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), 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

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2007 and ending 12/31/2007

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
BAY SHIP AND YACHT COMPANY 401 (K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 10/01/1993

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
BAY SHIP AND YACHT COMPANY

2900 MAIN ST, 2100
ALAMEDA, CA 94501

2900 MAIN ST, 2100
ALAMEDA, CA 94501

2b Employer Identification Number (EIN)
94-3129531

2c Sponsor's telephone number
510-337-9122

2d Business code (see instructions)
488300

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.	04/14/2010	LAUREN GRIFFITHS
	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

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
BAY SHIP AND YACHT COMPANY

2900 MAIN ST, 2100
ALAMEDA, CA 94501

3b Administrator's EIN
94-3129531

3c Administrator's telephone number
510-337-9122

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**	332
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**	291
b	Retired or separated participants receiving benefits	**6b**	3
c	Other retired or separated participants entitled to future benefits	**6c**	64
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	358
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	358
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	289
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	68
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 Characteristic Codes in the instructions:
2E 2F 2G 2J 2A 2K

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	X	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)	X	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)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)	X	1	**A** (Insurance Information)
(4)	X		**C** (Service Provider Information)
(5)			**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2007 and ending 12/31/2007

A Name of plan
BAY SHIP AND YACHT COMPANY 401 (K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500.
BAY SHIP AND YACHT COMPANY

D Employer Identification Number (EIN)
94-3129531

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
GREAT WEST LIFE AND ANNUITY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
84-0467907	68322	384011-01	289	01/01/2007	12/31/2007

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
28897	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

JEFFERSON PILOT SECURITIES CORP
ONE GRANITE PLACE
CONCORD, NH 03301

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
28897			3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

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	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	1011607
5	Current value of plan's interest under this contract in separate accounts at year end	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ GROUP ANNUITY CONTRACT

b	Balance at the end of the previous year			7b	1033879
c	Additions: (1) Contributions deposited during the year	7c(1)	88309		
	(2) Dividends and credits	7c(2)	0		
	(3) Interest credited during the year	7c(3)	32025		
	(4) Transferred from separate account	7c(4)	13643		
	(5) Other (specify below)	7c(5)	32147		
	▶ LOAN PAYMENTS				
	(6) Total additions			7c(6)	166124
d	Total of balance and additions (add **b** and **c(6)**)			7d	1200003
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	187599		
	(2) Administration charge made by carrier	7e(2)	797		
	(3) Transferred to separate account	7e(3)	0		
	(4) Other (specify below)	7e(4)	0		
	▶				
	(5) Total deductions			7e(5)	188396
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	1011607

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in **c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2007 and ending 12/31/2007

A Name of plan
BAY SHIP AND YACHT COMPANY 401 (K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BAY SHIP AND YACHT COMPANY

D Employer Identification Number (EIN)
94-3129531

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

GREAT WEST LIFE

84-0467907

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

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(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)

GREAT WEST LIFE

84-0467907

(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?
12	RECORD KEEPER		Yes ☐ No ☐	Yes ☐ No ☐	17109	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 ☐

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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(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

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2007 and ending 12/31/2007

A Name of plan
BAY SHIP AND YACHT COMPANY 401 (K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BAY SHIP AND YACHT COMPANY

D Employer Identification Number (EIN)
94-3129531

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)	469597	683413
(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)	7991108	9234262
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	1033879	1011607
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(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	9494584	10929282
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k		
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	9494584	10929282

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)	562421	
	(B) Participants	2a(1)(B)	747120	
	(C) Others (including rollovers)	2a(1)(C)	39833	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1349374
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	50413	
	(F) Other	2b(1)(F)	32025	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		82438
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(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		717568
d Total income. Add all **income** amounts in column (b) and enter total	2d		2149380
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	637493	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		637493
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		37688
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	39499	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	2	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		39501
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		714682
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		1434698
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

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) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

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

(1) Name: CRAWFORD, PIMENTEL AND COMPANY (2) EIN: 77-0117032

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 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
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		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

FINANCIAL STATEMENTS

BAY SHIP AND YACHT CO.
401(K) PROFIT SHARING PLAN

Alameda, California

December 31, 2007 and 2006

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Crawford, Pimentel & Co., Inc.
Certified Public Accountants
2150 Trade Zone Boulevard, Suite 200
San Jose, California 95131

