

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Annual Return/Report of Employee Benefit Plan</div> <div>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).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 09/30/2009	
A	This return/report is for: <div><div>☐ a multiemployer plan;</div><div>☒ a single-employer plan;</div><div>☐ a multiple-employer plan; or</div><div>☐ a DFE (specify) ____</div></div>
B	This return/report is: <div><div>☐ the first return/report;</div><div>☒ the final return/report;</div><div>☐ an amended return/report;</div><div>☒ a short plan year return/report (less than 12 months).</div></div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div><div>☒ Form 5558;</div><div>☐ automatic extension;</div><div>☐ the DFVC program;</div><div>☐ special extension (enter description)</div></div>

Part II	Basic Plan Information—enter all requested information	
1a	Name of plan AKSI 401(K) PLAN	1b Three-digit plan number (PN) ▶ 003
		1c Effective date of plan 01/01/1997
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) SAFENET, INC. 4690 MILLENIUM DRIVE BELCAMP, MD 21017-1523	2b Employer Identification Number (EIN) 52-1287752 2c Sponsor's telephone number 443-327-1406 2d Business code (see instructions) 541519

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.	07/15/2010	DIANE SMITH
	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") SAFENET, INC. 4690 MILLENNIUM DRIVE BELCAMP, MD 21017-1523	3b Administrator's EIN 52-1287752 3c Administrator's telephone number 443-327-1406
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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 ALADDIN KNOWLEDGE SYSTEMS, INC.	4b EIN 11-3129597 4c PN 001
5 Total number of participants at the beginning of the plan year	5 125
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 0
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits.....	6c 0
d Subtotal. Add lines 6a , 6b , and 6c	6d 0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 0
f Total. Add lines 6d and 6e	6f 0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h 13
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 3E

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) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

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

<div>SCHEDULE D</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 09/30/2009					
A Name of plan AKSI 401(K) PLAN				B Three-digit plan number (PN) ▶ 003	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 SAFENET, INC.				D Employer Identification Number (EIN) 52-1287752	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: MERRILL RETIREMENT PRES TRUST					
b Name of sponsor of entity listed in (a): MERRILL LYNCH RETIRE PRESRV TR					
c EIN-PN 22-6484011-001		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
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c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
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c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2009</div> This Form is Open to Public Inspection
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 09/30/2009		
A Name of plan AKSI 401(K) PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 SAFENET, INC.	D Employer Identification Number (EIN) 52-1287752	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	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)	15938	0
	(9) Value of interest in common/collective trusts	1c(9)	220235	0
	(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)	1682955	0
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(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	1919128	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1919128	0
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	118677	
(B) Participants	2a(1)(B)	404032	
(C) Others (including rollovers)	2a(1)(C)	25221	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		547930

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	590	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		590

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(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)		2444
(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)		453670
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1004634

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	452667	
(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)		452667
f Corrective distributions (see instructions)	2f		2908
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)	1125	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1125
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		456700

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		547934
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		2467062

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

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

(1) Name: CLIFTON GUNDERSON LLP

(2) EIN: 37-0802863

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.).....		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.).....		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.)		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.).....		X	
e Was this plan covered by a fidelity bond?.....	X		192000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?		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?		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.).....		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.).....		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?.....	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	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.	X		

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

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
SAFENET INC. 401K PLAN	52-1287752	001

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 section 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 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 09/30/2009

A Name of plan <u>AKSI 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SAFENET, INC.</u>	D Employer Identification Number (EIN) <u>52-1287752</u>

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
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): EIN(s): <u>57-1198022</u>	
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(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
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. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a 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 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 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
-----------------	-------------------

9 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.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

AKSI 401(k) PLAN
Arlington Heights, Illinois

FINANCIAL STATEMENTS
September 30, 2009 (Date of Liquidation)
and December 31, 2008 (Compiled)

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Independent Auditor's Report

The Plan Administrator
AKSI 401(k) Plan
Arlington Heights, Illinois

We have audited the accompanying statement of net assets in liquidation available for benefits of the AKSI 401(k) Plan (the Plan) as of September 30, 2009 (date of liquidation) and the related statement of changes in net assets in liquidation available for benefits for the period January 1, 2009 through September 30, 2009. These financial statements 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 3 to the financial statements, which was certified by JPMorgan Chase Bank, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certification from the trustee as of September 30, 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

As described in Note 1 to the financial statements, the Plan's net assets were transferred into another Plan on September 30, 2009. Subsequently, the Plan was terminated and commenced liquidation shortly thereafter. In accordance with Accounting Principles Generally Accepted in the United States of America, the Plan has changed its basis of accounting from the ongoing plan basis to the liquidation basis.

