Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▸ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 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
THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K) PLAN AND TRUST

1b Three-digit plan number (PN) ▸ 002

1c Effective date of plan
04/01/1972

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

THE PHYSICIANS CLINIC OF SPOKANE, P.S.

820 SOUTH MCCLELLAN
SUITE LL10
SPOKANE, WA 99204

820 SOUTH MCCLELLAN
SUITE LL10
SPOKANE, WA 99204

2b Employer Identification Number (EIN)
91-1120031

2c Sponsor's telephone number
509-353-4305

2d Business code (see instructions)
621111

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.	10/05/2010	KATHLEEN HOBBS
	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") THE PHYSICIANS CLINIC OF SPOKANE, P.S. 820 SOUTH MCCLELLAN SUITE LL10 SPOKANE, WA 99204	**3b** Administrator's EIN 91-1120031 **3c** Administrator's telephone number 509-353-4305

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:		**4b** EIN
a Sponsor's name		**4c** PN
5 Total number of participants at the beginning of the plan year	**5**	144
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**	119
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	38
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	157
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f Total. Add lines **6d** and **6e**	**6f**	157
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	147
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	4
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 2T 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)	**9b** Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	**(1)** ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	**(2)** ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	**(3)** ☒ Trust
(4) ☐ General assets of the sponsor	**(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	**b General Schedules**
(1) ☒ **R** (Retirement Plan Information)	**(1)** ☒ **H** (Financial Information)
(2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	**(2)** ☐ **I** (Financial Information – Small Plan)
	(3) ☐ ____ **A** (Insurance Information)
	(4) ☐ **C** (Service Provider Information)
(3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	**(5)** ☒ **D** (DFE/Participating Plan Information)
	(6) ☐ **G** (Financial Transaction Schedules)

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

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

A Name of plan
THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K) PLAN AND TRUST

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
THE PHYSICIANS CLINIC OF SPOKANE, P.S.

D Employer Identification Number (EIN)
91-1120031

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: FA STABLE VALUE

b Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

c EIN-PN 04-3022712-026 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 512965

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

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

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

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

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

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

A Name of plan
THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K) PLAN AND TRUST

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
THE PHYSICIANS CLINIC OF SPOKANE, P.S.

D Employer Identification Number (EIN)
91-1120031

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)	327726	404583
(2) Participant contributions	1b(2)	37879	1688
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	449944	248002
(2) U.S. Government securities	1c(2)	242933	239872
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	397755	510144
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	87974	223237
(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)	66430	35990
(9) Value of interest in common/collective trusts	1c(9)	296886	512965
(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)	4870117	7318682
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	6777644	9495163

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	6777644	9495163

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)	397666	
(B) Participants	2a(1)(B)	498243	
(C) Others (including rollovers)	2a(1)(C)	1007	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		896916
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	2725	
(B) U.S. Government securities	2b(1)(B)	9363	
(C) Corporate debt instruments	2b(1)(C)	21972	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	3601	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		37661
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	3722	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	124999	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		128721
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	68418	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	71839	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		-3421

		(a) Amount	**(b)** Total
2b **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	41303	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		41303
(6) Net investment gain (loss) from common/collective trusts	2b(6)		15080
(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)		1646790
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		2763050

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	44250	
(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)		44250
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1281	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		1281
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		45531

Net Income and Reconciliation

k Net income (loss). Subtract line **2j** from line **2d**	2k		2717519
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: ANASTASI & MOORE, PLLC **(2)** EIN: 20-0126961

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

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

During the plan year:

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

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
THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K) PLAN AND TRUST

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
THE PHYSICIANS CLINIC OF SPOKANE, P.S.

D Employer Identification Number (EIN)
91-1120031

Part I Distributions

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

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

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

EIN(s): 04-6568107 ______________

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 of 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):

The Physicians Clinic of Spokane, P.S.
Amended and Restated
Employees' 401(k) Plan and Trust

Financial Statements and
Independent Auditors' Report

December 31, 2009 and 2008

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Contents

anastasi & moore
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

Trustees and Participants
The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust
Spokane, Washington

We were engaged to audit the accompanying statements of net assets available for benefits of The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust (the Plan) as of December 31, 2009 and 2008, the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of assets held for investment referred to as "supplemental information" as of December 31, 2009. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information in the Plan's 2009 and 2008 financial statements that we did not audit, we are unable to, and do not express an opinion on the accompanying financial statements and supplemental schedule as of or for the years ended December 31, 2009 and 2008. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Anastasi & Moore, PLLC

Spokane, Washington
September 29, 2010

104 S. DIVISION • SPOKANE WA 99202

NOTE 1 — DESCRIPTION OF THE PLAN:

The following description of The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust (the Plan) provides only general information. Participants should refer to the official Plan document for important details not included in these notes.

a. *General* – The Plan was established by The Physicians Clinic of Spokane, P.S. (the Clinic) effective March 1, 1972, and restated January 1, 1999, as a contributory defined contribution plan. Full-time and part-time employees who are not part of a collective bargaining agreement and who have attained age 21 may enter the Plan on the first entry date immediately following the completion of 90 days of service. Employees become eligible for the profit-sharing, matching, and safe-harbor contributions as soon as Plan eligible, no continuing eligibility requirements allowed. Entry dates occur on January 1, April 1, July 1, and October 1.

b. *Contributions* – Participants make voluntary tax-deferred contributions to the Plan through payroll deductions of up to 60% of compensation, up to the Internal Revenue Service (IRS) maximum allowable. Upon enrollment in the Plan, a participant may direct contributions to any of the allowable investment options. Participants may change their investment options daily. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. The employer makes a matching contribution of 25% of a participant's deferral amount (not to exceed 10% of the participant's compensation) and may make additional discretionary contributions. Effective January 1, 2008, the Plan added a 3% nonelective Safe Harbor Employer Contribution and a 6% New Comparability (discretionary) Contribution. A participant who receives a distribution from another qualified plan may make a rollover contribution to the Plan provided that certain conditions are met, including the approval of the Plan administrator.

c. *Participant accounts* – Each participant's account is credited with the participant's contributions and allocations of (a) the employer's contributions and (b) Plan earnings or losses. The Clinic pays for all physician and staff administrative expenses. Physician stockholders reimburse the Clinic for their administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

d. *Vesting* – Participant contributions and actual earnings thereon are 100% vested. The Employer Safe Harbor Contribution is 100% vested. All other employer matching contributions for each Plan year vest in accordance with the following schedule:

