

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
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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 12/31/2009			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan IMPACT SCIENCE AND TECHNOLOGY, INC. 401K RETIREMENT PLAN	1b Three-digit plan number (PN) ►	001	
	1c Effective date of plan	01/01/1999	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) IMPACT SCIENCE AND TECHNOLOGY, INC. 85 NORTHWEST BOULEVARD NASHUA, NH 03063-4068	2b Employer Identification Number (EIN)	02-0479454	
	2c Sponsor's telephone number	603-459-2200	
	2d Business code (see instructions)	541512	

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.	09/17/2010	MARIA FERINO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/16/2010	JANICE KLETTNER
	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") IMPACT SCIENCE AND TECHNOLOGY, INC. 85 NORTHWEST BOULEVARD NASHUA, NH 03063-4068	3b Administrator's EIN 02-0479454 3c Administrator's telephone number 603-459-2355
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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	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	270
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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	239
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	51
d Subtotal. Add lines 6a , 6b , and 6c	6d	290
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	290
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	288
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	15

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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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 2T 3D 3H

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 C</div> <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>Service Provider 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>	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

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

<div>A</div> <div>Name of plan</div> <div>IMPACT SCIENCE AND TECHNOLOGY, INC. 401K RETIREMENT PLAN</div>	<div>B</div> <div>Three-digit plan number (PN)</div> <div>▶</div> <div>001</div>
<div>C</div> <div>Plan sponsor's name as shown on line 2a of Form 5500</div> <div>IMPACT SCIENCE AND TECHNOLOGY, INC.</div>	<div>D</div> <div>Employer Identification Number (EIN)</div> <div>02-0479454</div>

Part I

Service Provider Information (see instructions)

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

1

Information on Persons Receiving Only Eligible Indirect Compensation

a

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

☐ Yes

☒ No

b

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

(b)

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

(b)

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

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

T. ROWE PRICE RET. PLAN SVCS., INC.

04-3583801

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 52	NONE	3550	Yes ☒ No ☐	Yes ☐ No ☒	230841	Yes ☐ No ☒

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan IMPACT SCIENCE AND TECHNOLOGY, INC. 401K RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 IMPACT SCIENCE AND TECHNOLOGY, INC.		
D Employer Identification Number (EIN) 02-0479454		

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)	2340681	3835011
(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)	514928	615528
(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)	18258616	28564502
(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	21114225	33015041

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 through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	21114225	33015041
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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)	3869419	
(B) Participants	2a(1)(B)	2373923	
(C) Others (including rollovers)	2a(1)(C)	139041	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		6382383

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	5051	
(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)	41640	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		46691

(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)	467685	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		467685

(3) Rents	2b(3)		
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(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)		7222140
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		14118899

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2186295	
(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)		2186295
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		28238
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)	3550	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		3550
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		2218083

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		11900816
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) ☐ 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: MANZI & ASSOCIATES LLC

(2) EIN: 04-3508036

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		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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.			

- 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)

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.

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

A Name of plan <u>IMPACT SCIENCE AND TECHNOLOGY, INC. 401K RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>IMPACT SCIENCE AND TECHNOLOGY, INC.</u>	D Employer Identification Number (EIN) <u>02-0479454</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	<u>0</u>
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>04-3583801</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

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): _____

Manzi & Associates L.L.C.
Certified Public Accountants

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North Andover, MA 01845

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Fax: 978-975-0593

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Impact Science & Technology, Inc.
401(k) Retirement Plan
Nashua, New Hampshire

We have audited the accompanying statements of net assets available for benefits of the Impact Science & Technology, Inc. 401(k) Retirement Plan as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Impact Science & Technology, Inc. 401(k) Plan as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mangji & Associates L.L.C.

North Andover, Massachusetts
July 28, 2010

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
INVESTMENTS - AT FAIR VALUE		
Investment Cash	\$ 3,835,011	\$ 2,340,681
Registered Investment Companies-Mutual Funds	28,564,502	18,258,616
Participant Loans	643,766	514,928
	<u>33,043,279</u>	<u>21,114,225</u>
 TOTAL ASSETS	 <u>\$33,043,279</u>	 <u>\$21,114,225</u>
LIABILITIES		
 NET ASSETS AVAILABLE FOR BENEFITS	 <u>\$33,043,279</u>	 <u>\$21,114,225</u>

The accompanying notes are an integral part of these
financial statements.