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 taken as a whole. The form and content of the information included in the financial statements, 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

We have compiled the accompanying statement of net assets in liquidation available for benefits of the Plan as of December 31, 2008 in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying statement of net assets available for benefits and, accordingly, do not express an opinion or any other form of assurance on it.

Clifton Gunderson LLP

Baltimore, Maryland
July 12, 2010

FINANCIAL STATEMENTS

AKSI 401(k) PLAN
STATEMENTS OF NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS
September 30, 2009 (Date of Liquidation) and December 31, 2008 (Compiled)

	2009 (Audited)	2008 (Compiled)
ASSETS		
Investments, at fair value		
Mutual funds	\$ -	\$ 1,682,955
Common collective trust	-	189,622
Participant loans	-	15,938
	<u>-</u>	<u>1,888,515</u>
Total investments	<u>-</u>	<u>1,888,515</u>
Receivables:		
Employee		39,269
Employer	-	16,153
	<u>-</u>	<u>55,422</u>
Total receivables	<u>-</u>	<u>55,422</u>
NET ASSETS IN LIQUIDATION		
AVAILABLE FOR BENEFITS AT FAIR VALUE	-	1,943,937
Adjustment from fair value to contract value for interest in common collective trust relating to fully benefit-responsive investment contracts	-	30,613
	<u>-</u>	<u>30,613</u>
NET ASSETS IN LIQUIDATION		
AVAILABLE FOR BENEFITS	<u>\$ -</u>	<u>\$ 1,974,550</u>

The accompany notes are an integral part of the financial statements.

AKSI 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS IN LIQUIDATION
AVAILABLE FOR BENEFITS
For the Period January 1, 2009 through
September 30, 2009 (Date of Liquidation)
and For the Year Ended December 31, 2008 (Compiled)

	2009 (Audited)	2008 (Compiled)
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	\$ 456,114	\$ (965,811)
Participant loan interest	590	1,595
Net investment income (loss)	<u>456,704</u>	<u>(964,216)</u>
Contributions:		
Company	102,524	160,163
Participant	364,763	477,430
Rollover	25,221	31,339
Total contributions	<u>492,508</u>	<u>668,932</u>
Total additions, net of investment loss	<u>949,212</u>	<u>(295,284)</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid directly to participants	452,667	354,388
Corrective distributions	2,908	-
Administrative expenses	1,125	750
Transfer of plan assets due to merger	<u>2,467,062</u>	<u>-</u>
Total deductions	<u>2,923,762</u>	<u>355,138</u>
NET DECREASE	(1,974,550)	(650,422)
NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	<u>1,974,550</u>	<u>2,624,972</u>
NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS, END OF YEAR	<u>\$ -</u>	<u>\$ 1,974,550</u>

The accompany notes are an integral part of the financial statements.

AKSI 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
September 30, 2009 (Date of Liquidation) and December 31, 2008

NOTE 1 – PLAN DESCRIPTION

The following description of AKSI 401(k) Plan (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan, open to all employees of Aladdin Knowledge Systems, Inc. (the Company). There is no minimum age or minimum service requirement for eligibility in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Merger

In early 2009, the Board of Directors of Vector Capital, the controlling owner of the Company, approved the merger of this Plan into the Safenet, Inc. 401(k) Plan, effective June 1, 2009. At that time, all contributions to the Plan were suspended and all participants of the Plan became participants of the Safenet, Inc. 401(k) Plan. All investments in mutual funds and participant loans were transferred from the Plan into the Safenet, Inc. 401(k) Plan on September 30, 2009 and subsequently the Plan was terminated.