INDEPENDENT AUDITORS' REPORT

To the Trustees of
Bay Ship And Yacht Co. 401(K) Profit Sharing Plan
Alameda, California

We were engaged to audit the accompanying statements of net assets available for benefits of the Bay Ship and Yacht Co. 401(k) Profit Sharing Plan ("the Plan") as of December 31, 2007 and 2006, the related statements of changes in net assets available for benefits as of and for the years ended December 31, 2007 and 2006, and the supplemental schedule as of and for the year ended December 31, 2007 as listed in the accompanying index. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note F, which was certified by Great-West Life & Annuity Insurance Company, the Custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the Custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the Custodian as of and for the years ended December 31, 2007 and 2006, that the information provided to the plan administrator by the Custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the Custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Crawford, Pimentel & Co., Inc.

August 26, 2008

BAY SHIP AND YACHT CO. 401(K) PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2007 and 2006

	2007	2006
ASSETS		
Investments, at fair value:		
Investments	$ 9,234,262	$ 7,991,110
Participant loans	683,413	469,597
	9,917,675	8,460,707
Investments, at contract value:		
Guaranteed certificate fund	1,011,607	1,033,879
Receivables:		
Employer contributions	810,000	12,275
Participant contributions	-	12,727
	810,000	25,002
Total assets	11,739,282	9,519,588
LIABILITIES		
Other liabilities	-	42
Net assets available for benefits	$ 11,739,282	$ 9,519,546

See the notes to financial statements.

BAY SHIP AND YACHT CO. 401(K) PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Year Ended December 31, 2007

ADDITIONS	
Additions to net assets attributed to:	
Investment income	
Net appreciation in fair market value	$ 717,568
Interest income on participant loans	50,413
Interest credited on guaranteed investment contract	32,025
	800,006
Contributions:	
Participants	734,393
Employer	1,360,146
Rollovers	39,833
	2,134,372
Total additions	2,934,378
DEDUCTIONS	
Deductions from net assets attributed to:	
Benefits paid to participants	637,493
Distributed loans	37,688
Administrative fees	39,501
Other	(40)
Total deductions	714,642
Net increase in net assets	2,219,736
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of year	9,519,546
End of year	$ 11,739,282

See the notes to financial statements.

Note A – Summary of Significant Accounting Policies

Basis of Accounting and Accounting Period

The accounting records of the Bay Ship and Yacht Co. 401(k) Profit Sharing Plan (the Plan) are maintained on the accrual basis.

Valuation of Investments

As of September 1, 2002, the assets of the Plan are invested in a group annuity contract with Great-West Life & Annuity Insurance Company (Great-West). Investment options provided by the contract include a guaranteed certificate fund and 24 equity based separate accounts. The investments are stated at their reported value as represented by Great-West. The guaranteed insurance contracts are valued based on the cumulative amount of contributions to the contract, plus interest at the guaranteed investment rate, less withdrawals from the contracts. The guaranteed insurance contracts are backed by the general assets of Great-West.

The following represents ratings of Great-West's financial strength/claims paying ability as represented by various insurance rating services in effect since July 10, 2003.

Service	Rating	Rating Description
A.M. Best	A+	Superior (highest of 10 categories)
Fitch, Inc.	AA+	Very Strong (second highest of 9 categories)
Moody's	Aa3	Excellent (second highest of 9 categories)
Standard & Poor's	AA	Very Strong (second highest of 9 categories)

There were no reserves against contract value for credit risk of the contract issuer or otherwise. The average effective yield, which is equal to the crediting interest rate, was approximately 3.16% for the year ended December 31, 2007. The crediting interest rate is based on an agreed-upon formula with the issuer. Such interest rates are reviewed on a quarterly basis for resetting.

If the Great-West group annuity contract is terminated and the Plan elects to receive the balance of the Great-West guaranteed account in a lump sum, the Great-West guaranteed account is subject to a market value adjustment. The market value adjustment is dependent on the current U.S. Treasury rate.

No withdrawals have been subject to a contract surrender fee for the year ended December 31, 2007.

In addition, the Plan allows participant loans. Participant loans are valued at cost, which approximates fair market value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and notes to financial statements. Actual results could differ from those estimates.

Note B – Description of the Plan

The following description of the Plan provides only general information. Interested persons should refer to the Plan document or the Summary Plan Description for a more complete description of the Plan's provisions.

