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 01/01/2006 and ending 12/31/2006

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;
- [X] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
ATLANTIC COAST ATHLETIC CLUB 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 10/01/1999

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
ATLANTIC COAST ATHLETIC CLUB, INC

455 2ND STREET SE
SUITE 301
CHARLOTTESVILLE, VA 22902

2b Employer Identification Number (EIN)
54-1478630

2c Sponsor's telephone number
434-974-9890

2d Business code (see instructions)
713900

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.	04/20/2010	LESLIE MADIGAN
	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")
ATLANTIC COAST ATHLETIC CLUB, INC

455 2ND STREET SE
SUITE 301
CHARLOTTESVILLE, VA 22902

3b Administrator's EIN
54-1478630

3c Administrator's telephone number
434-974-9890

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**	161
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**	399
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	23
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	422
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	422
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	137
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	7
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 2K 3D

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)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

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

SCHEDULE 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 01/01/2006 and ending 12/31/2006

A Name of plan
ATLANTIC COAST ATHLETIC CLUB 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ATLANTIC COAST ATHLETIC CLUB, INC

D Employer Identification Number (EIN)
54-1478630

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)	42185	127248
(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)	18877	10927
(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)	1285702	1955732
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(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	1346764	2093907
	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	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	1346764	2093907

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)	124581	
	(B) Participants	2a(1)(B)	341188	
	(C) Others (including rollovers)	2a(1)(C)	81660	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		547429
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	3566	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	607	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		4173
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		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)		0

		(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)		0
(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)		251736
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		803338
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	56195	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		56195
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		56195
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		747143
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [ ] Unqualified (2) [ ] Qualified (3) [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: DEMARCO, KINNAMAN, LEWIS, AND CO. (2) EIN: 36-4458862

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		100000
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)

ATLANTIC COAST ATHLETIC CLUB
401(k) PLAN

Financial Statements and
Independent Auditors' Report

December 31, 2006

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DeMarco, Kinnaman, Lewis & Co.
Certified Public Accountants

300 Knightsbridge Parkway, Suite 350
Lincolnshire, Illinois 60069

phone (847) 415-1313
fax (847) 415-1315

INDEPENDENT AUDITORS' REPORT

Trustee
Atlantic Coast Athletic Club 401(k) Plan

We were engaged to audit the financial statements of the Atlantic Coast Athletic Club 401(k) Plan as of December 31, 2006 and 2005 and for the year ended December 31, 2006, and the accompanying supplemental information as of and for the year ended December 31, 2006 as listed in the table of contents. These financial statements and supplemental information are the responsibility of the Plan's management.

As permitted by Section 29 CFR 2520.103-8 of the United States 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 C, which was certified by Capital Bank and Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan's administrator has obtained a certification from the trustee as of December 31, 2006 and 2005 and for the year ended December 31, 2006 that the information provided to the plan administrator by the trustee 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 information taken as a whole. The form and content of the information included in the financial statements and supplemental information, other than that derived from the information certified by the trustee 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 United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

DeMarco, Kinnaman, Lewis & Co.

Lincolnshire, Illinois
January 21, 2010

ATLANTIC COAST ATHLETIC CLUB 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2006 and 2005

ASSETS	2006	2005
Investments, at fair value		
Investments in registered investment companies	**$ 1,955,732**	$ 1,285,702
Cash	**3,282**	59
Money market account	**123,966**	42,126
Participant loans	**10,927**	18,877
	2,093,907	**1,346,764**
Receivables		
Participant contributions	**28,783**	24,911
Employer contributions	**11,362**	8,572
	40,145	**33,483**
Net assets available for benefits	**$ 2,134,052**	$ 1,380,247

See accompanying notes to financial statements

ATLANTIC COAST ATHLETIC CLUB 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2006

Additions	
Additions to net assets attributed to:	
Investment income:	
Interest and dividends	$ 4,173
Net appreciation in fair value of investments	248,747
	252,920
Contributions:	
Participants	429,213
Employer	128,117
	557,330
Total Additions	810,250
Deductions	
Deductions from net assets attributed to:	
Benefits paid to participants	55,955
Plan expenses	490
Total Deductions	56,445
Net Increase	753,805
Net assets available for benefits	
Beginning of year	1,380,247
End of year	$ 2,134,052

See accompanying notes to financial statements

NOTE A – DESCRIPTION OF PLAN

The following description of the Atlantic Coast Athletic Club 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Adoption Agreement for a more complete description of the Plan's provisions.

