

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 PROGRESSIVE MEDICAL, INC. PROFIT SHARING & 401(K) PLAN	1b Three-digit plan number (PN) ►	001	
	1c Effective date of plan	09/01/1998	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) PROGRESSIVE MEDICAL, INC. 250 PROGRESSIVE WAY WESTERVILLE, OH 43082	2b Employer Identification Number (EIN)	31-1192384	
	2c Sponsor's telephone number	614-794-3300	
	2d Business code (see instructions)	524290	

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.	10/01/2010	DANIEL C. GIFFORD
	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")

PROGRESSIVE MEDICAL, INC.

250 PROGRESSIVE WAY
WESTERVILLE, OH 43082**3b** Administrator's EIN

31-1192384

3c Administrator's telephone number

614-794-3300

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:**a** Sponsor's name**4b** EIN**4c** PN**5** Total number of participants at the beginning of the plan year**5**

361

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**

412

b Retired or separated participants receiving benefits.....**6b**

0

c Other retired or separated participants entitled to future benefits.....**6c**

60

d Subtotal. Add lines **6a**, **6b**, and **6c**.....**6d**

472

e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....**6e**

0

f Total. Add lines **6d** and **6e**.....**6f**

472

g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....**6g**

414

h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....**6h**

36

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)**7****8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2F 2G 2J 2K 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:**9a** Plan funding arrangement (check all that apply)(1) ☐

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

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

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)

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	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 PROGRESSIVE MEDICAL, INC. PROFIT SHARING & 401(K) PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 PROGRESSIVE MEDICAL, INC.		D Employer Identification Number (EIN) 31-1192384

Part I	Service Provider Information (see instructions)
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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
NATIONWIDE INSURANCE
31-4156830

(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)

(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 ☐

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

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

Part I Service Provider Information (continued)

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

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

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

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>		
A Name of plan <u>PROGRESSIVE MEDICAL, INC. PROFIT SHARING & 401(K) 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>PROGRESSIVE MEDICAL, INC.</u>	D Employer Identification Number (EIN) <u>31-1192384</u>	

Part I	Asset and Liability Statement
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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	<u>1127</u>	<u>18025</u>
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	<u>347972</u>	<u>13035</u>
(2) Participant contributions	1b(2)	<u>18208</u>	<u>28308</u>
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	<u>327485</u>	<u>64281</u>
(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)		
(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)	<u>2951142</u>	<u>5619034</u>
(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	3645934	5742683

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	3645934	5742683
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	552280	
(B) Participants	2a(1)(B)	863268	
(C) Others (including rollovers)	2a(1)(C)	12752	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1428300
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1230	
(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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1230
(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)	155922	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		155922
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		745826
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2331278

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	232833	
(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)		232833
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	1696	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1696
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		234529

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2096749
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: MCGLADREY & PULLEN, LLP

(2) EIN: 42-0714325

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		1000000
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)

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>PROGRESSIVE MEDICAL, INC. PROFIT SHARING & 401(K) 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>PROGRESSIVE MEDICAL, INC.</u>	D Employer Identification Number (EIN) <u>31-1192384</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>31-4156830</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	<u>0</u>

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
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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): _____

Progressive Medical, Inc.
Profit Sharing and 401(k) Plan

Financial Report
December 31, 2009

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Independent Auditor's Report

To the Plan Administrator
Progressive Medical, Inc.
Profit Sharing and 401(k) Plan
Westerville, Ohio

We were engaged to audit the accompanying statements of net assets available for benefits of the Progressive Medical, Inc. Profit Sharing and 401(k) Plan (the Plan) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009, and the supplemental schedules of assets (held at end of year) as of December 31, 2009 and reportable transactions for the year ended December 31, 2009. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified or provided by Nationwide Trust Company, FSB, the current custodian of the Plan, and MG Trust Company, LLC, the former trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan Administrator that the custodian and trustee hold the Plan's investment assets and execute investment transactions. As disclosed in Note 4, the Plan Administrator has obtained certifications from the custodian and trustee regarding the completeness and accuracy of the investment information provided to the Plan Administrator by the custodian and trustee as of December 31, 2009 and 2008 and for the year ended December 31, 2009.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified or provided by the custodian and 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 present in compliance with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

