD OTHERWISE CAUSE THIS LETTER TO BE CONSTRUED OR ENFORCED OTHER THAN IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS.

**SECTION 7. Counterparts; Section Titles.** This Letter may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Letter by facsimile or electronic transmission shall be effective as delivery of a manually executed counterpart of this Letter. The section titles contained in this Letter are and shall be without substance, meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

*[remainder of page intentionally left blank; signature page follows]*

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Very truly yours,

**THE PRUDENTIAL INSURANCE COMPANY  
OF AMERICA**

By: \_\_\_\_\_

Vice President

**PRUCO LIFE INSURANCE COMPANY**

By: \_\_\_\_\_

Vice President

**PRUCO LIFE INSURANCE COMPANY OF**

**NEW JERSEY**

By: \_\_\_\_\_

Vice President

**SECURITY BENEFIT LIFE INSURANCE  
COMPANY, INC.**

By: Prudential Private Placement Investors,  
L.P. (as Investment Advisor)

By: Prudential Private Placement Investors, Inc.  
(as its General Partner)

By: \_\_\_\_\_

Vice President

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**AMERICAN SKANDIA LIFE ASSURANCE  
CORPORATION**

By: Prudential Investment Management, Inc.,  
as investment manager

By: \_\_\_\_\_  
Vice President

**MUTUAL OF OMAHA INSURANCE  
COMPANY**

By: Prudential Private Placement Investors,  
L.P. (as Investment Advisor)

By: Prudential Private Placement Investors, Inc.  
(as its General Partner)

By: \_\_\_\_\_  
Vice President

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THE LETTER IS AGREED TO

AND ACCEPTED BY:

**TWIN DISC, INCORPORATED**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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EXHIBIT 31a

CERTIFICATIONS

I, Michael E. Batten, certify that:

1. I have reviewed this annual report on Form 10-K/A, Amendment No. 1, of Twin Disc, Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

Date: September 19, 2011

/s/ MICHAEL E. BATTEN

Michael E. Batten

Chairman and Chief Executive Office

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EXHIBIT 31b

CERTIFICATIONS

I, Christopher J. Eperjesy, certify that:

1. I have reviewed this annual report on Form 10-K/A, Amendment No. 1, of Twin Disc, Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

Date: September 19, 2011

/s/ CHRISTOPHER J. EPERJESY

Christopher J. Eperjesy

Vice President – Finance, Chief Financial Officer and Treasurer

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