Contributions

The Plan provides for an automatic contribution of 3% of their annual compensation. Employees have the option to decline participation in the Plan, or to elect a different percentage to defer. Participants may elect to contribute from 1% to 75% of their annual base eligible compensation, as defined by the Plan, not to exceed limitations set by the Internal Revenue Service (IRS). Such participant contributions are limited under a cash or deferred arrangement in accordance with Section 401(k) of the Internal Revenue Code. Participants who have attained age 50 ½ before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Company has historically matched 50% of the employees' elective contributions up to 6% of compensation. Employer matching contributions totaled \$102,524 and \$160,163 during the nine-month period of January 1, 2009 through September 30, 2009 and the year ended December 31, 2008, respectively.

Additionally, employer non-elective contributions may be made at the discretion of the Company. Such contributions, if any, are allocated to each participant in accordance with the Plan provisions. During the nine-month period of January 1, 2009 through September 30, 2009 and the year ended December 31, 2008, the Company did not make any discretionary employer nonelective contributions.

AKSI 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
September 30, 2009 (Date of Liquidation) and December 31, 2008

NOTE 1 – PLAN DESCRIPTION (CONTINUED)

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contribution, (b) Plan earnings (losses), and (c) forfeitures of terminated participants' nonvested accounts and is charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. All accounts are entirely participant directed.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Company's matching and nonelective contributions and related earnings is as follow:

<u>Years of Service</u>	<u>Vested Portion</u>
Less than 1	0%
1	33%
2	66%
3	100%

During the year ended September 30, 2009, the Plan was determined to have had a partial plan termination. As a result, all participants of the Plan became fully vested in their participant accounts.

Participant Loans

Participants may borrow from their plan accounts. The Plan provides for a minimum loan amount of \$500 up to a maximum of the lesser of a) 50% of the vested account balance or b) \$50,000 less any outstanding loans. The interest rate is determined at the time of application for the loan and are to bear a reasonable rate as determined by the plan administrator. Participants repay principal and interest directly to their accounts through payroll deductions, over a maximum five-year period, unless the loan proceeds are used to purchase a principal residence, in which there is a maximum thirty-year repayment period. Participants may have up to 3 loans outstanding at anytime, however only 1 loan with a term greater than 5 years. Loan transactions are treated as a transfer from (to) the investment fund to (from) the participant loans fund. A participant may pay off the balance of their loan at any time. Principal and interest are paid by payroll deductions. At the time of termination, participants are required to pay the outstanding balance in full. On September 30, 2009, the outstanding loan balances were transferred to SafeNet, Inc. 401(k) Plan.

Payment of Benefits

Participants or their beneficiaries are eligible for distributions upon retirement, termination, disability, or death. Such distributions are made by lump-sum cash payment or paid in various annuity options under terms set forth in the Plan. The Plan also permits participants to withdraw salary reductions prior to termination of service under guidelines set forth in the Plan. Benefits are recorded when due and payable in accordance with the terms of the Plan.

AKSI 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
September 30, 2009 (Date of Liquidation) and December 31, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Plan were prepared under the liquidation basis, accordingly, assets and liabilities were presented at the amounts expected to be collected and paid during the liquidation. There was no effect of the revaluation on previously reported assets and liabilities. The Plan was liquidated on September 30, 2009.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the assets and liabilities at the date of the financial statements, and the reported amounts of additions and deductions during the reporting period and the disclosure of contingent assets and liabilities at the date of the financial statements. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurement. All Plan assets were liquidated and transferred to the Safenet, Inc. 401(k) Plan before close of business on September 30, 2009.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

As described in Financial Accounting Standards Board Staff Position FSP AAG-INV-1 (ASC 962) and SOP 94-4-1 (ASC 965), *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a collective trust. Contract value for this collective trust is based on the net asset value of the fund as reported by the investment advisor. As required by the FSP, the statements of net assets available for benefits presents the fair value of the investment in the collective trust as well as the adjustment of the investment in the collective trust from fair value to contract value relating to the investment contracts. The statements of changes in net assets in liquidation available for benefits is prepared on a contract value basis.

AKSI 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
September 30, 2009 (Date of Liquidation) and December 31, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Certain administrative expenses of the Plan were paid by the Plan's sponsor for 2009 and 2008.