Years of Service	Percentage
Less than 2	0%
2	20
3	40
4	60
5	80
6	100

e. *Participant loans* – Participants may borrow from their fund accounts up to a maximum equal to the lesser of $50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the Plan administrator. Loan terms can range from one to five years or over a reasonable period of time that may be longer than five years for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

NOTE 1 — DESCRIPTION OF THE PLAN (continued):

f. *Payment of benefits* – Normal retirement under the Plan occurs at age 65. Upon retirement or termination of employment, participation in the Plan will cease and benefits will be distributed according to provisions set forth in the Plan document. All vested account balances may be distributed in a lump-sum payment or installment payments over a specified period of time. Hardship withdrawals are not permitted by the Plan.

g. *Forfeited accounts* – During 2009 and 2008, forfeitures resulting from nonvested contributions of terminated employees totaling $16,729 and $6,369, respectively, were utilized to offset employer contributions.

h. *Administration of the Plan* – The Plan is administered by Fidelity Management Trust Company (Fidelity) who also acts as trustee and custodian of Plan assets. Records of participant account activity are processed and maintained by Fidelity which also performs other administrative support services for the Plan. Certain costs and expenses with regard to the Plan are ordinarily borne by the employer although investment management fees are paid by Plan participants. Certain administrative functions are performed by officers or employees of the Clinic. No such officer or employee receives compensation from the Plan.

i. *Reclassifications* – Certain amounts in the 2008 financial statements have been reclassified to conform with the 2009 presentation with no effect on previously reported net assets available for benefits.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. *Basis of accounting* – The financial statements of the Plan are prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

b. *Recent accounting pronouncements* – In June 2009, the Financial Accounting Standards Board (FASB) established the *Accounting Standards Codification* (ASC or Codification) as the source of authoritative generally accepted accounting principles recognized by the FASB. The Codification is effective in the first interim and annual periods ending after September 15, 2009, and had no effect on the financial statements.

c. Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amounts participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract-value basis.

d. *Investment valuation and income recognition* – Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note 5 for discussion of fair value measurements.

   Purchases and sales of shares are recorded on a trade-date basis. Interest income is recorded on the accrual 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.

e. *Payment of benefits* – Benefits are recorded when paid.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

f. *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 estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

g. *Cash and cash equivalents* – The Plan considers funds in checking accounts and highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

h. *Subsequent events* – Subsequent events have been evaluated through September 29, 2010, which is the date the financial statements were available to be issued.

NOTE 3 — INVESTMENTS:

The Plan's investments are held in a trust fund established with Fidelity. The fair value of investments was as follows (investments that represent 5% or more of the Plan's net assets are separately identified):

	December 31, 2009	December 31, 2008
Short-term funds	$ 248,002	$ 449,944
U.S. government securities	239,872	242,933
Corporate bonds	510,144	397,755
Common stock	223,237	87,974
Common/collective trust:		
Fidelity Advisor Stable Value	512,965	296,886
Mutual funds:		
Pimco Total Return	583,223	-
Heartland Select Value	478,743	-
Fidelity Advisor Strategic Income	1,079,480	829,383
Fidelity Advisor New Insights	901,743	819,199
Fidelity Advisor Mid Cap II	735,114	597,387
Oppenheimer Dev Markets	460,941	197,415
Other mutual funds	3,079,438	2,426,733
	7,318,682	4,870,117
Participant loans	35,990	66,430
	$ 9,088,892	$ 6,412,039

NOTE 3 — INVESTMENTS (continued):

Net appreciation (depreciation) in fair value of the Plan's investments (including investments bought, sold, and held during the year) was as follows:

	Years Ended December 31, 2009	2008
U.S. government securities	$ (3,061)	$ 108,640
Corporate bonds	(7,779)	208,774
Common stock	40,974	(376,269)
Common/collective trust	15,080	(4,118)
Mutual funds	1,646,790	(3,244,499)
	$ 1,692,004	$ (3,307,472)

NOTE 4 — INFORMATION CERTIFIED BY THE PLAN TRUSTEE:

As permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator has elected that information certified by Fidelity not be subject to any auditing procedures except for comparing such information to the related information contained in the accompanying financial statements and supplemental schedule. The following information has been certified by Fidelity as complete and accurate:

(a) Investments as indicated on the statements of net assets available for benefits;

(b) Net appreciation (depreciation) in fair value of investments as indicated on the statements of changes in net assets available for benefits; and

(c) Supplemental schedule – assets held for investment.

NOTE 5 — FAIR VALUE MEASUREMENTS:

FASB ASC 820, *Fair Value Measurements and Disclosures,* provides 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 FASB ASC 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.

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

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 at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Level 1 – The fair value of short-term funds, common stock, and mutual funds are based on quoted net asset values of the shares held by the Plan at year end. The value of units in mutual funds is determined by dividing the market value of the fund by the total number of units in the fund. The fair value of U.S. government securities and corporate bonds are valued at the closing price reported on the active market on which the individual securities are traded.

Level 2 – The Plan had no investments that are classified as Level 2 for either year ended December 31, 2009 or 2008.

Level 3 – The participant loans are not actively traded and significant other observable inputs are not available. Thus, the fair value of the participant loans is equal to the amortized cost of the loans because the loans are secured by each respective participant's account balance. The fully benefit-responsive investment contract (common/collective trust) is not actively traded and significant other observable inputs are not available. Thus, the fair value of the fully benefit-responsive investment contract is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The preceding methods 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.

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Short-term funds	$ 248,002	$ -	$ -	$ 248,002
U.S. government securities	239,872	-	-	239,872
Corporate bonds	510,144	-	-	510,144
Common stock	223,237	-	-	223,237
Fixed income funds	1,708,409	-	-	1,708,409
Growth funds	3,034,439	-	-	3,034,439
Index funds	305,332	-	-	305,332
Value funds	2,270,502	-	-	2,270,502
Common/collective trust	-	-	512,965	512,965
Participant loans	-	-	35,990	35,990
	$ 8,539,937	$ -	$ 548,955	$ 9,088,892

	Assets at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Short-term funds	$ 449,944	$ -	$ -	$ 449,944
U.S. government securities	242,933	-	-	242,933
Corporate bonds	397,755	-	-	397,755
Common stock	87,974	-	-	87,974
Fixed income funds	1,134,762	-	-	1,134,762
Growth funds	2,296,659	-	-	2,296,659
Index funds	275,763	-	-	275,763
Value funds	1,162,933	-	-	1,162,933
Common/collective trust	-	-	296,886	296,886
Participant loans	-	-	66,430	66,430
	$ 6,048,723	$ -	$ 363,316	$ 6,412,039

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

Level 3 Gains and Losses

The following tables set forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31, 2008 and 2007.