McGladrey & Pullen, LLP

Columbus, Ohio
September 23, 2010

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

**Statements of Net Assets Available for Benefits
December 31, 2009 and 2008**

	2009	2008
Assets		
Cash	\$ 18,025	\$ -
Investments, at fair value:		
Registered investment companies	5,619,034	2,951,142
Money market fund	64,281	328,612
Total investments	5,683,315	3,279,754
Receivables:		
Participants contributions	28,308	18,208
Employer contributions	13,035	347,972
Total receivables	41,343	366,180
Net assets available for benefits	\$ 5,742,683	\$ 3,645,934

See Notes to Financial Statements.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

**Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2009**

Additions

Investment income:

Net appreciation in fair value of investments	\$ 745,826
Interest and dividends	<u>157,152</u>
Total investment income	<u>902,978</u>

Contributions:

Participant	863,268
Employer	552,280
Rollover	<u>12,752</u>
Total contributions	<u>1,428,300</u>

Total additions	<u>2,331,278</u>
------------------------	------------------

Deductions

Benefits paid to participants	232,833
Administrative expenses	<u>1,696</u>
Total deductions	<u>234,529</u>

Net increase	2,096,749
---------------------	-----------

Net Assets Available for Benefits:

Beginning of year	<u>3,645,934</u>
End of year	<u><u>\$ 5,742,683</u></u>

See Notes to Financial Statements.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to the Financial Statements

Note 1. Description of Plan

The following brief description of the Progressive Medical, Inc. Profit Sharing and 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General: The Plan is a defined contribution plan available to substantially all employees of Progressive Medical, Inc. (the Company), who have reached the age of 21 and attained half a year of service. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions: Participants can contribute a percentage of gross earnings not to exceed the limits established by the Internal Revenue Code (IRC). Effective January 1, 2008, employees who meet the Plan's eligibility requirements are automatically enrolled in the Plan with an elective deferral rate of 4% of gross earnings, unless the participant affirmatively elects out of the automatic deferral feature or elects a different deferral rate. The Company may match, at its discretion, a portion of the employees' deferrals. During 2009 and 2008, the Company matching contribution equaled 100% and 25%, respectively, of the first 4% of the participant's eligible compensation. In December 2008, the Company elected to make an additional discretionary matching contribution so that participants effectively received a match equal to 100% of the first 4% of eligible compensation for the year ended December 31, 2008. Additional profit sharing amounts may be contributed at the option of the Company's management. The Plan also permits employees to transfer funds from other qualified plans. Such transfers must be approved by the Plan Administrator.

Participants' accounts: Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's matching contribution and (b) Plan earnings, and charged with an allocation of administrative expenses. The Company's profit sharing contributions, if any, are allocated based on the participant's eligible compensation as a percentage of total compensation. The allocation of the Company's contributions follows the participant's directed investment options. Allocations of Plan earnings and administrative expenses are based on participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting: Participants are immediately vested in their voluntary contributions and earnings thereon. Company matching and profit sharing contributions and actual earnings thereon become fully vested after three years of service.

Benefits: At either age 65, upon total permanent disability, death or termination of service, participants or their beneficiaries may elect to receive either a lump-sum amount equal to the vested value of their account or installment payments as outlined by the Plan. Employees may also withdraw their vested interest in the Plan if they have attained age 59 ½ and under certain hardship conditions, as defined in the Plan agreement.

Forfeited accounts: At December 31, 2009 and 2008 forfeited nonvested accounts totaled \$2,510 and \$8, respectively. These accounts will be used to reduce future employer contributions. During 2009, employer contributions were reduced by \$30,795 from forfeited nonvested accounts.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The financial statements of the Plan are prepared on the accrual basis of accounting.