General

The Plan was established on October 1, 1993. The Plan has been amended numerous times since it has been established. The purposes of the Plan amendments were to comply with tax law changes and to make changes in the Plan's design.

The Plan allows employees (other than excluded employees) to participate in the Plan upon employment. For the nonelective discretionary employer contribution and the employer matching contribution portions of the Plan, employees are eligible to participate beginning on the first quarterly entry date following one year of employment. An employee is an excluded employee if he or she is an employee covered by collective bargaining, a nonresident alien who receives no United States source income, or an employee of one of the employer's related group of companies who is not participating in this Plan.

The Plan provides assistance toward meeting an eligible employee's retirement needs by 1) allowing Bay Ship and Yacht Co. (the Company) to make discretionary contributions, 2) allowing eligible employees to defer a portion of their compensation, and 3) allowing the Company to make matching contributions to the Plan equal to 100 percent of employee salary deferrals up to $1,000. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and subsequent laws.

Nonelective Discretionary and Employer Matching Contributions

Nonelective discretionary Company contributions, as determined by the Board of Directors on a year-to-year basis, are accrued in the Plan financial statements once declared by the Board of Directors. Discretionary contributions are allocated among eligible plan participants, generally in proportion to each eligible participant's eligible compensation for that plan year. The Company did not make contributions for the plan year ended December 31, 2006. For the plan year ended December 31, 2007, the Company paid $399,922 of nonelective discretionary contributions and accrued a nonelective discretionary contribution of $810,000, to the Plan.

Generally, plan participants eligible to receive an allocation of the Company's nonelective contribution include employees who have completed at least one year of employment and 1,000 hours of service during the plan year and are employed on December 31, and participants who terminated employment with the Company because of death, disability, or reaching the normal retirement age of 65 during such plan year, regardless of such participant's hours of service during the year.

Nonelective discretionary contributions and employer matching contributions vest over seven years. A year of vesting occurs when 1,000 hours of service during a plan year is completed. Full and immediate vesting occurs upon retirement, death, or total disability. Nonvested account balances for participants who terminate employment are forfeited. These forfeitures are used to pay administrative expenses, reduce Company matching contributions, or reduce Company nonelective discretionary contributions.

Note B – Description of the Plan (Continued)

Nonelective Discretionary and Employer Matching Contributions (continued)

Employer matching contributions to the Plan are intended to qualify under Section 401(m) and related provisions of the Internal Revenue Code.

Effective August 5, 2002, a participant's nonforfeitable percentage of his matching and nonelective discretionary contribution accounts equal the percentage in the following vesting schedule:

Years of Service with the Company	Percent of Nonforfeitable Accrued Benefit
2 or less	None
3	20%
4	40%
5	60%
6	80%
7 or more	100%

All nonelective discretionary and matching contributions are invested as directed by participants among investment vehicles which are preselected by the Trustees of the Plan. Distributions of vested balances are made upon employee termination or retirement by a participant. In the case of a participant's death, distribution is made to the designated beneficiary.

Employee Deferral Contributions

Employee deferral contributions to the Plan are intended to qualify under Section 401(k) and related provisions of the Internal Revenue Code.

Eligible participants may elect to contribute up to 100%, but not to exceed statutory limits, to the Plan through payroll deductions. Participants are able to change their rate of contributions quarterly.

Participants direct the investment of their employee deferral contributions among the available investment vehicles. All employee deferral contributions are fully vested when contributed.

Forfeitures

For the year ended December 31, 2007, no amounts of forfeitures were used to pay administrative expenses of the Plan.

At December 31, 2007 and 2006, the unused forfeited nonvested profit sharing and employer matching account totaled $52,580 and $36,240, respectively. Forfeited nonvested profit sharing and matching funds will be used to pay administrative expenses of the Plan and/or reduce future Company elective discretionary contributions and matching contributions.

Note B – Description of the Plan (Continued)

Payment of Benefits

Upon a participant's termination of employment, death, or disability, the participant (or the participant's beneficiary in the event of death) may elect to receive either a lump sum distribution equal to the value of his or her account, equal installment payments over the period of the life expectancy of the participant or the life expectancy of the participant and a designated beneficiary, or direct trustee to trustee rollovers. Vested account balances with a value below $5,000 are required to be distributed in a lump sum. No amounts were payable to terminated participants who had requested distributions at December 31, 2007 or December 31, 2006.