	Common Collective Trust	Participant Loans
December 31, 2009:		
Beginning balance	$ 512,965	$ 66,430
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	15,080	-
Purchases, sales, issuances, and settlements, net	(231,159)	(30,440)
Ending balance	$ 296,886	$ 35,990
December 31, 2008:		
Beginning balance	$ 46,265	$ 97,761
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	(4,118)	-
Purchases, sales, issuances, and settlements, net	470,818	(31,331)
Ending balance	$ 512,965	$ 66,430

NOTE 6 — RELATED-PARTY TRANSACTIONS:

Certain Plan assets are units in investment funds managed by Fidelity. Fidelity is the Plan's investment advisor and custodian; therefore, these transactions qualify as party-in-interest transactions.

NOTE 7 — PLAN TERMINATION:

Although it has not expressed intent to do so, the Clinic has the right to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participant accounts become fully vested.

NOTE 8 — TAX STATUS:

The Plan obtained its latest determination letter in December 2003 in which the IRS stated that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE 9 — RISKS AND UNCERTAINTIES:

The Plan provides for various investment options in any combination of bonds, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

NOTE 10 — INVESTMENT CONTRACT WITH INSURANCE COMPANY:

The Plan is invested in a benefit-responsive investment contract with Fidelity. Fidelity maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by Fidelity, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The key factors that could influence future crediting rates are changes to market interest rates, changes in the market value of securities, changes in the duration or weighted average life of securities, and deposits or withdrawals to investment contracts. All investments have a zero percent minimum interest crediting rate. All investment contracts are reset at least quarterly, although under certain circumstances, they may be reset more frequently.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption under ERISA. The Plan administrator does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

NOTE 10 — INVESTMENT CONTRACT WITH INSURANCE COMPANY (continued):

The guaranteed investment contract does not permit Fidelity to terminate the agreement prior to the scheduled maturity date.

Average Yields	2009	2008
Based on actual earnings	2.70%	3.42%
Based on interest rate credited to participants	1.35%	2.83%

NOTE 11 — RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500:

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

	December 31,	
	2009	2008
Net assets available for benefits per the financial statements	$ 9,495,834	$ 6,786,063
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(671)	(8,419)
Net assets available for benefits per Form 5500	$ 9,495,163	$ 6,777,644

The following is a reconciliation of net increase (decrease) in net assets available for benefits per the financial statements to Form 5500:

	Years Ended December 31,	
	2009	2008
Net increase (decrease) in net assets available for benefits per the financial statements	$ 2,709,771	$ (2,593,931)
Net increase (decrease) decrease during the year:		
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	7,748	(184)
Net increase (decrease) in net assets available for benefits per Form 5500	$ 2,717,519	$ (2,594,115)

NOTE 12 — BENEFITS PAYABLE:

There were no benefits payable to persons who have withdrawn from participation in the earnings and operations of the Plan at December 31, 2009 and 2008.

SUPPLEMENTAL INFORMATON

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Form 5500, Schedule H - Part IV, Line 4i **EIN: 91-1120031 PN: 002**

Assets Held for Investment **December 31, 2009**

(a)	(b) Identity of Issue	(c) Description of Investment, Including Par Value, Maturity Date, Rate of Interest	(e) Fair Value
	SHORT-TERM FUNDS:		
*	Fidelity Prime Fund	225, 190 shares	$ 225,190
	Cash and cash equivalents	Various	22,812
			248,002
	U.S. GOVERNMENT SECURITIES	Various	239,872
	CORPORATE BONDS	Various	510,144
	COMMON STOCK	Various	223,237
	MUTUAL FUNDS:		
	Dreyfus S&P 500 Index	9,758 shares	305,332
	JPM International Value	13,496 shares	169,783
	First American Real Estate	20,366 shares	288,183
	Blackrock Equity	28,016 shares	443,211
	Pimco Total Return	54,002 shares	583,223
	AIM Charter	24,010 shares	360,634
	Oppenheimer Dev Markets	16,027 shares	460,941
	Heartland Select Value	19,219 shares	478,743
	Heartland Value Plus	624 shares	14,599
*	Fidelity Advisor Lev Co Stock	16,104 shares	439,321
*	Fidelity Advisor Energy	12,994 shares	402,687
*	Fidelity Advisor Small Cap	3,302 shares	70,661
*	Fidelity Advisor Strategic Income	89,066 shares	1,079,480
*	Fidelity Advisor Dynam Cap Appr	13,724 shares	214,234
*	Fidelity Advisor Freedom 2010	272 shares	2,856
*	Fidelity Advisor Freedom 2020	724 shares	7,824
*	Fidelity Advisor Freedom 2030	227 shares	2,459
*	Fidelity Advisor Freedom 2040	254 shares	2,766
*	Fidelity Advisor New Insights	52,795 shares	901,743
*	Fidelity Advisor Freedom 2015	726 shares	7,582
*	Fidelity Advisor Freedom 2025	956 shares	9,919
*	Fidelity Advisor Freedom 2035	2,450 shares	24,918

See accompanying independent auditors' report.

(a)	(b) Identity of Issue	(c) Description of Investment, Including Par Value, Maturity Date, Rate of Interest	(e) Fair Value
	MUTUAL FUNDS (continued):		
*	Fidelity Advisor Total Bond	4,370 shares	$ 45,706
*	Fidelity Advisor Mid Cap II	52,099 shares	735,114
*	Fidelity Advisor Small Cap Value	20,104 shares	251,497
*	Fidelity Advisor Freedom 2045	666 shares	5,607
*	Fidelity Advisor Freedom 2050	1,167 shares	9,659
			7,318,682
	COMMON/COLLECTIVE TRUST:		
*	Fidelity Advisor Stable Value	512,965 units	512,965
	PARTICIPANT LOANS	10 loans, interest rates from 7.0% to 10.0%, terms from one to five years	35,990
			$ 9,088,892

* Represents party-in-interest to Plan.

Since all investments are participant-directed, cost information is omitted in accordance with instructions for preparation of 2009 Form 5500, Return of Employee Benefit Plan.

Form **5558**
(Rev. January 2008)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File Certain Employee Plan Returns

► For Privacy Act and Paperwork Reduction Act Notice, see instructions on page 3.

OMB No. 1545-0212

File With IRS Only

Part I Identification

A Name of filer, plan administrator, or plan sponsor (see instructions)

Number, street, and room or suite no. (If a P.O. box, see instructions)

City or town, state, and ZIP code

B **Filer's identifying number (see instructions).**

☐ Employer identification number (EIN).

