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
- [X] 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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
POTENTIAL INDUSTRIES, INC. 401K PLAN AND TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 04/01/1999

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

922 EAST E ST
WILMINGTON, CA 90744-6145

2b Employer Identification Number (EIN)
95-2943895

2c Sponsor's telephone number
310-549-5901

2d Business code (see instructions)
562000

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.	10/12/2010	CHRISTINE FAN
	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")
POTENTIAL INDUSTRIES, INC.

922 EAST E ST
WILMINGTON, CA 90744-6145

3b Administrator's EIN
95-2943895

3c Administrator's telephone number
310-549-5901

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	153
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**	138
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	8
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	146
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	146
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	36
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
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 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)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
POTENTIAL INDUSTRIES, INC. 401K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500.
POTENTIAL INDUSTRIES, INC.

D Employer Identification Number (EIN)
95-2943895

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
JOHN HANCOCK USA

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
01-0233346	65838	63896	37	01/01/2009	12/31/2009

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
2523	225

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
CAPITAL ANALYSTS INCORPORATED
100 MATSON FORD RD 4TH FLOOR
SUITE 220
RADNOR, PA 19087-8538

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
2523			3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
ACTUARIAL CONSULTANTS, INC.
2377 CRENSHAW BLVD, SUITE 350
TORRANCE, CA 90501

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	225	TPA FEES	5

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	3793
5	Current value of plan's interest under this contract in separate accounts at year end	5	624069

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☒ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			7b	3222
c	Additions: (1) Contributions deposited during the year	7c(1)	501		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	104		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)			
	▶				
	(6) Total additions			7c(6)	605
d	Total of balance and additions (add **b** and **c(6)**)			7d	3827
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)			
	(2) Administration charge made by carrier	7e(2)	34		
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)			
	▶				
	(5) Total deductions			7e(5)	34
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	3793

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	0
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	0
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in **c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

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

A Name of plan
POTENTIAL INDUSTRIES, INC. 401K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
POTENTIAL INDUSTRIES, INC.

D Employer Identification Number (EIN)
95-2943895

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: LIFESTYLE AGGRESSIVE

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

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)
01-0233346-000	P	1776

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

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)
01-0233346-000	P	112643

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

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)
01-0233346-000	P	318168

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

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)
01-0233346-000	P	16386

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

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)
01-0233346-000	P	35133

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

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)
01-0233346-000	P	1543

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

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)
01-0233346-000	P	13024

a Name of MTIA, CCT, PSA, or 103-12 IE: T. ROWE PRICE EQUITY INC

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3260

a Name of MTIA, CCT, PSA, or 103-12 IE: DAVIS NEW YORK VENTURE

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3349

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 19374

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7077

a Name of MTIA, CCT, PSA, or 103-12 IE: COLUMBIA VALUE & RESTRUCTURING

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 91

a Name of MTIA, CCT, PSA, or 103-12 IE: LEGG PARTNERS AGG GROWTH

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7881

a Name of MTIA, CCT, PSA, or 103-12 IE: FRANKLIN SMALL-MID GROWTH

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3605

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4601

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP GROWTH INDEX

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3369

a Name of MTIA, CCT, PSA, or 103-12 IE: T. ROWE PRICE SCI & TECH

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13870

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5565

a Name of MTIA, CCT, PSA, or 103-12 IE: T. ROWE PRICE BLUE CHIP

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 23032

a Name of MTIA, CCT, PSA, or 103-12 IE: 500 INDEX FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13445

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6165

a Name of MTIA, CCT, PSA, or 103-12 IE: BLUE CHIP GROWTH FUND

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3380

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1855

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1248

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2634

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

b Name of sponsor of entity listed in (a): JOHN HANCOCK USA

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1596

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

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

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

A Name of plan
POTENTIAL INDUSTRIES, INC. 401K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
POTENTIAL INDUSTRIES, INC.

D Employer Identification Number (EIN)
95-2943895

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	3	3
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	439648	624068
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	3222	3793
(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	442873	627864
	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	442873	627864

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)	15007	
	(B) Participants	2a(1)(B)	41782	
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		56789
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	104	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		104
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		146734
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		203627
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	12514	
(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)		12514
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)	5834	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	288	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		6122
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		18636
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		184991
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

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

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

(1) Name: C. JIM CHEN ACCOUNTANCY CORP. (2) EIN: 95-3648267

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		50000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

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
POTENTIAL INDUSTRIES, INC. 401K PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
POTENTIAL INDUSTRIES, INC.