Additionally, the Plan allows participants to make withdrawals on account of financial hardship for selected purposes.

Participant Loans Receivable

Participants may borrow against their vested balances for any reason. The loan provisions are structured to allow access to vested balances without incurring distribution penalties. The loan amount, length of loan, repayment terms, and interest rates are limited by statutory restrictions incorporated in the Internal Revenue Code and related regulations.

Plan Administration

The Trustee of the Plan is Orchard Trust Company. In addition, certain administrative services were provided by Great-West.

Note C – Investments

The following presents investments at December 31, 2007 and 2006 that represent 5% or more of the Plan's net assets.

	2007	2006
Fidelity Advisor Mid Cap, T, 31,931 and 26,329 shares, respectively	$ 754,211	$ 656,112
Guaranteed Portfolio Fund, 945,308 and 925,955, shares, respectively	$ 945,308	$ 925,955
Oakmark International II 38,620 and 27,473 shares, respectively	$ 802,909	$ 694,254
Wells Fargo Adv Small Cap Value A, 29,846 and 23,209 shares, respectively	$ 865,836	$ 714,144
American Funds Europacific Growth R3, 7,975 and 4,682 shares, respectively	$ 996,902	$ 1,036,515

Note C – Investments (Continued)

	2007	2006
Maxim S and P 500 Index, 41,110 and 54,500 shares, respectively	$ 557,858	$ 725,396
Participant loans	$ 683,413	*

* Denotes less than 5%

During the year ended December 31, 2007, the Plan's mutual fund investments (including dividends, unrealized and realized gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $717,568.

Note D – Income Tax Status

The Plan obtained its latest determination letter on November 27, 2001, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan sponsor and Trustees believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Note E – Termination

While the Company has not expressed any intent to terminate the Plan, it is free to do so at any time. In the event of termination, the full value of each participant's account shall be 100% vested on the date of such termination.

Note F – Information Certified by the Plan's Custodian/Trustee

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Great-West, except for comparing such information certified by Great-West to information included in the Plan's financial statements and supplemental schedule of assets held for investment purposes at end of years:

	December 31, 2007	2006
Investments	$ 9,234,262	$ 7,991,110
Guaranteed certificate fund	$ 1,011,607	$ 1,033,879
Net investment income	$ 800,006	$ 938,286

Note G – Party-In-Interest Transaction

For the plan year ended December 31, 2007, administrative expenses of $39,501 were paid by the Plan. Administrative expenses consisted of fees to a third party administrator, participant loan fees, and annual auditing fees. Administrative fees for loan processing and distributions in the amount of $8,475 were paid by Plan participants.

For the Plan year ended December 31, 2006, administration expenses of $25,845 were paid by the Plan.

The Plan invests in mutual funds managed by Great-West, the administrator and custodian. Additionally, Great-West owns 100% of Orchard Trust Company, the Trustee of the Plan. Other than as described above, the Plan has no agreements or transactions with any party-in-interest.

Note H – Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	December 31, 2007	2006
Net assets available for benefits per the financial statements	$ 11,739,282	$ 9,519,546
Employer contributions receivable	(810,000)	(12,275)
Participants contributions receivable	-	(12,727)
Rounding	-	(2)
Net assets available for benefits per the Form 5500	$ 10,929,282	$ 9,494,542

The following is a reconciliation of employer contributions per the financial statements for the year ended December 31, 2007 to the Form 5500:

	2007
Employer contributions per the financial statements	$ 1,360,146
Add: Prior year employer contributions received	12,275
Less: Employer contributions received after December 31, 2007	(810,000)
Employer contributions per Form 5500	$ 562,421

Note H – Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of participants' contributions per the financial statements for the year ended December 31, 2007 to the Form 5500:

	2007
Participants' contributions per the financial statements	$ 734,393
Add: Prior year participant contributions received	12,727
Participants' contributions per Form 5500	$ 747,120

SUPPLEMENTARY INFORMATION

BAY SHIP AND YACHT CO. 401(K) PROFIT SHARING PLAN

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR
December 31, 2007

Attachment to Item 4(i) of Schedule H (Form 5500)