Investments and income recognition: Investments are reported 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 5 for discussion of fair value measurements.

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

Contributions: Employee contributions and Company matching contributions are recognized when withheld. Discretionary contributions are recognized when declared by the Company.

Benefits: Benefits are recognized when paid.

Administrative expenses: A portion of the Plan's administrative costs are paid by the Plan. Other administrative costs are paid by the Company at the Company's discretion.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make certain estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

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 value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Subsequent events: The Plan Administrator has evaluated subsequent events for potential recognition and/or disclosure through September 23, 2010, the date the financial statements were available to be issued.

Note 3. Plan Termination

Although it has not expressed any intent to do so, the Company has the right 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 fully vested in their accounts.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 4. Investments and Information Certified and Provided by Nationwide Trust Company, FSB and MG Trust Company, LLC

The following is a summary of the investment information as of December 31, 2009 and 2008 and for the year ended December 31, 2009, included throughout the Plan's financial statements and supplemental schedules that was prepared by or derived from information provided and furnished to the Plan Administrator by Nationwide Trust Company, FSB, the custodian of the Plan effective December 16, 2009, and MG Trust Company, LLC, the former trustee. The Plan Administrator has obtained certifications from the custodian and trustee that information provided to the Plan Administrator by the custodian and trustee related to the following investments is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditor not to perform any auditing procedures with respect to information which appears throughout the financial statements and supplemental schedules related to the following investments.

The following table presents the fair value of the Plan's investments as certified by the custodian and trustee as of December 31. The fair value of individual investments that represent 5% or more of the Plan's net assets are separately identified:

	2009	2008
Registered investment companies:		
Vanguard Target Retirement 2025	\$ 735,201 *	\$ -
Vanguard Target Retirement 2035	611,096 *	-
Oppenheimer Value	388,266 *	-
Oppenheimer Developing Markets	342,512 *	-
Vanguard Target Retirement 2030	336,365 *	-
MFS Massachusetts Investors Growth Stock	327,649 *	-
Vanguard Target Retirement 2015	315,605 *	-
Vanguard Target Retirement 2045	290,765 *	-
BlackRock Global Allocation Fund	-	611,782 *
PIMCO Total Return Fund	-	445,556 *
Allianz NFJ Dividend Value Fund	-	358,603 *
Goldman Sachs Government Income Fund	-	333,576 *
Pioneer Oak Ridge Large Cap Growth Fund	-	271,907 *
Goldman Sachs Mid Cap Value Fund	-	245,737 *
Davis New York Venture Fund	-	213,574 *
MFS Research International Fund	-	199,448 *
Other registered investment companies	2,271,575	270,959
Total registered investment companies	5,619,034	2,951,142
Money market funds:		
Dreyfus Institutional Preferred Money Market	64,281	-
Merrill Lynch Retirement Reserves	-	328,612 *
	\$ 5,683,315	\$ 3,279,754

* Greater than 5% of Plan's net assets in the respective year.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 4. Investments and Information Certified and Provided by Nationwide Trust Company, FSB and MG Trust Company, LLC (Continued)

Nationwide Trust Company, FSB and MG Trust Company, LLC also certified to the completeness and accuracy of net appreciation in the fair value of investments and of interest and dividend income for the year ended December 31, 2009, which included the following:

Net appreciation in fair value of investments:

Registered investment companies	<u>\$ 745,826</u>
---------------------------------	-------------------

Interest and dividends	<u>\$ 157,152</u>
------------------------	-------------------

Note 5. Fair Value Measurements

Financial Accounting Standards Board (FASB) guidance establishes 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 the guidance are described below:

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.

Shares of registered investment companies: Valued at the net asset value ("NAV") of shares held by the Plan at year-end.