Change in Accounting Principles

Effective January 1, 2008, the Plan adopted Financial Accounting Standards Board (FASB) Statement No. 157, *Fair Value Measurements* (ASC 820-10), which provides a comprehensive framework for measuring fair value and expands disclosures which are required about fair value measurement. Specifically, FAS 157, *Fair Value Measurements* sets forth a definition of fair value and establishes a hierarchy prioritizing the inputs to valuation techniques, giving the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable value inputs. The adoption of FAS 157, *Fair Value Measurements* did not have a material impact on the Plan's financial statements other than enhanced disclosures.

Recently Adopted Accounting Standards

In July 2009, the Financial Accounting Standards Board (FASB) issued the Accounting Standards Codification (ASC). The ASC replaced the Hierarchy of Generally Accepted Accounting Principles, and establishes the Codification as the single source of authoritative U.S. GAAP for interim and annual periods ending after September 15, 2009. The Codification supersedes all existing non-SEC standards. There was no impact on the financial statements as a result of the adoption of the ASC.

In May 2009, the FASB issued SFAS No. 165, *Subsequent Events* (FASB ASC 855-10). It is intended to establish general standards of accounting for and disclosures of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. It is effective for financial periods ending after June 15, 2009. The adoption did not have a material impact on the Plan's financial statements.

NOTE 3 – CERTIFIED INFORMATION PROVIDED BY THE PLAN TRUSTEE

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodian (JP Morgan Chase Bank) has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- a. Total investments as shown in the accompanying Statements of Net Assets in Liquidation Available for Benefits of \$0 as of September 30, 2009.

AKSI 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
September 30, 2009 (Date of Liquidation) and December 31, 2008

NOTE 3 – CERTIFIED INFORMATION PROVIDED BY THE PLAN TRUSTEE (CONTINUED)

- b. Net investment income (loss) as shown in the accompanying Statements of Changes in Net Assets in Liquidation Available for Benefits of \$456,704 for the nine-month period of January 1, 2009 through September 30, 2009.

Investments that represented five percent or more of the net assets available for benefits at September 30, 2009 and December 31, 2008 are as follows:

	September 30, 2009	December 31, 2008
Mutual funds:		
American Fund Cap World Growth and Income	N/A	\$ 102,846
BlackRock S&P 500	N/A	105,126
Oppenheimer Developing Markets Fund	N/A	109,375
GS MidCap Value Fund	N/A	130,914
BlackRock Large Cap Core Fund	N/A	139,274
BlackRock Large Cap Value Fund	N/A	151,896
Thornburg Intern Value Fund	N/A	182,254
BlackRock Global Allocation Fund	N/A	219,439
Common/collective trust:		
Merrill Retirement Preservation Trust	N/A	189,622

N/A - The Plan did not hold any assets in these investments in the year indicated.

NOTE 4 – FAIR VALUE MEASUREMENT

ASC 820-10 established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820-10 are described as follows:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2

Inputs to the valuation methodology include:

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

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

AKSI 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
September 30, 2009 (Date of Liquidation) and December 31, 2008

NOTE 4 – FAIR VALUE MEASUREMENT (CONTINUED)

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2009 and December 31, 2008.

Mutual funds: Valued at the net asset value (NAV) of shares held by the Plan at reporting period end as quoted in active markets.

Common Collective Trusts: Valued at the relative fair value of the underlying market value of investments in the trust.

Participant loans: Valued at amortized cost, which approximates fair value.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of September 30, 2009 and December 31, 2008.

September 30, 2009				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ -	\$ -	\$ -	\$ -
Common collective trust	-	-	-	-
Participant loans	-	-	-	-
Total assets at fair value	\$ -	\$ -	\$ -	\$ -
December 31, 2008				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Growth funds	\$ 561,497	\$ -	\$ -	\$ 561,497
Value funds	467,662	-	-	467,662
Fixed income funds	224,707	-	-	224,707
Mid cap funds	198,589	-	-	198,589
Global funds	219,438	-	-	219,438
Technology funds	11,062	-	-	11,062
Total mutual funds	1,682,955	-	-	1,682,955
Common collective trust	-	189,622	-	189,622
Participant loans	-	-	15,938	15,938
Total assets at fair value	\$ 1,682,955	\$ 189,622	\$ 15,938	\$ 1,888,515

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NOTE 4 – FAIR VALUE MEASUREMENT (CONTINUED)