General. The Plan is a defined contribution plan covering all employees of Atlantic Coast Athletic Clubs of VA, Atlantic Coast Athletic Clubs of Richmond, Atlantic Coast Athletic Club of PA, LP, and Legacy Management Group (collectively - "Company"). Employees who are age eighteen years of age or older and have completed one year of service as defined are eligible to participate. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions. Each year, participants may contribute pretax annual compensation as defined in the plan subject to the limitations imposed by the Internal Revenue Service. Participants may also contribute amounts representing distributions from other qualified defined benefit or contributions plans. During 2006 the Company did not make a profit sharing contribution. The Company matched amounts per dollar of withholding as follows:

	Match	Maximum withholding percentage
Atlantic Coast Athletic Clubs of VA	60 cents	8%
Atlantic Coast Athletic Clubs of Richmond	45 cents	6%
Atlantic Coast Athletic Club of PA, LP	30 cents	6%
Legacy Management Group	60 cents	8%

Participant Accounts. Each participant's account is credited with the participant's contribution, an allocation of the Company discretionary matching contribution, Company profit sharing contribution and an allocation of Plan earnings. The Company discretionary matching contribution, if any, is allocated based on a percentage of the participant's contribution. The profit sharing contribution, if any, is allocated based on eligible employee compensation to total compensation for all employees eligible to share in the contribution. Plan earnings are allocated to participants' accounts in direct proportion to their respective account balances and are based on performance of Participants' investment selections. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

Vesting. Participants are immediately fully vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and profit sharing discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is fully vested upon death, disability, reaching age 65 or having obtained 5 years of vested service.

Investment Options. Participants must direct their salary deferral contributions, discretionary Company match and Company profit sharing contributions into a variety of selected investment funds as made available and determined by the plan administrator. Participants may change their investment options at any time.

Forfeitures. Forfeitures may be used to reduce company contributions. Forfeitures at December 31, 2006 and 2005 were approximately $1,780 and $840 respectively.

NOTE A – DESCRIPTION OF PLAN (cont'd)

Administrative Expenses. Administrative expenses paid by the Plan approximated $500 for the year ended December 31, 2006. Expenses paid directly by the Company were approximately $5,900.

Participant Loans. Participants may borrow from their fund accounts a minimum of $500 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest, which is commensurate with local prevailing rates as determined by the Plan administrator.

Payment of Benefits. On termination of service a participant may generally elect to receive a single lump sum payment equal to the value of his or her vested account balance, or annual installments over a period not longer than the participant's life expectancy, as defined.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared under the accrual basis of accounting.

Use of estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of changes in net assets during the reporting period. Actual results could differ from those estimates.

Investments

Investments in registered investment companies are presented at fair value based on quoted market prices of the underlying securities of each fund. Investments in participant loans are reported at cost, which approximates fair value. Unrealized gains or losses from appreciation or depreciation of investments are recognized as increases or decreases in net assets available for benefits.

Payment of benefits

Benefits are recorded when paid.

NOTE C – INVESTMENTS

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Participant loans are valued at their outstanding balances, which approximate fair value.

Investments that aggregate at least 5% of total net assets at December 31, 2006 and 2005 are as follows:

	2006	2005
American Funds US Treasury Money Market	$ **123,966**	$ -
American Funds Capital Income Builder A	**310,144**	190,924
American Funds Washington Mutual INVS A	**187,351**	120,821
American Funds Fundamental INVS A	**112,311**	75,942
American Funds Smallcap World Fund A	**184,042**	109,219
American Funds New Economy Fund A	**-**	69,040
American Funds Grth Fund of America	**374,169**	281,451
American Funds EuroPacific Growth A	**159,229**	101,496
American Funds AMCAP Fund A	**109,446**	75,016
American Funds Capital Wld Gr and Inc A	**169,338**	79,209
	$ **1,729,996**	$ 1,103,118

During the year ended December 31, 2006 the Plan's investments in registered investment companies appreciated by approximately $248,747.

All investment information, including investments held at December 31, 2006 and 2005, net appreciation in the fair value of investments, and interest and dividends for the year ended December 31, 2006, was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by Capital Bank and Trust Company, the trustee. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the investment information certified by Capital Bank and Trust Company.

NOTE D – PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their respective account balances.

NOTE E – MARKET RISK

The value of the Plan's investments is subject to market risks associated with potential fluctuations in the values of the underlying securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' balances and the amounts reported in the statement of net assets available for benefits.

NOTE F - RECONCILIATION OF FORM 5500 TO FINANCIAL STATEMENTS

The following is a reconciliation between the Form 5500 to the statement of net assets available for benefits:

	2006	2005
Net assets available for benefits per Form 5500	$ 2,093,907	$ 1,346,764
Contributions receivable	40,145	33,483
Net assets available for benefits per financial statements	$ 2,134,052	$ 1,380,247

The following is a reconciliation of the net increase in net assets available for benefits between these financial statements and the Form 5500:

	2006
Net income per Form 5500	$ 747,143
Change in employer and employee receivables	6,662
Net increase per statement of changes in net assets available for benefits	$ 753,805

NOTE G – INCOME TAX STATUS

The Plan's administrator obtained its latest determination letter on May 28, 2002, in which the Internal Revenue Service stated that the prototype 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 administrator believes the Plan is designed and being operated in compliance with the applicable requirements of the IRC.