Money market fund: Valued at the closing price reported on the active market on which the fund is traded, generally at \$1 per share.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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 measured at fair value:

Assets at Fair Value as of December 31, 2009				
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies:				
Large-cap funds	\$ 1,572,628	\$ -	\$ -	\$ 1,572,628
Mid-cap funds	212,861	-	-	212,861
Small-cap funds	262,157	-	-	262,157
Target date blended funds	2,980,123	-	-	2,980,123
Inflation-protected bond funds	235,539	-	-	235,539
Intermediate term bond funds	146,900	-	-	146,900
World bond funds	120,087	-	-	120,087
High yield bond funds	88,739	-	-	88,739
Money market fund	64,281	-	-	64,281
	<u>\$ 5,683,315</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,683,315</u>

Assets at Fair Value as of December 31, 2008				
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies	\$ 2,951,142	\$ -	\$ -	\$ 2,951,142
Money market fund	-	328,612	-	328,612
	<u>\$ 2,951,142</u>	<u>\$ 328,612</u>	<u>\$ -</u>	<u>\$ 3,279,754</u>

In January 2010, FASB issued an amendment which requires new disclosures and reasons for transfers of financial assets and liabilities between Levels 1 and 2. This amendment also clarifies that fair value measurement disclosures are required for each class of financial assets and liabilities, and disclosures about inputs and valuation techniques are required for both Level 2 and Level 3 measurements. It further clarifies that the reconciliation of Level 3 measurements should separately present purchases, sales, issuances, and settlements instead of netting these changes.

With respect to the matters other than Level 3 measurements, the amendment was effective and not yet adopted for periods beginning on or after December 15, 2009. The guidance related to Level 3 measurements is effective for periods beginning on or after December 15, 2010 and has not yet been adopted.

Note 6. Tax Status

Effective December 1, 2009, the Plan adopted a non-standardized form of a prototype plan sponsored by Nationwide Financial Services, Inc. The prototype plan has received an opinion letter from the Internal Revenue Service 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 IRC.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 6. Tax Status (Continued)

FASB issued new guidance on accounting for uncertain tax positions. The Plan adopted this guidance for the year ended December 31, 2009. Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

Note 7. Related Party Transactions

Certain Plan investments were shares of a money market fund managed by Merrill Lynch Investment Managers. Certain other Plan investments were shares of registered investment companies managed by Blackrock, Inc., an affiliate of Merrill Lynch. Merrill Lynch was an investment advisor for the Plan until December 2009; therefore, these transactions qualify as party-in-interest transactions.

Note 8. Subsequent Events

Effective January 1, 2010, the Plan adopted a qualified automatic enrollment arrangement (QACA). The automatic enrollment provisions were changed in which all new and existing employees, except those who are already contributing at least the minimum deferral rate, are automatically enrolled in the Plan with an elective deferral rate of 3% of gross earnings, increasing 1% each year to a maximum of 6% of gross earnings. The Company must elect a discretionary safe harbor matching contribution each year to maintain its QACA safe harbor status, which is equal to 100% of the first 4% of the participant's eligible compensation for the 2010 plan year. Also, vesting in the Company matching contribution was changed under the QACA so that participants become fully vested after two years of service.

SUPPLEMENTAL SCHEDULES

Progressive Medical, Inc.
Profit Sharing and 401(k) Plan
Employer Identification Number 31-1192384, Plan 001
Schedule H, Item 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2009