☐ Social security number (SSN)

C	Plan name	Plan number	Plan year ending— MM	DD	YYYY
1					
2					
3					

Part II Extension of Time to File Form 5500 or Form 5500-EZ *(see instructions)*

1 I request an extension of time until ______/______/______ to file Form 5500 or Form 5500-EZ.

The application **is automatically approved** to the date shown on line 1 (above) if: **(a)** the Form 5558 is filed on or before the normal due date of Form 5500 or 5500-EZ for which this extension is requested, and **(b)** the date on line 1 is no more than 2½ months after the normal due date.

You must attach a copy of this Form 5558 to each Form 5500 and 5500-EZ filed after the due date for the plans listed in C above.

Note. A signature is not required if you are requesting an extension to file Form 5500 or Form 5500-EZ.

Part III Extension of Time to File Form 5330 *(see instructions)*

2 I request an extension of time until ______/______/______ to file Form 5330.
You may be approved for up to a six (6) month extension to file Form 5330, after the normal due date of Form 5330.

a Enter the Code section(s) imposing the tax . . . . ► **a**

b Enter the payment amount attached . . . . ► **b**

c For excise taxes under section 4980 or 4980F of the Code, enter the reversion/amendment date . . . ► **c**

3 **State in detail why you need the extension**

Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made on this form are true, correct, and complete, and that I am authorized to prepare this application.

Signature ► **Date ►**

The Physicians Clinic of Spokane, P.S.
Amended and Restated
Employees' 401(k) Plan and Trust

Financial Statements and
Independent Auditors' Report

December 31, 2009 and 2008

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Contents

anastasi & moore
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

Trustees and Participants
The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust
Spokane, Washington

We were engaged to audit the accompanying statements of net assets available for benefits of The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust (the Plan) as of December 31, 2009 and 2008, the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of assets held for investment referred to as "supplemental information" as of December 31, 2009. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information in the Plan's 2009 and 2008 financial statements that we did not audit, we are unable to, and do not express an opinion on the accompanying financial statements and supplemental schedule as of or for the years ended December 31, 2009 and 2008. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Anastasi & Moore, PLLC

Spokane, Washington
September 29, 2010

104 S. DIVISION • SPOKANE WA 99202

NOTE 1 — DESCRIPTION OF THE PLAN:

The following description of The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust (the Plan) provides only general information. Participants should refer to the official Plan document for important details not included in these notes.

a. *General* – The Plan was established by The Physicians Clinic of Spokane, P.S. (the Clinic) effective March 1, 1972, and restated January 1, 1999, as a contributory defined contribution plan. Full-time and part-time employees who are not part of a collective bargaining agreement and who have attained age 21 may enter the Plan on the first entry date immediately following the completion of 90 days of service. Employees become eligible for the profit-sharing, matching, and safe-harbor contributions as soon as Plan eligible, no continuing eligibility requirements allowed. Entry dates occur on January 1, April 1, July 1, and October 1.

b. *Contributions* – Participants make voluntary tax-deferred contributions to the Plan through payroll deductions of up to 60% of compensation, up to the Internal Revenue Service (IRS) maximum allowable. Upon enrollment in the Plan, a participant may direct contributions to any of the allowable investment options. Participants may change their investment options daily. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. The employer makes a matching contribution of 25% of a participant's deferral amount (not to exceed 10% of the participant's compensation) and may make additional discretionary contributions. Effective January 1, 2008, the Plan added a 3% nonelective Safe Harbor Employer Contribution and a 6% New Comparability (discretionary) Contribution. A participant who receives a distribution from another qualified plan may make a rollover contribution to the Plan provided that certain conditions are met, including the approval of the Plan administrator.

c. *Participant accounts* – Each participant's account is credited with the participant's contributions and allocations of (a) the employer's contributions and (b) Plan earnings or losses. The Clinic pays for all physician and staff administrative expenses. Physician stockholders reimburse the Clinic for their administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

d. *Vesting* – Participant contributions and actual earnings thereon are 100% vested. The Employer Safe Harbor Contribution is 100% vested. All other employer matching contributions for each Plan year vest in accordance with the following schedule:

Years of Service	Percentage
Less than 2	0%
2	20
3	40
4	60
5	80
6	100

e. *Participant loans* – Participants may borrow from their fund accounts up to a maximum equal to the lesser of $50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the Plan administrator. Loan terms can range from one to five years or over a reasonable period of time that may be longer than five years for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

NOTE 1 — DESCRIPTION OF THE PLAN (continued):

f. *Payment of benefits* – Normal retirement under the Plan occurs at age 65. Upon retirement or termination of employment, participation in the Plan will cease and benefits will be distributed according to provisions set forth in the Plan document. All vested account balances may be distributed in a lump-sum payment or installment payments over a specified period of time. Hardship withdrawals are not permitted by the Plan.

g. *Forfeited accounts* – During 2009 and 2008, forfeitures resulting from nonvested contributions of terminated employees totaling $16,729 and $6,369, respectively, were utilized to offset employer contributions.

h. *Administration of the Plan* – The Plan is administered by Fidelity Management Trust Company (Fidelity) who also acts as trustee and custodian of Plan assets. Records of participant account activity are processed and maintained by Fidelity which also performs other administrative support services for the Plan. Certain costs and expenses with regard to the Plan are ordinarily borne by the employer although investment management fees are paid by Plan participants. Certain administrative functions are performed by officers or employees of the Clinic. No such officer or employee receives compensation from the Plan.

i. *Reclassifications* – Certain amounts in the 2008 financial statements have been reclassified to conform with the 2009 presentation with no effect on previously reported net assets available for benefits.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. *Basis of accounting* – The financial statements of the Plan are prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

b. *Recent accounting pronouncements* – In June 2009, the Financial Accounting Standards Board (FASB) established the *Accounting Standards Codification* (ASC or Codification) as the source of authoritative generally accepted accounting principles recognized by the FASB. The Codification is effective in the first interim and annual periods ending after September 15, 2009, and had no effect on the financial statements.

c. Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amounts participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract-value basis.

d. *Investment valuation and income recognition* – Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note 5 for discussion of fair value measurements.

   Purchases and sales of shares are recorded on a trade-date basis. Interest income is recorded on the accrual 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.

e. *Payment of benefits* – Benefits are recorded when paid.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

f. *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 estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

g. *Cash and cash equivalents* – The Plan considers funds in checking accounts and highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

h. *Subsequent events* – Subsequent events have been evaluated through September 29, 2010, which is the date the financial statements were available to be issued.