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment Income:		
Net appreciation (depreciation) in fair value of investments	\$ 7,222,140	\$ (9,196,861)
Interest - participant loans	41,640	49,667
Interest - bank	5,051	56,081
Dividends	467,685	-
	<u>7,736,516</u>	<u>(9,091,113)</u>
Contributions:		
Employer Contributions	3,869,419	2,772,230
Participant Contributions	2,373,923	2,218,262
Rollover Contributions	139,041	233,243
	<u>6,382,383</u>	<u>5,223,735</u>
 TOTAL ADDITIONS	 <u>14,118,899</u>	 <u>(3,867,378)</u>
 DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	2,186,295	1,704,355
Administrative expenses	3,550	497
	<u>2,189,845</u>	<u>1,704,852</u>
 TOTAL DEDUCTIONS	 <u>2,189,845</u>	 <u>1,704,852</u>
 NET INCREASE (DECREASE)	 11,929,054	 (5,572,230)
 NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>21,114,225</u>	<u>26,686,455</u>
End of year	<u>\$33,043,279</u>	<u>\$21,114,225</u>

The accompanying notes are an integral part of these financial statements.

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Impact Science & Technology, Inc. 401(k) Retirement Plan (Plan) provides only general information. Participants should refer to the Summary Plan Description for a more complete overview of the Plan's provisions.

General

Effective January 1, 1999, the Company adopted the Plan to provide retirement benefits for its eligible employees. The Plan has since been amended and restated. Generally, the effective date of the amendment and restatement is January 1, 2009.

The Plan is a defined contribution plan to which the Employee and the Employer make contributions to accounts held in the Employee's name in a trust. Because the assets are held in trust, they are not available to the Employer or the Employer's creditors. However, in limited circumstances, certain contributions to the Plan may be returned to the Employer.

With this type of plan, the benefit the Employee will receive from the Plan depends on the amount contributed to their accounts, the investment performance of their accounts and their vested interest in their accounts. The Plan is designed to provide retirement income to employees who remain with the Employer until retirement. In addition, if the Employees' employment with the Employer terminates before they retired, they may also receive benefits. All significant costs of the Plan are absorbed by the Employer.

Participant Accounts

Effective May 2, 2007, the Impact Science & Technology, Inc. ESOP Plan merged with the plan described above.

The Plan is open to all employees of the Employer except the following groups of Employees:

Union employees
Nonresident alien employees

If an individual is in a group of employees eligible to participate in the Plan, he or she will be eligible to become a Participant in the Plan after the following eligibility requirement has been met:

Attainment of age 21.

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Participant Accounts (Continued)

If an individual was eligible to participate in the Plan prior to January 1, 2009, they will continue to be eligible to participate in this Plan as long as they are employed in a group of employees eligible to participate. If they were not eligible to participate prior to January 1, 2001, they will become eligible to participate on the next Entry Date after they meet the eligibility requirements as long as they are in a group of employees eligible to participate on that Entry Date.

The Entry Dates are: the 1st day of each month.

If employment terminates when an individual is a participant and if he/she is later rehired in a group of employees eligible to participate in the Plan, the rehired employee will be eligible to rejoin the Plan immediately upon his/her reemployment. If the employment terminates when he/she is a participant, and he/she are later rehired in a group of employees not eligible to join the Plan, he/she may not rejoin the Plan until he/she transfers back to a group of employees eligible to participate in the Plan.

If employment terminates before they become eligible to participate in the Plan, and if they are later rehired by the employer, their prior period of service will be counted for purposes of determining when an individual will be eligible to participate after they are rehired.

Vesting

An individual will always have a 100 percent vested (nonforfeitable) interest in their:

Elective Deferral Contributions Account
Rollover Contributions Account
Qualified Non-elective Contributions Account
Qualified Matching Contributions Account

An individual will earn a vested interest in their Discretionary Employer Contributions Account and/or Employer Matching Contribution Account based on Years of Vesting Service in accordance with the following schedule:

<u>Years of Vesting Service</u>	<u>Vested Percentage</u>
1 year	33%
2 years	66%
3 or more	100%

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Participant Loans

This Plan contains provisions that permit the employee to borrow from their vested account balances. However, in accordance with legal requirements, the amount of the loan, when added to the total of all outstanding loans to the employee from all pension and profit sharing plans of the employer and all affiliated companies, may not be greater than the lesser of (1) \$50,000 reduced by their highest outstanding plan loan balances during the year preceding the date of the loan, or (2) 50% of the value of their vested interest in their accounts.

The Plan Administrator will determine the terms of all loans. The maximum payment term for any loan generally will be five years. The minimum loan is \$1,000. Plan loans must be repaid by salary deduction in equal payments each pay period.

The loans are secured by the balance in the participant's account and bear interest ranging from 5.25% - 10.25%.