(a)	(b)	(c)	(e)
	Identity of Party	Description of Investments	Current Value
		Registered investment companies:	
	Invesco Aim	Invesco Mid Cap Core Equity Institutional	\$ 205,690
	American Century Investments	American Century Inflation-Adjusted Bond Instituti	7,644
	American Funds	American Funds American Mutual	21,896
	American Funds	American Funds Capital World Bond	6,718
	American Funds	American Funds Growth Fund of America	30,001
	American Funds	American Funds New World	5,781
	BlackRock	BlackRock Small Cap Growth Equity Institutional	78,849
	DWS Investments	DWS RREEF Global Real Estate Securities Institi	1,361
	Dodge & Cox	Dodge & Cox International Stock	24,635
	Federated	Federated Total Return Bond Institutional	2,544
	Hansberger Funds	Hansberger International Growth Institutional	19,602
	Harbor	Harbor International Institutional	228,808
	Legg Mason/Western	Legg Mason ClearBridge Small Cap Growth	2,966
	Legg Mason/Western	Western Asset Inflation Indexed Plus Bond	10,725
	MFS	MFS Massachusetts Investors Growth Stock	327,649
	Oppenheimer Funds	Oppenheimer Developing Markets	342,512
	Oppenheimer Funds	Oppenheimer International Bond	113,369
	Oppenheimer Funds	Oppenheimer International Growth	122,229
	Oppenheimer Funds	Oppenheimer Value	388,266
	PIMCO	PIMCO Real Return	216,639
	Principal Funds	Principal High Yield Institutional	88,739
	Principal Funds	Principal Capital Appreciation Institutional	7,513
	Principal Funds	Principal Equity Income Institutional	38,166
	Principal Funds	Principal Inflation Protection Institutional	531
	RidgeWorth	RidgeWorth Intermediate Bond	1,976
	TCW	TCW Total Return Bond	142,380
	Morgan Stanley Institutional Funds	Morgan Stanley Institutional Mid Cap Growth	7,171
	Vanguard	Vanguard Growth Index Fund	10,279
	Vanguard	Vanguard Small Cap Value Index	172,481
	Vanguard	Vanguard Small Cap Growth Index	7,861
	Vanguard	Vanguard Target Retirement Income	12,484
	Vanguard	Vanguard US Growth Inv	3,930
	Vanguard	Vanguard Target Retirement 2010	65,937
	Vanguard	Vanguard Target Retirement 2015	315,605
	Vanguard	Vanguard Target Retirement 2020	212,434
	Vanguard	Vanguard Target Retirement 2025	735,201
	Vanguard	Vanguard Target Retirement 2030	336,365

Progressive Medical, Inc.
Profit Sharing and 401(k) Plan
Employer Identification Number 31-1192384, Plan 001
Schedule H, Item 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2009

(a)	(b)	(c)	(e)
	Identity of Party	Description of Investments	Current Value
	Vanguard	Vanguard Target Retirement 2035	611,096
	Vanguard	Vanguard Target Retirement 2040	281,970
	Vanguard	Vanguard Target Retirement 2045	290,765
	Vanguard	Vanguard Target Retirement 2050	118,266
			<u>5,619,034</u>
		Money market fund:	
	Dreyfus	Dreyfus Institutional Preferred Money Market	64,281
			<u>\$ 5,683,315</u>

* Represents a party-in-interest.

Note: This schedule is based on information which has been certified as complete and accurate by Nationwide Trust Company, FSB, the custodian of the Plan. Column (d) (Cost) has been omitted as it is not required under ERISA for participant-directed accounts.

Progressive Medical, Inc.
Profit Sharing and 401(k) Plan
EIN 31-1192384 / Plan Number 001
Schedule H, Item 4(j) - Schedule of Reportable Transactions
Year Ended December 31, 2009