NOTE 3 — INVESTMENTS:

The Plan's investments are held in a trust fund established with Fidelity. The fair value of investments was as follows (investments that represent 5% or more of the Plan's net assets are separately identified):

	December 31, 2009	December 31, 2008
Short-term funds	$ 248,002	$ 449,944
U.S. government securities	239,872	242,933
Corporate bonds	510,144	397,755
Common stock	223,237	87,974
Common/collective trust:		
Fidelity Advisor Stable Value	512,965	296,886
Mutual funds:		
Pimco Total Return	583,223	-
Heartland Select Value	478,743	-
Fidelity Advisor Strategic Income	1,079,480	829,383
Fidelity Advisor New Insights	901,743	819,199
Fidelity Advisor Mid Cap II	735,114	597,387
Oppenheimer Dev Markets	460,941	197,415
Other mutual funds	3,079,438	2,426,733
	7,318,682	4,870,117
Participant loans	35,990	66,430
	$ 9,088,892	$ 6,412,039

NOTE 3 — INVESTMENTS (continued):

Net appreciation (depreciation) in fair value of the Plan's investments (including investments bought, sold, and held during the year) was as follows:

	Years Ended December 31, 2009	2008
U.S. government securities	$ (3,061)	$ 108,640
Corporate bonds	(7,779)	208,774
Common stock	40,974	(376,269)
Common/collective trust	15,080	(4,118)
Mutual funds	1,646,790	(3,244,499)
	$ 1,692,004	$ (3,307,472)

NOTE 4 — INFORMATION CERTIFIED BY THE PLAN TRUSTEE:

As permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator has elected that information certified by Fidelity not be subject to any auditing procedures except for comparing such information to the related information contained in the accompanying financial statements and supplemental schedule. The following information has been certified by Fidelity as complete and accurate:

(a) Investments as indicated on the statements of net assets available for benefits;

(b) Net appreciation (depreciation) in fair value of investments as indicated on the statements of changes in net assets available for benefits; and

(c) Supplemental schedule – assets held for investment.

NOTE 5 — FAIR VALUE MEASUREMENTS:

FASB ASC 820, *Fair Value Measurements and Disclosures,* provides 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 FASB ASC 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.

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

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 at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Level 1 – The fair value of short-term funds, common stock, and mutual funds are based on quoted net asset values of the shares held by the Plan at year end. The value of units in mutual funds is determined by dividing the market value of the fund by the total number of units in the fund. The fair value of U.S. government securities and corporate bonds are valued at the closing price reported on the active market on which the individual securities are traded.

Level 2 – The Plan had no investments that are classified as Level 2 for either year ended December 31, 2009 or 2008.

Level 3 – The participant loans are not actively traded and significant other observable inputs are not available. Thus, the fair value of the participant loans is equal to the amortized cost of the loans because the loans are secured by each respective participant's account balance. The fully benefit-responsive investment contract (common/collective trust) is not actively traded and significant other observable inputs are not available. Thus, the fair value of the fully benefit-responsive investment contract is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The preceding methods 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.

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Short-term funds	$ 248,002	$ -	$ -	$ 248,002
U.S. government securities	239,872	-	-	239,872
Corporate bonds	510,144	-	-	510,144
Common stock	223,237	-	-	223,237
Fixed income funds	1,708,409	-	-	1,708,409
Growth funds	3,034,439	-	-	3,034,439
Index funds	305,332	-	-	305,332
Value funds	2,270,502	-	-	2,270,502
Common/collective trust	-	-	512,965	512,965
Participant loans	-	-	35,990	35,990
	$ 8,539,937	$ -	$ 548,955	$ 9,088,892

	Assets at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Short-term funds	$ 449,944	$ -	$ -	$ 449,944
U.S. government securities	242,933	-	-	242,933
Corporate bonds	397,755	-	-	397,755
Common stock	87,974	-	-	87,974
Fixed income funds	1,134,762	-	-	1,134,762
Growth funds	2,296,659	-	-	2,296,659
Index funds	275,763	-	-	275,763
Value funds	1,162,933	-	-	1,162,933
Common/collective trust	-	-	296,886	296,886
Participant loans	-	-	66,430	66,430
	$ 6,048,723	$ -	$ 363,316	$ 6,412,039

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

Level 3 Gains and Losses

The following tables set forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31, 2008 and 2007.

	Common Collective Trust	Participant Loans
December 31, 2009:		
Beginning balance	$ 512,965	$ 66,430
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	15,080	-
Purchases, sales, issuances, and settlements, net	(231,159)	(30,440)
Ending balance	$ 296,886	$ 35,990
December 31, 2008:		
Beginning balance	$ 46,265	$ 97,761
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	(4,118)	-
Purchases, sales, issuances, and settlements, net	470,818	(31,331)
Ending balance	$ 512,965	$ 66,430

NOTE 6 — RELATED-PARTY TRANSACTIONS:

Certain Plan assets are units in investment funds managed by Fidelity. Fidelity is the Plan's investment advisor and custodian; therefore, these transactions qualify as party-in-interest transactions.

NOTE 7 — PLAN TERMINATION:

Although it has not expressed intent to do so, the Clinic has the right to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participant accounts become fully vested.

NOTE 8 — TAX STATUS:

The Plan obtained its latest determination letter in December 2003 in which the IRS stated that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE 9 — RISKS AND UNCERTAINTIES:

The Plan provides for various investment options in any combination of bonds, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

NOTE 10 — INVESTMENT CONTRACT WITH INSURANCE COMPANY:

The Plan is invested in a benefit-responsive investment contract with Fidelity. Fidelity maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by Fidelity, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The key factors that could influence future crediting rates are changes to market interest rates, changes in the market value of securities, changes in the duration or weighted average life of securities, and deposits or withdrawals to investment contracts. All investments have a zero percent minimum interest crediting rate. All investment contracts are reset at least quarterly, although under certain circumstances, they may be reset more frequently.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption under ERISA. The Plan administrator does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

NOTE 10 — INVESTMENT CONTRACT WITH INSURANCE COMPANY (continued):

The guaranteed investment contract does not permit Fidelity to terminate the agreement prior to the scheduled maturity date.