Distribution of Benefits

The Plan provides for retirement benefits when a participant retires, becomes totally and permanently disabled, upon death before retirement, or termination of employment. The participant's account balance is distributed by any form described by participant. Participants may elect to receive their retirement benefits in a lump sum distribution.

If a Plan participant dies the total balance of the participant's account will be paid in a lump sum or monthly sum to the participant's designated beneficiary. If the participant is married, the death benefit must be paid to the participant's spouse unless the spouse waived the benefit. The Plan provides disability benefits for participants who become totally disabled before retirement. For termination of service due to the other reasons, the participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Plan:

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Investment Valuation

A Trust Fund has been established to hold all Plan contributions.

A separate account, including all of the accounts described in the contributions section of the Summary Plan Description, is maintained for each participant within the Trust. The assets of the Trust may be invested only in the T. Rowe Price mutual funds selected by the Employer as investment options under the Plan.

As soon as administratively feasible after the statement date, the participants will receive a Statement of Accounts which will indicate the value of all their account(s) as of the Statement Date. The Statement of Accounts they receive as of the end of each Plan Year will also show their vested interest in each of their account(s) and information pertinent to any loans they have.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Equivalents

For the purposes of these statements cash and cash equivalents includes amounts held in interest bearing money market funds.

Subsequent Events

The Plan has evaluated subsequent events through July 28, 2010, the date the financial statements were available to be issued.

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 3 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, provides the 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 FASB ASB 820 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 asset or liability; 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.

Level 3

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

The asset's 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 December 31, 2009 and 2008.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the Plan at year end.

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 3 - FAIR VALUE MEASUREMENTS (Continued)

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

Cash and Equivalents: Valued at the net asset value (NAV) of shares held by the Plan at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

	<u>Total</u>	Assets at Fair Value as of <u>December 31, 2009</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investment Cash	\$ 3,835,011	\$ 3,835,011	\$ -	\$ -
Mutual Fund:				
Bond Fund	1,153,988	1,153,988	-	-
Growth Fund	13,413,997	13,413,997	-	-
Growth & Income Fund	2,923,298	2,923,298	-	-
Equity Fund	4,724,007	4,724,007	-	-
Balanced Fund	4,432,564	4,432,564	-	-
International Fund	1,916,648	1,916,648	-	-
Total Mutual Funds	28,564,502	28,564,502	-	-
Participant Loans	643,766	-	-	643,766
 Total Assets at Fair Value	 <u>\$33,043,279</u>	 <u>\$32,399,513</u>	 <u>\$ -</u>	 <u>\$ 643,766</u>

	<u>Total</u>	Assets at Fair Value as of <u>December 31, 2008</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investment Cash	\$ 2,340,681	\$ 2,340,681	\$ -	\$ -
Mutual Fund	18,258,616	18,258,616	-	-
Participant Loans	514,928	-	-	514,928
 Total Assets at Fair Value	 <u>\$21,114,225</u>	 <u>\$20,599,297</u>	 <u>\$ -</u>	 <u>\$ 514,928</u>

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 3 - FAIR VALUE MEASUREMENTS (Continued)

Level 3 Gains and losses

The following table sets forth a summary of changes in the fair value of the plans level 3 assets for the year ended December 31, 2009.

	Level 3 Assets Year Ended December 31, 2009 Participant Loans
Balance, beginning of year	\$ 514,928
Total gains or losses (realized and unrealized) included in changes in nets assets available for benefits	-
Purchases, sales, issuances, settlements (net)	<u>128,838</u>
Balance, end of year	<u>\$ 643,766</u>

NOTE 4 - INVESTMENTS

The Plan contributions are invested under T. Rowe Price Century Retirement Solutions. T. Rowe Price Century Retirement Solutions provides assistance in the fiduciary responsibility in maintaining a qualified plan. Their investment and compliance specialists provide expertise in addressing and performing compliance testing and ensuring that the Plan maximizes benefits to participants based on investment options and individual retirement goals while conforming to regulatory requirements and applicable federal and state tax laws. T. Rowe Price Century Retirement Solutions offers access to its clients to hundreds of investment options from the financial industry's most respected mutual fund companies. The individual investment options are reviewed by the Plan Trustees periodically.

Investments that represent 5 percent or more of the Plan's net assets are separately identified.

A current listing and description of these funds may be obtained from the Plan Administrator.