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Assets	Purchase Price	Selling Price	Cost of Assets	Current Value of Assets on Transaction Date	Net Gain/ (Loss)
Category (i) - single transaction in excess of 5 percent of beginning plan assets:						
Blackrock Global Allocation Fund A	Registered investment company	\$ -	\$ 1,362,259	\$ 1,290,251	\$ 1,362,259	\$ 72,008
PIMCO Total Return Fund	Registered investment company	-	753,437	724,472	753,437	28,965
Allianz NFJ Dividend Value Fund	Registered investment company	-	471,833	640,006	471,833	(168,173)
Pioneer Oak Ridge Large Cap Growth Fund	Registered investment company	-	455,400	486,179	455,400	(30,779)
Goldman Sachs Government Income Fund	Registered investment company	-	452,627	435,318	452,627	17,309
Goldman Sachs Mid Cap Value Fund	Registered investment company	-	411,102	481,384	411,102	(70,282)
Davis New York Venture Fund	Registered investment company	-	367,360	428,183	367,360	(60,823)
MFS Research International Fund	Registered investment company	-	354,071	398,706	354,071	(44,635)
Merrill Lynch Retirement Reserves	Money market fund	-	293,507	293,507	293,507	-
Federated Kaufmann Fund	Registered investment company	-	190,560	199,854	190,560	(9,294)
Vanguard Target Retirement 2035	Registered investment company	495,661	-	495,661	495,661	-
Vanguard Target Retirement 2030	Registered investment company	444,350	-	444,350	444,350	-
Vanguard Target Retirement 2025	Registered investment company	397,667	-	397,667	397,667	-
Vanguard Target Retirement 2025	Registered investment company	393,809	-	393,809	393,809	-
Vanguard Target Retirement 2045	Registered investment company	300,024	-	300,024	300,024	-
Vanguard Target Retirement 2015	Registered investment company	299,976	-	299,976	299,976	-
Dreyfus Institutional Preferred Money Market	Money market fund	294,266	-	294,266	294,266	-
Oppenheimer Value	Registered investment company	286,822	-	286,822	286,822	-
MFS Massachusetts Investors Growth Stock	Registered investment company	217,112	-	217,112	217,112	-
Vanguard Target Retirement 2040	Registered investment company	214,946	-	214,946	214,946	-
PIMCO Real Return	Registered investment company	214,628	-	214,628	214,628	-

There were no category (ii), (iii), or (iv) transactions during the year ended December 31, 2009.
Rental expense and expenses incurred with transactions are not applicable.

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan **EIN:** 31-1192384
Plan Sponsor's Name Progressive Medical, Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Invesco Aim	Invesco Mid Cap Core Equity	instituional	205,690
	American Century Investments	American Century Inflation-Adjusted Bond	Institutional	7,644
	American Funds	American Funds American Mutual		21,896
	American Funds	American Funds Capital World Bond		6,718
	American Funds	American Funds Growth Fund of America		30,001
	American Funds	American Funds New World		5,781
	BlackRock	BlackRock Small Cap Growth Equity	Institutional	78,849

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan **EIN:** 31-1192384
Plan Sponsor's Name Progressive Medical, Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	DWS Investmetns	DWS RREEF Global Real Estate Securities	Institutional	1,361
	Dodge & Cox	Dodge & Cox International Stock		24,635
	Federated	Federated Total Return Bond	Institutional	2,544
	Hansberger Funds	Hansberger International Growth	Institutional	19,602
	Harbor	Harbor International Institutional		228,808
	Legg Mason/Western	Legg Mason ClearBridge Small Cap Growth		2,966
	Legg Mason/Western	Western Asset Inflation Indexed Plus Bond		10,725

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan
Plan Sponsor's Name Progressive Medical, Inc.

EIN: 31-1192384
PN: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	MFS	MFS Massachusetts Investors Growth Stock		327,649
	Oppenheimer Funds	Oppenheimer Developing Markets		342,512
	Oppenheimer Funds	Oppenheimer International Bond		113,369
	Oppenheimer Funds	Oppenheimer International Growth		122,229
	Oppenheimer Funds	Oppenheimer Value		388,266
	PIMCO	PIMCO Real Return		216,639
	Principal Funds	Principal High Yield Institutional		88,739

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan **EIN:** 31-1192384
Plan Sponsor's Name Progressive Medical, Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Principal Funds	Principal Capital Appreciation Institutional		7,513
	Principal Funds	Principal Equity Income Institutional		38,166
	Principal Funds	Principal Inflation Protection Institutional		531
	RidgeWorth	Ridgeworth Intermediate Bond		1,976
	TCW	TCW Total Return Bond		142,380
	Morgan Stanley Institutional Funds	Morgan Stanley Institutional Mid Cap Growth		7,171
	Vanguard	Vanguard Growth Index Fund		10,279

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan
Plan Sponsor's Name Progressive Medical, Inc.