D Employer Identification Number (EIN)
95-2943895

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): 01-0233346

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):

---

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):

POTENTIAL INDUSTRIES, INC.
401(K) PLAN AND TRUST

FINANCIAL STATEMENTS

December 31, 2009

POTENTIAL INDUSTRIES, INC.
401(K) PLAN & TRUST

FINANCIAL STATEMENTS
And Supplemental Schedules

December 31, 2009

With Independent Auditor's Report

POTENTIAL INDUSTRIES, INC.
401(K) PLAN

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1
Financial Statements:	
Statement of Net Assets Available for Benefits as of December 31, 2009 and 2008	2
Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2009	3
Notes to Financial Statements	4-6
Supplementary Schedules:	
Schedule of Assets Held for Investment Purposes as of December 31, 2009	9
Schedule of Reportable Transactions for the year ended December 31, 2009	10

Other schedules required by the Department of Labor's Rule and Regulations for reporting and disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

C. JIM CHEN ACCOUNTANCY CORP.
PACIFIC GATEWAY II, SUITE 850
19191 S. VERMONT AVENUE
TORRANCE, CALIFORNIA 90502

TEL : (310) 515-5635
FAX : (310) 515-2659

Independent Auditor's Report

To the participants and the Trustee of
Potential Industries, Inc. 401(k) Plan and Trust

We were engaged to audit the financial statements of Potential Industries, Inc. 401 (k) Plan and Trust as of December 31, 2009 and 2008, and for the year ended December 31, 2009, and supplemental schedules as of and for the year ended December 31, 2009 as listed in the accompanying index. These financial statements and schedules 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 Disclosures 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 D, which was certified by the John Hancock Life Insurance Company (U.S.A.). the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certification from the custodian as of and for the year ended December 31, 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the custodian, 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 Disclosures under the Employee Retirement Income Security Act of 1974.

C. Jim Chen Accountancy Corp

Torrance, California
October 11, 2010

POTENTIAL INDUSTRIAL , INC.
401(K) PLAN & TRUST
Statement of Net Assets Available for Benefits
As of December 31, 2009 and 2008

	2009	2008
Assets		
Current Assets		
Contribution receivable	$ 2,429	$ -
	2,429	-
Investments		
At fair value:		
Value of pooled accounts	624,069	439,648
Value of guaranteed accounts	3,793	3,222
	627,862	442,870
Total Assets	630,291	442,870
Liabilities	-	-
Net assets available for benefits	$ 630,291	$ 442,870

POTENTIAL INDUSTRIES, INC.
401(K) PLAN & TRUST
Statement of Changes in Net Assets Available for Benefits
For the year ended December 31, 2009

Additions to net assets attributed to:		
Participants' contributions	$ 43,557	
Employer contribution	15,661	
		$ 59,218
Investment income		
Interest income		104
Investment gain/loss from pooled accounts		146,735
Total additions		206,057
Deductions from net assets attributed to:		
Benefits paid to participants		12,802
Other administrative fee		5,834
Total deductions		18,636
Net increase		**187,421**
Net assets available for benefits		
Beginning of year		442,870
End of year		**$ 630,291**

POTENTIAL INDUSTRIES, INC.
401(K) PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS

A. Description of Plan

The following description of the Potential Industries, Inc. 401 (K) Plan and Trust provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

1. General

The Company established the Plan effective December 28, 1999. The Plan is a defined contribution plan wherein the Company has adopted the deferred compensation election under Section 401(K) of the Internal Revenue Code.

All employees of the Company are eligible to participate if they complete one year of service and are age 21 years or older. As of December 31, 2009, there were 138 active participants.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

2. Contributions

Each participants may contribution up to 20% of pretax annual compensation, as defined in the Plan. Participants direct the investment of the their contributions into various investment options offered by the plan. Contributions are subject to certain limitations.

The Company may, at its discretion, contribute through the profit sharing feature of the Plan. The profit sharing contribution will be allocated to each eligible participant based on the ratio of the compensation.

The Company made $15,007 contribution for the year ended December 31, 2009.

3. Participant Accounts

Contributions made to the plan and earnings are credited to each participant's account. In addition, allocations of the Company's contribution, if any, and forfeitures of terminated participants' non-vested accounts are also credited to participant account as described in note A (2). The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

POTENTIAL INDUSTRIES, INC.
401(K) PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS

A. Description of Plan (Cont.)

4. Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service. A Participant is 100% vested after six years of credited service.

5. Distributions

A participant may elect to receive immediate distributions on his/her contributions and the vested portions of the employer contributions upon retirement, death, disability and termination.

B. Summary of Accounting Policy

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

The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

The Plan's investments in Guaranteed Accounts are stated at contract value and shares of an Investment Company are stated at fair value which is based on the market value of the underlying assets of the funds.