EIN: 94-3129531 PN: 001

(a)	(b) Identity of Issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	AIM Real Estate A	Mutual Fund	**	$ 146,429
	American Funds Capital World G/I R3	Mutual Fund	**	354,164
	American Funds Growth Fund of Amer R3	Mutual Fund	**	460,063
	American Funds Europacific Growth - R3	Mutual Fund	**	996,902
	Baron Small Cap Fund	Mutual Fund	**	146,923
	Davis NY Venture A	Mutual Fund	**	2,078
	Fidelity Advisor Mid Cap, T	Mutual Fund	**	754,211
	Guaranteed Certificate Fund	Maturity ranging from 3/31/08 to 9/30/12	**	
		interest rates ranging from 0.8% to 3.15%		56,654
	Guaranteed Portfolio Fund	Money market Fund, interest rate @ 3.3%	**	945,308
	Hotchkis & Wiley Large Cap Value A	Mutual Fund	**	253,304
	Lord Abbett Midcap Value Fund	Mutual Fund	**	231,022
	Marsico Focus	Mutual Fund	**	280,974
	Maxim Aggressive Profile II	Mutual Fund	**	210,493
	Maxim Bond Index	Mutual Fund	**	240,688
	Maxim Conservative Profile II	Mutual Fund	**	141,480
	Maxim Index 600	Mutual Fund	**	218,384
	Maxim Loomis Sayles Bond Portfolio	Mutual Fund	**	113,776
	Maxim Moderate Profile II	Mutual Fund	**	403,763
	Maxim S&P 500 Index ®	Mutual Fund	**	557,858
	Maxim T. Rowe Price Equity Inc	Mutual Fund	**	337,149
	Maxim T. Rowe Price Mid-Cap Growth	Mutual Fund	**	184,041
	Maxim US Government Securities Fund	Mutual Fund	**	86,634
	Oakmark International II	Mutual Fund	**	802,909
	Oppenheimer Capital Appreciation	Mutual Fund	**	216,757
	Oppenheimer Developing Market	Mutual Fund	**	463,124
	PIMCO Total Return Admin	Mutual Fund	**	465,780
	STI Classic Small Cap Growth Stock	Mutual Fund	**	133,359
	Third Avenue Value Fund	Mutual Fund	**	123,226
	Wells Fargo Adv Small Cap Value A	Mutual Fund	**	865,836
	Forfeiture Account		**	52,580
(*)	Participant Loans	Terms ranging from 1 to 15 years through 2020 Interest rates ranging from 5% - 9.5%		683,413

(*) Denotes party-in-interest

** Cost omitted for participant – directed investment

See the notes to the financial statements.

BAY SHIP & YACHT CO.

2900 Main Street #2100 Alameda, CA 94501
(510) 337-9122 Fax (510) 337-0154
www.bay-ship.com

March 5, 2010

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0018

Your Reference: Number of This Notice: CP-403
Date of This Notice: 02-15-2010
Taxpayer Ident. Number: 94-3129531
Form: 5500 Plan #: 001
Plan Year Ending: 12-31-2007

Dear Sir/Madam:

This letter is in response to your notice referenced above, a copy of which is enclosed with Section I of the notice completed.

A copy of the Form 5500 should have been sent to you shortly after the Plan completed its audit on August 26, 2008 (see date on enclosed auditors' report), as we have always filed the Form 5500 timely. Since we did not receive the filing acknowledgement from you, we used the audit report date as the date we filed with EBSA.

Also enclosed is a copy of the Form 5500 for the plan year ended December 31, 2007 for the Bay Ship and Yacht Co. 401(k) Profit Sharing Plan, along with the extension application and the audited financial statements, pursuant to the request of the notice. We are not certain why the form was not being previously received by you.

Please contact us if you have any questions.

Sincerely,

Tim Donovan
Plan Administrator
Bay Ship and Yacht Co. 401(k) Profit Sharing Plan

Enclosures

IRS Department of the Treasury
Internal Revenue Service

OGDEN UT 84201-0018

013152.692458.0061.002 1 AT 0.357 975

BAY SHIP & YACHT CO
%TIM DONOVAN
2900 MAIN ST
ALAMEDA CA 94501-7522997

013152

Be sure the IRS address appears in your envelope window.