EIN: 31-1192384
PN: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Small Cap Value Index		172,481
	Vanguard	Vanguard Small Cap Growth Index		7,861
	Vanguard	Vanguard Target Retirement Income		12,484
	Vanguard	Vanguard US Growth Inv		3,930
	Vanguard	Vanguard Target Retirement 2010		65,937
	Vanguard	Vanguard Target Retirement 2015		315,605
	Vanguard	Vanguard Target Retirement 2020		212,434

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan **EIN:** 31-1192384
Plan Sponsor's Name Progressive Medical, Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Target Retirement 2025		735,201
	Vanguard	Vanguard Target Retirement 2030		336,365
	Vanguard	Vanguard Target Retirement 2035		611,096
	Vanguard	Vanguard Target Retirement 2040		281,970
	Vanguard	Vanguard Target Retirement 2045		290,765
	Vanguard	Vanguard Target Retirement 2050		118,266
	Dreyfus	Dreyfus Institutional Preferred Money Market		64,281

Attachment to 2009 Form 5500
Schedule H, line 4j - Schedule of Reportable Transactions

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan
Plan Sponsor's Name Progressive Medical, Inc.

EIN: 31-1192384
PN: 001

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Blackrock Global Allocation Fund	Registered investment company		1,362,259			1,362,259	1,362,259	972,008
PIMCO Total Return Fund	Registered investment company		753,437			72,447,725	753,437	28,965
Aliaz NFJ Dividend Value	Registered investment company		471,833			640,006	471,833	(168,173)
Pioneer Oak Ridg Lg Cap Growth	Registered investment company		455,400			486,179	455,400	(30,779)
Goldman Sachs Govt. Income Fnd	Registered investment company		452,627			435,318	452,627	17,309
Goldman Sachs Mid Cap Value Fn	Registered investment company		411,102			481,384	411,102	(70,282)
Davis New York Venture Fund	Registered investment company		367,360			428,183	367,360	(60,823)

Attachment to 2009 Form 5500
Schedule H, line 4j - Schedule of Reportable Transactions

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan
Plan Sponsor's Name Progressive Medical, Inc.

EIN: 31-1192384
PN: 001

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
MFS Research International	Registered investment company Fn		354,071			398,706	354,071	(44,635)
Merrill Lynch Retirement Reser	Money market Fund		293,507			293,507		0
Federated Kaufmann Fund	Registered investment company		199,854			199,854	190,560	(9,294)
Vanguard Target Retirement 2035	Registered investment company	495,661				495,661	495,661	
Vanguard Target Retirement 2030	Registered investment company	444,350				444,350	444,350	
Vanguard Target Retirement 2025	Registered investment company	397,667				397,667	397,667	
Vanguard Target Retirement 2025	Registered investment company	393,809				393,809	393,809	

Attachment to 2009 Form 5500
Schedule H, line 4j - Schedule of Reportable Transactions

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan
Plan Sponsor's Name Progressive Medical, Inc.

EIN: 31-1192384
PN: 001

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Vanguard Target Retirement 2045	Registered investment company	300,024				300,024	3,000,300,024,214	
Vanguard Target Retirement 2015	Registered investment company	299,976				299,976	299,976	
Dreyfus Instit. Pref. Money Mkt	Money market Fund	294,266				294,266	294,266	
Oppenheimer Value	Registered investment company	286,822				286,822	286,822	
MFS Mass. Invest Growth Stock	Registered investment company	217,112				217,112	217,112	
Vanguard Target Retirement 2040	Registered investment company	214,946				214,946	214,946	
PIMCO Total Return	Registered investment company	214,628				214,628	214,628	