SUPPLEMENTAL INFORMATION

ATLANTIC COAST ATHLETIC CLUB 401(k) PLAN

SCHEDULE OF ASSETS HELD AT YEAR END
December 31, 2006

Schedule H, line 4i
FEIN: 54-1478630
Plan Number: 001

(a)	(b) Identity of Issuer or Borrower	(c) Description of Investment or Rate of Interest		(e) Current Value
	American Funds	American Funds US Treasury Money	$	123,966
	American Funds	American Funds Bond Fund of Amer A		103,190
	American Funds	American Funds High Income Builder A		42,846
	American Funds	American Funds Cap Income Builder A		310,144
	American Funds	American Funds Wash Mutual INVS A		187,351
	American Funds	American Funds Fundamental INVS A		112,311
	American Funds	American Funds Smallcap World Fund A		184,042
	American Funds	American Funds New Perspective A		62,597
	American Funds	America Funds New Economy Fund A		91,011
	American Funds	American Funds Growth Fd of Amer A		374,169
	American Funds	American Funds Europacific Growth A		159,229
	American Funds	American Funds AMCAP Fund A		109,446
	American Funds	American Funds Intermediate Bd FD A		4,735
	American Funds	American Funds Capital World Bd Fd A		45,323
	American Funds	American Funds Capital Wld Gr & Inc A		169,338
				2,079,698
*	Capital Bank and Trust Company	Cash		3,282
*	Participant loan	5.25%		10,927
			$	2,093,907

* Represents a party-in-interest

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 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

2006

This Form is Open to Public Inspection.

For calendar year 2006 or fiscal plan year beginning 01/01/2006 , and ending 12/31/2006 ,

A Name of plan ATLANTIC COAST ATHLETIC CLUB 401(K) PLAN	**B** Three-digit plan number ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 ATLANTIC COAST ATHLETICS CLUB, INC.	**D** Employer Identification Number 54-1478630

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). 95-6817943

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.

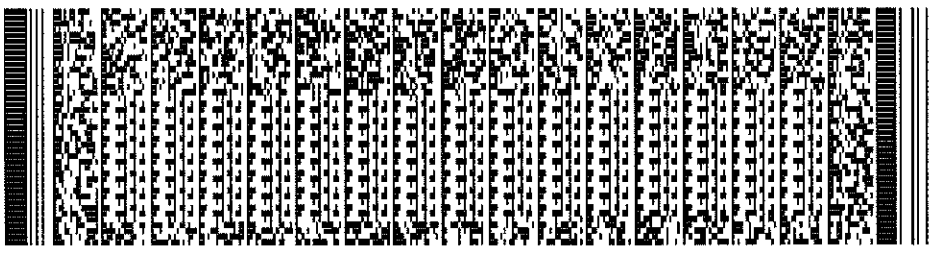
7 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? . . ☐ Yes ☐ No ☐ N/A

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



2 2 0 6 0 3 0 1 0 E



Attachment to 2009 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name ATLANTIC COAST ATHLETIC CLUB 401(K) PLAN **EIN:** 54-1478630
Plan Sponsor's Name ATLANTIC COAST ATHLETIC CLUB, INC **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
	American Funds	American Funds US Treasury Money A	0	123,966
	American Funds	American Funds Bond Fund of Amer A	0	103,190
	American Funds	American Funds High Income Trust A	0	42,846
	American Funds	American Funds Cap Income Builder A	0	310,144
	American Funds	American Funds Wash Mutual Invstr A	0	187,352
	American Funds	American Funds Fundamental Invest A	0	112,312
	American Funds	American Funds SMALLCAP World Fund A	0	184,042

Attachment to 2009 Form 5500
Schedule H, line 4i - Schedule of Assets (Acquired or Disposed of Within Year)

Plan Name ATLANTIC COAST ATHLETIC CLUB 401(K) PLAN **EIN:** 54-1478630
Plan Sponsor's Name ATLANTIC COAST ATHLETIC CLUB, INC **PN:** 001

(a) Identity of issue, borrower, lessor, or similar party	(b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(c) Cost of acquisitions	(d) Proceeds of dispositions
American Funds	American Funds New Perspective A	0	62,597
American Funds	American Funds New Economy Fund A	0	91,011
American Funds	American Funds Growth Fnd of Amer A	0	374,169
American Funds	American Funds EuroPacific Growth A ?	0	159,229
American Funds	American Funds AMCAP Fund A ?	0	109,445
American Funds	American Funds Intermed Bnd Fd A	0	4,734
American Funds	American Funds Capital Wld Bnd Fd A	0	45,323

Attachment to 2009 Form 5500
Schedule H, line 4i - Schedule of Assets (Acquired or Disposed of Within Year)

Plan Name ATLANTIC COAST ATHLETIC CLUB 401(K) PLAN **EIN:** 54-1478630
Plan Sponsor's Name ATLANTIC COAST ATHLETIC CLUB, INC **PN:** 001

(a) Identity of issue, borrower, lessor, or similar party	(b) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(c) Cost of acquisitions	(d) Proceeds of dispositions
American Funds	American Funds Cap Wld Growth Inc A	0	169,338
Participants loan	Various Rates & Maturities	0	10,927
Capital Bank & Trust	Contributions Account	0	3,282