BODCD-TE
SELCD-

Notice Number: CP403
Notice Date : 2010-02-15
Tax Period : 200712

943129531

BAY SHIP & YACHT CO
%TIM DONOVAN
2900 MAIN ST
ALAMEDA CA 94501-7522997

INTERNAL REVENUE SERVICE
OGDEN UT 84201-0018

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IRS Department of the Treasury
Internal Revenue Service

005516
BOD CD-TE
** IF YOU HAVE ANY QUESTIONS, **
** REFER TO THIS INFORMATION: **
NUMBER OF THIS NOTICE: CP-403
DATE OF THIS NOTICE: 02-15-2010
TAXPAYER IDENT. NUM: 94-3129531
FORM: 5500 PLAN #: 001
PLAN YEAR ENDING: 12-31-2007

OGDEN UT 84201-0018

BAY SHIP & YACHT CO
%TIM DONOVAN
2900 MAIN ST
ALAMEDA CA 94501-7522997

13152

REQUEST FOR INFORMATION ABOUT YOUR FORM 5500 or FORM 5500-SF
WRITTEN RESPONSE REQUIRED

Why Are You Getting This Notice?

We do not have a record of receiving your Form 5500 information from the Department of Labor's (DOL) Employee Benefits Security Administration (EBSA) for the plan number and/or plan period ending indicated below:

Plan Number	Plan Period Ending
001	12-31-2007

What You Need To Do

We urge you to review the items below, complete the appropriate section of this notice and return it to us by 03-15-2010.

1. If you filed the return within the last four weeks and used the name, employer identification number (EIN) and plan number shown above, disregard this notice.
2. Complete Section I of this notice if you have already filed the return.
3. Complete Section I of this notice if you filed the return using an EIN, plan name, plan number, or plan year ending different from those shown above.
4. Complete Section II of this notice if you are not required to file for the plan number and/or plan year ending shown above.
5. If you are required to file a Form 5500 or Form 5500-SF electronically and you need more information, go to www.irs.gov/ep and click on electronic filing for employee plans.
6. If you are required to file a Form 5500 and have not filed, you may be eligible to participate in the DOL Delinquent Filer Voluntary Compliance Program (DFVCP), which allows for substantially reduced EBSA penalties for delinquent filers and eliminates the IRS penalty. Information about the DFVCP is available on DOL's website, www.dol.gov/ebsa. If you are eligible for and have satisfied the requirements for participation in the DFVCP, check the box below and enter the date that you applied for participation in the DFVCP.

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COMPLETE AND RETURN WITH YOUR REPLY

Section I

Enter the information exactly as shown on the form filed with EBSA.

Name and address as shown on the form

Employer Identification Number (EIN) 94-3129531

Plan Year Ending 12/31/2007

Date filed with EBSA and Acknowledgement number: August 26, 2008

Plan Number

Section II
Not Required to file

Please check the box that applies to you, a form was not filed because:

[ ] Plan in question is a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) that involves SIMPLE IRAs.
[ ] Plan in question is a Simplified Employee Pension (SEP).
[ ] Plan was terminated or merged into a new plan. You must still file a "Final" return showing zero end-of-year assets, zero participants, and mark "the final return filed for the plan" box in part 1 of the form.
[ ] Other:_____

Section III
Reason for not filing on time

Explain why you did not file on time:

Official Use Only

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 sections 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

2007

This Form is Open to Public Inspection.

For calendar year 2007 or fiscal plan year beginning , and ending ,

A Name of plan
BAY SHIP AND YACHT COMPANY 401(K) PLAN

B Three-digit plan number ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BAY SHIP AND YACHT COMPANY

D Employer Identification Number
94-3129531

Part I Distributions

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

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

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits). 20-3691708

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(c)(8) or ERISA section 302(c)(8)? . . . . . ☐ Yes ☐ No ☐ N/A

If the plan is a defined benefit plan, go to line 7.

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 . . . . . ▶ Month ____ Day ____ Year ____

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

6a Enter the minimum required contribution for this plan year . . . . . 6a $

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

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

If you completed line 6c, skip lines 7 and 8 and complete line 9.

7 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure 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

8 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(es). If no, check the "No" box. (See instructions.) . . . . . ☐ Increase ☐ Decrease ☐ No

Part IV Coverage (See instructions.)

9 Check the box for the test this plan used to satisfy the coverage requirements . . . . ☐ the ratio percentage test ☐ average benefit test