Average Yields	2009	2008
Based on actual earnings	2.70%	3.42%
Based on interest rate credited to participants	1.35%	2.83%

NOTE 11 — RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500:

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

	December 31, 2009	December 31, 2008
Net assets available for benefits per the financial statements	$ 9,495,834	$ 6,786,063
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(671)	(8,419)
Net assets available for benefits per Form 5500	$ 9,495,163	$ 6,777,644

The following is a reconciliation of net increase (decrease) in net assets available for benefits per the financial statements to Form 5500:

	Years Ended December 31, 2009	Years Ended December 31, 2008
Net increase (decrease) in net assets available for benefits per the financial statements	$ 2,709,771	$ (2,593,931)
Net increase (decrease) decrease during the year:		
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	7,748	(184)
Net increase (decrease) in net assets available for benefits per Form 5500	$ 2,717,519	$ (2,594,115)

NOTE 12 — BENEFITS PAYABLE:

There were no benefits payable to persons who have withdrawn from participation in the earnings and operations of the Plan at December 31, 2009 and 2008.

SUPPLEMENTAL INFORMATON

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Form 5500, Schedule H - Part IV, Line 4i **EIN: 91-1120031 PN: 002**

Assets Held for Investment — December 31, 2009

(a)	(b) Identity of Issue	(c) Description of Investment, Including Par Value, Maturity Date, Rate of Interest	(e) Fair Value
	SHORT-TERM FUNDS:		
*	Fidelity Prime Fund	225, 190 shares	$ 225,190
	Cash and cash equivalents	Various	22,812
			248,002
	U.S. GOVERNMENT SECURITIES	Various	239,872
	CORPORATE BONDS	Various	510,144
	COMMON STOCK	Various	223,237
	MUTUAL FUNDS:		
	Dreyfus S&P 500 Index	9,758 shares	305,332
	JPM International Value	13,496 shares	169,783
	First American Real Estate	20,366 shares	288,183
	Blackrock Equity	28,016 shares	443,211
	Pimco Total Return	54,002 shares	583,223
	AIM Charter	24,010 shares	360,634
	Oppenheimer Dev Markets	16,027 shares	460,941
	Heartland Select Value	19,219 shares	478,743
	Heartland Value Plus	624 shares	14,599
*	Fidelity Advisor Lev Co Stock	16,104 shares	439,321
*	Fidelity Advisor Energy	12,994 shares	402,687
*	Fidelity Advisor Small Cap	3,302 shares	70,661
*	Fidelity Advisor Strategic Income	89,066 shares	1,079,480
*	Fidelity Advisor Dynam Cap Appr	13,724 shares	214,234
*	Fidelity Advisor Freedom 2010	272 shares	2,856
*	Fidelity Advisor Freedom 2020	724 shares	7,824
*	Fidelity Advisor Freedom 2030	227 shares	2,459
*	Fidelity Advisor Freedom 2040	254 shares	2,766
*	Fidelity Advisor New Insights	52,795 shares	901,743
*	Fidelity Advisor Freedom 2015	726 shares	7,582
*	Fidelity Advisor Freedom 2025	956 shares	9,919
*	Fidelity Advisor Freedom 2035	2,450 shares	24,918

See accompanying independent auditors' report.

Assets Held for Investment (Continued) — December 31, 2009

(a)	(b) Identity of Issue	(c) Description of Investment, Including Par Value, Maturity Date, Rate of Interest	(e) Fair Value
	MUTUAL FUNDS (continued):		
*	Fidelity Advisor Total Bond	4,370 shares	$ 45,706
*	Fidelity Advisor Mid Cap II	52,099 shares	735,114
*	Fidelity Advisor Small Cap Value	20,104 shares	251,497
*	Fidelity Advisor Freedom 2045	666 shares	5,607
*	Fidelity Advisor Freedom 2050	1,167 shares	9,659
			7,318,682
	COMMON/COLLECTIVE TRUST:		
*	Fidelity Advisor Stable Value	512,965 units	512,965
	PARTICIPANT LOANS	10 loans, interest rates from 7.0% to 10.0%, terms from one to five years	35,990
			$ 9,088,892

* Represents party-in-interest to Plan.

Since all investments are participant-directed, cost information is omitted in accordance with instructions for preparation of 2009 Form 5500, Return of Employee Benefit Plan.

The Physicians Clinic of Spokane, P.S.
Amended and Restated
Employees' 401(k) Plan and Trust

Financial Statements and
Independent Auditors' Report

December 31, 2009 and 2008

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

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Certified Public Accountants and Consultants

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Amended and Restated Employees' 401(k) Plan and Trust
Spokane, Washington

We were engaged to audit the accompanying statements of net assets available for benefits of The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust (the Plan) as of December 31, 2009 and 2008, the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of assets held for investment referred to as "supplemental information" as of December 31, 2009. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information in the Plan's 2009 and 2008 financial statements that we did not audit, we are unable to, and do not express an opinion on the accompanying financial statements and supplemental schedule as of or for the years ended December 31, 2009 and 2008. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Anastasi & Moore, PLLC

Spokane, Washington
September 29, 2010

104 S. DIVISION • SPOKANE WA 99202

NOTE 1 — DESCRIPTION OF THE PLAN:

The following description of The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust (the Plan) provides only general information. Participants should refer to the official Plan document for important details not included in these notes.

a. *General* – The Plan was established by The Physicians Clinic of Spokane, P.S. (the Clinic) effective March 1, 1972, and restated January 1, 1999, as a contributory defined contribution plan. Full-time and part-time employees who are not part of a collective bargaining agreement and who have attained age 21 may enter the Plan on the first entry date immediately following the completion of 90 days of service. Employees become eligible for the profit-sharing, matching, and safe-harbor contributions as soon as Plan eligible, no continuing eligibility requirements allowed. Entry dates occur on January 1, April 1, July 1, and October 1.

b. *Contributions* – Participants make voluntary tax-deferred contributions to the Plan through payroll deductions of up to 60% of compensation, up to the Internal Revenue Service (IRS) maximum allowable. Upon enrollment in the Plan, a participant may direct contributions to any of the allowable investment options. Participants may change their investment options daily. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. The employer makes a matching contribution of 25% of a participant's deferral amount (not to exceed 10% of the participant's compensation) and may make additional discretionary contributions. Effective January 1, 2008, the Plan added a 3% nonelective Safe Harbor Employer Contribution and a 6% New Comparability (discretionary) Contribution. A participant who receives a distribution from another qualified plan may make a rollover contribution to the Plan provided that certain conditions are met, including the approval of the Plan administrator.