The table below sets forth a summary of changes in fair value of the Plan's level 3 assets for the period January 1, 2009 through September 30, 2009 and year ended December 31, 2008:

	<u>2009</u>	<u>2008</u>
Beginning balance	\$ 15,938	\$ 29,442
Loans issued	8,000	17,000
Loan repayments	(2,997)	(30,504)
Loans transferred to Safenet, Inc. 401(k) Plan	(20,941)	-
Ending balance	<u><u>\$ -</u></u>	<u><u>\$ 15,938</u></u>

NOTE 5 – INCOME TAX STATUS

Effective January 1, 1997, the Plan adopted a non-standardized form of a prototype plan sponsored by Automatic Data Processing Retirement Services. The prototype plan has received an opinion letter dated March 31, 2008, from the Internal Revenue Service (IRS) as to the prototype plan's qualified status. The prototype plan opinion letter has been relied upon by this Plan. The Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code (IRC).

NOTE 6 – RELATED-PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by JPMorgan Chase Bank. JPMorgan Chase Bank is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. In addition, certain officers and employees of the Company are administrators of the Plan and are participants in the Plan.

NOTE 7 – RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to net assets per the Form 5500 as of September 30, 2009 and December 31, 2008:

Reconciliation of Net Assets

	<u>2009</u>	<u>2008</u>
Net assets available for benefit per the financial statements	\$ -	\$ 1,974,550
Employer contribution receivable	-	(16,153)
Participant contribution receivable	-	(39,269)
Net assets per Form 5500	<u><u>\$ -</u></u>	<u><u>\$ 1,919,128</u></u>

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NOTE 7 – RECONCILIATION TO FORM 5500 (CONTINUED)

The following is a reconciliation of participant contributions per the financial statements to the Form 5500 for the period January 1, 2009 through September 30, 2009 and the year ended December 31, 2008:

Reconciliation of Participant Contributions

	<u>2009</u>	<u>2008</u>
Participant contributions per the financial statements	\$ 364,763	\$ 477,430
Participant contribution receivable	<u>39,269</u>	<u>(39,269)</u>
Participant contributions per Form 5500	<u><u>\$ 404,032</u></u>	<u><u>\$ 438,161</u></u>

The following is a reconciliation of employer contributions per the financial statements to the Form 5500 for the period January 1, 2009 through September 30, 2009 and the year ended December 31, 2008:

Reconciliation of Employer Contributions

	<u>2009</u>	<u>2008</u>
Employer contributions per the financial statements	\$ 102,524	\$ 160,163
Employer contribution receivable	<u>16,153</u>	<u>(16,153)</u>
Employer contributions per Form 5500	<u><u>\$ 118,677</u></u>	<u><u>\$ 144,010</u></u>

NOTE 8 – PLAN TERMINATION

During the nine-month period January 1, 2009 through September 30, 2009 the plan sponsor transferred substantially all operations to Safenet, Inc. in connection with the purchase of the plan sponsors which resulted in a significant reduction in employees. This constituted a partial plan termination, and therefore, all such employees with unvested employer match funds became immediately and fully vested on such date in those funds. This determination was made subsequent to year-end and subsequent to the transfer of all participant balances of the Plan into Safenet, Inc. 401(k) Plan. As a result, certain participants who withdrew their vested benefits prior to this determination are due those amounts deemed as non vested at the time of the participant's distribution. The plan sponsor remitted \$18,976, including lost earnings, to the Safenet, Inc. 401(k) Plan in June, 2010, and subsequent disbursements were made to distributed participants.

NOTE 9 – TRANSFER OF NET ASSETS TO SAFENET, INC. 401(k) PLAN

On September 30, 2009, the net assets of the Plan were merged into the Safenet, Inc. 401(k) Plan. Assets transferred to the Safenet, Inc. 401(k) Plan totaled \$2,467,062.

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NOTE 10 – SUBSEQUENT EVENTS

Management evaluated subsequent events through July 12, 2010, the date the financial statements were available to be issued. Events or transactions occurring after September 30, 2009, but prior to July 12, 2010 that provided additional evidence about conditions that existed at September 30, 2009, have been recognized in the financial statements for the year ended September 30, 2009. Events or transactions that provided evidence about conditions that did not exist at September 30, 2009 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended September 30, 2009.