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 4 - INVESTMENTS (Continued)

	December	
31,	<u>2009</u>	<u>2008</u>
Investments at Fair Value		
T. Rowe Price Prime Reserve	\$ 3,835,011	\$ 2,340,681
T. Rowe Price International Stock	1,916,648	975,124
T. Rowe Price Mid-Cap Growth	2,797,672	1,588,649
T. Rowe Price Small-Cap Stock	1,854,345	1,288,316
T. Rowe Price Balanced	1,996,570	1,388,010
T. Rowe Price Capital Appreciation	2,923,298	1,796,946
T. Rowe Price Spectrum Income	2,435,994	1,655,829
T. Rowe Price Equity Index 500	3,687,793	2,495,690
T. Rowe Price Dividend Growth	1,896,779	1,506,696
T. Rowe Price Blue Chip Growth	4,544,430	2,878,432
T. Rowe Price Mid-Cap Value	1,595,140	872,941
Other Mutual Funds	2,915,833	1,811,983
Participant loans	<u>643,766</u>	<u>514,928</u>
	<u>\$33,043,279</u>	<u>\$21,114,225</u>

During December 31, 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$7,222,140 as follows:

Registered Investment Companies-Mutual Funds \$ 7,222,140

NOTE 5 - RECLASSIFICATION

Items for the year ended December 31, 2008 have been reclassified for comparative purposes.

NOTE 6 - PLAN TERMINATION

Although the Company has not expressed any intention 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 would become 100 percent vested in their employer contributions.

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 7 - TAX STATUS

The Plan is relying on the determination letter that Boston Financial Data Services received for their prototype non-standardized plans. The Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

NOTE 8 - RISKS AND UNCERTAINTIES

The Plan invests in various investment 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 the amounts reported in the statement of net assets available for benefits.

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

December 31,

	<u>2009</u>	
<u>2008</u>		
Net assets available for benefits per the financial statements	\$33,043,279	\$21,114,225
Less: Participant loans deemed distributed	<u>(28,238)</u>	<u>-</u>
Net assets available for benefits per the Form 5500	<u>\$33,015,041</u>	<u>\$21,114,225</u>

The following is a reconciliation of net income per the financial statements to the Form 5500:

December 31,

	<u>2009</u>	
<u>2008</u>		
Net income (loss) per financial statements	\$11,929,054	\$(5,572,230)
Less: Participant basis deemed distributed	<u>(28,238)</u>	<u>-</u>
Net income (loss) per Form 5500	<u>\$11,900,816</u>	<u>\$(5,572,230)</u>

IMPACT SCIENCE & TECHNOLOGY, INC.
401(K) RETIREMENT PLAN
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2009

Identity of issue, borrower, lessor, or similar party	Description of investment	Cost	Current Value
<u>REGISTERED INVESTMENT COMPANIES</u>			
T. ROWE PRICE INTERNATIONAL STOCK - MUTUAL FUNDS		\$ 1,953,026	\$ 1,916,648
T. ROWE PRICE NEW HORIZONS - MUTUAL FUNDS		723,362	725,631
T. ROWE PRICE HIGH YIELD - MUTUAL FUNDS		1,129,063	1,153,988
T. ROWE PRICE MID-CAP GROWTH - MUTUAL FUNDS		2,762,315	2,797,672
T. ROWE PRICE SMALL-CAP STOCK - MUTUAL FUNDS		1,870,803	1,854,345
T. ROWE PRICE BALANCED - MUTUAL FUNDS		2,108,117	1,996,570
T. ROWE PRICE EQUITY INCOME - MUTUAL FUNDS		1,151,256	1,036,214
T. ROWE PRICE CAPITAL APPRECIATION - MUTUAL FUNDS		2,929,007	2,923,298
T. ROWE PRICE SPECTRUM INCOME - MUTUAL FUNDS		2,374,320	2,435,994
T. ROWE PRICE EQUITY INDEX 500 - MUTUAL FUNDS		3,917,207	3,687,793
T. ROWE PRICE DIVIDEND GROWTH - MUTUAL FUNDS		2,039,797	1,896,779
T. ROWE PRICE BLUE CHIP GROWTH - MUTUAL FUNDS		4,375,384	4,544,430
T. ROWE PRICE MID-CAP VALUE		<u>1,510,831</u>	<u>1,595,140</u>
		<u>28,844,488</u>	<u>28,564,502</u>
<u>CASH AND EQUIVALENTS</u>			
T. ROWE PRICE PRIME RESERVE - CASH AND EQUIVALENTS		<u>3,835,011</u>	<u>3,835,011</u>
<u>PARTICIPANT LOANS</u>			
PARTICIPANT LOANS	5.25% - 10.25%	<u>643,766</u>	<u>643,766</u>
		<u>\$33,323,265</u>	<u>\$33,043,279</u>