c. *Participant accounts* – Each participant's account is credited with the participant's contributions and allocations of (a) the employer's contributions and (b) Plan earnings or losses. The Clinic pays for all physician and staff administrative expenses. Physician stockholders reimburse the Clinic for their administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

d. *Vesting* – Participant contributions and actual earnings thereon are 100% vested. The Employer Safe Harbor Contribution is 100% vested. All other employer matching contributions for each Plan year vest in accordance with the following schedule:

Years of Service	Percentage
Less than 2	0%
2	20
3	40
4	60
5	80
6	100

e. *Participant loans* – Participants may borrow from their fund accounts up to a maximum equal to the lesser of $50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the Plan administrator. Loan terms can range from one to five years or over a reasonable period of time that may be longer than five years for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

NOTE 1 — DESCRIPTION OF THE PLAN (continued):

f. *Payment of benefits* – Normal retirement under the Plan occurs at age 65. Upon retirement or termination of employment, participation in the Plan will cease and benefits will be distributed according to provisions set forth in the Plan document. All vested account balances may be distributed in a lump-sum payment or installment payments over a specified period of time. Hardship withdrawals are not permitted by the Plan.

g. *Forfeited accounts* – During 2009 and 2008, forfeitures resulting from nonvested contributions of terminated employees totaling $16,729 and $6,369, respectively, were utilized to offset employer contributions.

h. *Administration of the Plan* – The Plan is administered by Fidelity Management Trust Company (Fidelity) who also acts as trustee and custodian of Plan assets. Records of participant account activity are processed and maintained by Fidelity which also performs other administrative support services for the Plan. Certain costs and expenses with regard to the Plan are ordinarily borne by the employer although investment management fees are paid by Plan participants. Certain administrative functions are performed by officers or employees of the Clinic. No such officer or employee receives compensation from the Plan.

i. *Reclassifications* – Certain amounts in the 2008 financial statements have been reclassified to conform with the 2009 presentation with no effect on previously reported net assets available for benefits.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. *Basis of accounting* – The financial statements of the Plan are prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

b. *Recent accounting pronouncements* – In June 2009, the Financial Accounting Standards Board (FASB) established the *Accounting Standards Codification* (ASC or Codification) as the source of authoritative generally accepted accounting principles recognized by the FASB. The Codification is effective in the first interim and annual periods ending after September 15, 2009, and had no effect on the financial statements.

c. Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amounts participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract-value basis.

d. *Investment valuation and income recognition* – Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note 5 for discussion of fair value measurements.

   Purchases and sales of shares are recorded on a trade-date basis. Interest income is recorded on the accrual 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.

e. *Payment of benefits* – Benefits are recorded when paid.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

f. *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 estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

g. *Cash and cash equivalents* – The Plan considers funds in checking accounts and highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

h. *Subsequent events* – Subsequent events have been evaluated through September 29, 2010, which is the date the financial statements were available to be issued.

NOTE 3 — INVESTMENTS:

The Plan's investments are held in a trust fund established with Fidelity. The fair value of investments was as follows (investments that represent 5% or more of the Plan's net assets are separately identified):

	December 31, 2009	December 31, 2008
Short-term funds	$ 248,002	$ 449,944
U.S. government securities	239,872	242,933
Corporate bonds	510,144	397,755
Common stock	223,237	87,974
Common/collective trust:		
Fidelity Advisor Stable Value	512,965	296,886
Mutual funds:		
Pimco Total Return	583,223	-
Heartland Select Value	478,743	-
Fidelity Advisor Strategic Income	1,079,480	829,383
Fidelity Advisor New Insights	901,743	819,199
Fidelity Advisor Mid Cap II	735,114	597,387
Oppenheimer Dev Markets	460,941	197,415
Other mutual funds	3,079,438	2,426,733
	7,318,682	4,870,117
Participant loans	35,990	66,430
	$ 9,088,892	$ 6,412,039

NOTE 3 — INVESTMENTS (continued):

Net appreciation (depreciation) in fair value of the Plan's investments (including investments bought, sold, and held during the year) was as follows:

	Years Ended December 31, 2009	2008
U.S. government securities	$ (3,061)	$ 108,640
Corporate bonds	(7,779)	208,774
Common stock	40,974	(376,269)
Common/collective trust	15,080	(4,118)
Mutual funds	1,646,790	(3,244,499)
	$ 1,692,004	$ (3,307,472)

NOTE 4 — INFORMATION CERTIFIED BY THE PLAN TRUSTEE:

As permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator has elected that information certified by Fidelity not be subject to any auditing procedures except for comparing such information to the related information contained in the accompanying financial statements and supplemental schedule. The following information has been certified by Fidelity as complete and accurate:

(a) Investments as indicated on the statements of net assets available for benefits;

(b) Net appreciation (depreciation) in fair value of investments as indicated on the statements of changes in net assets available for benefits; and

(c) Supplemental schedule – assets held for investment.

NOTE 5 — FAIR VALUE MEASUREMENTS:

FASB ASC 820, *Fair Value Measurements and Disclosures,* provides 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 FASB ASC 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.

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

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 at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Level 1 – The fair value of short-term funds, common stock, and mutual funds are based on quoted net asset values of the shares held by the Plan at year end. The value of units in mutual funds is determined by dividing the market value of the fund by the total number of units in the fund. The fair value of U.S. government securities and corporate bonds are valued at the closing price reported on the active market on which the individual securities are traded.

Level 2 – The Plan had no investments that are classified as Level 2 for either year ended December 31, 2009 or 2008.

Level 3 – The participant loans are not actively traded and significant other observable inputs are not available. Thus, the fair value of the participant loans is equal to the amortized cost of the loans because the loans are secured by each respective participant's account balance. The fully benefit-responsive investment contract (common/collective trust) is not actively traded and significant other observable inputs are not available. Thus, the fair value of the fully benefit-responsive investment contract is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The preceding methods 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.

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Short-term funds	$ 248,002	$ -	$ -	$ 248,002
U.S. government securities	239,872	-	-	239,872
Corporate bonds	510,144	-	-	510,144
Common stock	223,237	-	-	223,237
Fixed income funds	1,708,409	-	-	1,708,409
Growth funds	3,034,439	-	-	3,034,439
Index funds	305,332	-	-	305,332
Value funds	2,270,502	-	-	2,270,502
Common/collective trust	-	-	512,965	512,965
Participant loans	-	-	35,990	35,990
	$ 8,539,937	$ -	$ 548,955	$ 9,088,892

	Assets at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Short-term funds	$ 449,944	$ -	$ -	$ 449,944
U.S. government securities	242,933	-	-	242,933
Corporate bonds	397,755	-	-	397,755
Common stock	87,974	-	-	87,974
Fixed income funds	1,134,762	-	-	1,134,762
Growth funds	2,296,659	-	-	2,296,659
Index funds	275,763	-	-	275,763
Value funds	1,162,933	-	-	1,162,933
Common/collective trust	-	-	296,886	296,886
Participant loans	-	-	66,430	66,430
	$ 6,048,723	$ -	$ 363,316	$ 6,412,039

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

Level 3 Gains and Losses

The following tables set forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31, 2008 and 2007.

	Common Collective Trust	Participant Loans
December 31, 2009:		
Beginning balance	$ 512,965	$ 66,430
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	15,080	-
Purchases, sales, issuances, and settlements, net	(231,159)	(30,440)
Ending balance	$ 296,886	$ 35,990
December 31, 2008:		
Beginning balance	$ 46,265	$ 97,761
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	(4,118)	-
Purchases, sales, issuances, and settlements, net	470,818	(31,331)
Ending balance	$ 512,965	$ 66,430

NOTE 6 — RELATED-PARTY TRANSACTIONS:

Certain Plan assets are units in investment funds managed by Fidelity. Fidelity is the Plan's investment advisor and custodian; therefore, these transactions qualify as party-in-interest transactions.

NOTE 7 — PLAN TERMINATION:

Although it has not expressed intent to do so, the Clinic has the right to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participant accounts become fully vested.

NOTE 8 — TAX STATUS:

The Plan obtained its latest determination letter in December 2003 in which the IRS stated that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE 9 — RISKS AND UNCERTAINTIES:

The Plan provides for various investment options in any combination of bonds, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

NOTE 10 — INVESTMENT CONTRACT WITH INSURANCE COMPANY:

The Plan is invested in a benefit-responsive investment contract with Fidelity. Fidelity maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by Fidelity, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The key factors that could influence future crediting rates are changes to market interest rates, changes in the market value of securities, changes in the duration or weighted average life of securities, and deposits or withdrawals to investment contracts. All investments have a zero percent minimum interest crediting rate. All investment contracts are reset at least quarterly, although under certain circumstances, they may be reset more frequently.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption under ERISA. The Plan administrator does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

NOTE 10 — INVESTMENT CONTRACT WITH INSURANCE COMPANY (continued):

The guaranteed investment contract does not permit Fidelity to terminate the agreement prior to the scheduled maturity date.

Average Yields	2009	2008
Based on actual earnings	2.70%	3.42%
Based on interest rate credited to participants	1.35%	2.83%

NOTE 11 — RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500:

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

	December 31,	
	2009	2008
Net assets available for benefits per the financial statements	$ 9,495,834	$ 6,786,063
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(671)	(8,419)
Net assets available for benefits per Form 5500	$ 9,495,163	$ 6,777,644

The following is a reconciliation of net increase (decrease) in net assets available for benefits per the financial statements to Form 5500:

	Years Ended December 31,	
	2009	2008
Net increase (decrease) in net assets available for benefits per the financial statements	$ 2,709,771	$ (2,593,931)
Net increase (decrease) decrease during the year:		
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	7,748	(184)
Net increase (decrease) in net assets available for benefits per Form 5500	$ 2,717,519	$ (2,594,115)

NOTE 12 — BENEFITS PAYABLE:

There were no benefits payable to persons who have withdrawn from participation in the earnings and operations of the Plan at December 31, 2009 and 2008.

SUPPLEMENTAL INFORMATON

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Form 5500, Schedule H - Part IV, Line 4i — **EIN: 91-1120031 PN: 002**

Assets Held for Investment — December 31, 2009

(a)	(b) Identity of Issue	(c) Description of Investment, Including Par Value, Maturity Date, Rate of Interest	(e) Fair Value
	SHORT-TERM FUNDS:		
*	Fidelity Prime Fund	225, 190 shares	$ 225,190
	Cash and cash equivalents	Various	22,812
			248,002
	U.S. GOVERNMENT SECURITIES	Various	239,872
	CORPORATE BONDS	Various	510,144
	COMMON STOCK	Various	223,237
	MUTUAL FUNDS:		
	Dreyfus S&P 500 Index	9,758 shares	305,332
	JPM International Value	13,496 shares	169,783
	First American Real Estate	20,366 shares	288,183
	Blackrock Equity	28,016 shares	443,211
	Pimco Total Return	54,002 shares	583,223
	AIM Charter	24,010 shares	360,634
	Oppenheimer Dev Markets	16,027 shares	460,941
	Heartland Select Value	19,219 shares	478,743
	Heartland Value Plus	624 shares	14,599
*	Fidelity Advisor Lev Co Stock	16,104 shares	439,321
*	Fidelity Advisor Energy	12,994 shares	402,687
*	Fidelity Advisor Small Cap	3,302 shares	70,661
*	Fidelity Advisor Strategic Income	89,066 shares	1,079,480
*	Fidelity Advisor Dynam Cap Appr	13,724 shares	214,234
*	Fidelity Advisor Freedom 2010	272 shares	2,856
*	Fidelity Advisor Freedom 2020	724 shares	7,824
*	Fidelity Advisor Freedom 2030	227 shares	2,459
*	Fidelity Advisor Freedom 2040	254 shares	2,766
*	Fidelity Advisor New Insights	52,795 shares	901,743
*	Fidelity Advisor Freedom 2015	726 shares	7,582
*	Fidelity Advisor Freedom 2025	956 shares	9,919
*	Fidelity Advisor Freedom 2035	2,450 shares	24,918

See accompanying independent auditors' report.

Assets Held for Investment (Continued) — December 31, 2009

(a)	(b) Identity of Issue	(c) Description of Investment, Including Par Value, Maturity Date, Rate of Interest	(e) Fair Value
	MUTUAL FUNDS (continued):		
*	Fidelity Advisor Total Bond	4,370 shares	$ 45,706
*	Fidelity Advisor Mid Cap II	52,099 shares	735,114
*	Fidelity Advisor Small Cap Value	20,104 shares	251,497
*	Fidelity Advisor Freedom 2045	666 shares	5,607
*	Fidelity Advisor Freedom 2050	1,167 shares	9,659
			7,318,682
	COMMON/COLLECTIVE TRUST:		
*	Fidelity Advisor Stable Value	512,965 units	512,965
	PARTICIPANT LOANS	10 loans, interest rates from 7.0% to 10.0%, terms from one to five years	35,990
			$ 9,088,892

* Represents party-in-interest to Plan.

Since all investments are participant-directed, cost information is omitted in accordance with instructions for preparation of 2009 Form 5500, Return of Employee Benefit Plan.