Administrative expenses incurred in connection with the Plan are paid by the Plan, unless paid by the Company at its option.

Benefits are recorded when paid.

C. Financial Information Certified by the Custodian

The following is a summary of plan financial information and data certified by John Hancock Life Insurance Company (U.S.A.) (Custodians) in accordance with Section 2520.103-5 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA.

POTENTIAL INDUSTRIES, INC.
401(K) PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS

C. Financial Information Certified by the Custodian (Cont.)

Statement of Net Assets Available for Benefits:	12/31/2009	12/31/2008
General Investment		
Value of Pooled Accounts	$ 624,069	$ 439,648
Value of Guaranteed Accounts	3,793	3,222
	$ 627,862	$ 442,870

Statement of Changes in Net Assets Available for Benefits:	Year Ended 12/31/2009
Investment income:	
Interest from value of Guaranteed Accounts	$ 104
Investment Gain/Loss from Pooled Accounts	$ 146,735

The Schedule of Assets Held for Investment Purposes was certified by the Custodian.

D. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan not to make contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

E. Reconciliation of financial statements toSchedule H of Form 5500

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

	2009	2008
Net assets available for benefits per the financial statements	$ 630,291	$ 442,870
Reconciling items:		
Contribution receivable	(2,429)	-
Net assets available for benefits per Schedule H to the Form 5500	$ 627,862	$ 442,870

POTENTIAL INDUSTRIES, INC.
401(K) PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS

E. Reconciliation of financial statements toSchedule H of Form 5500 (con't)

The following is reconciliation to contribution from participants and employer per the financial statements for the year ended December 31, 2009 to Schedule H of Form 5500:

Contribution	$	59,218
Reconciling items:		
Contribution receivable		(2,429)
Total contribution per Schedule H of Form 5500	$	56,789

The following is reconciliation to benefit paid to participants per the financial statements for the year ended December 31, 2009 to Schedule H of Form 5500:

Benefits paid to participants per the financial statements	$	12,802
Reconciling items:		
None		-
Benefits paid to participants per Schedule H of Form 5500	$	12,802

E. Tax Status

The trust established under the plan to hold the Plan's assets is qualified pursuant to the appropriate section of the Internal Revenue Code, and, accordingly, the trust's net investment income is exempt from income taxes. The Plan has obtained a favorable tax determination letter from the Internal Revenue Service.

SUPPLEMENTARY INFORMATION

POTENTIAL INDUSTRIAL, INC.
401 (K) PLAN & TRUST
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
December 31, 2009

(b) Identity of Issuer	(c) Description of Investment	Cost	Current Value
John Hancock life Insurance	Lifestyle Conservation	$ 26,919	$ 35,133
John Hancock life Insurance	Lifestyle Moderate	15,073	16,386
John Hancock life Insurance	Lifestyle Balance	245,769	318,168
John Hancock life Insurance	Lifestyle Growth	91,058	112,643
John Hancock life Insurance	Lifestyle Aggressive	1,737	1,776
John Hancock life Insurance	3 YR Comp	-	3,793
John Hancock life Insurance	Pimco Total Return	1,296	1,543
John Hancock life Insurance	TRP EQ Inc.	3,065	3,260
John Hancock life Insurance	Davis New York Venture	3,940	3,349
John Hancock life Insurance	Mutual Beacon	12,908	13,024
John Hancock life Insurance	Mutual Discovery	20,219	19,374
John Hancock life Insurance	Columbia Value & Restructuring	78	91
John Hancock life Insurance	Jennison Growth	6,961	7,077
John Hancock life Insurance	Legg Partners AGG Growth	8,316	7,881
John Hancock life Insurance	American Century Vista	6,196	4,601
John Hancock life Insurance	Small Cap Growth Index	2,335	3,369
John Hancock life Insurance	Franklin Small-Mid Growth	3,484	3,605
John Hancock life Insurance	Oppenheimer Develop Market	4,048	5,565
John Hancock life Insurance	T W Rowe Price Sci. & Tech	12,992	13,870
John Hancock life Insurance	Money Market	22,693	23,032
John Hancock life Insurance	Index 500	13,829	13,445
John Hancock life Insurance	Optimized All Cap Fund	1,898	1,855
John Hancock life Insurance	Capiral Appreciation Fund	5,856	6,165
John Hancock life Insurance	International Value Fund	1,729	1,596
John Hancock life Insurance	All Cap Growth Fund	1,009	1,248
John Hancock life Insurance	Mid Cap Stock Fund	3,143	2,634
John Hancock life Insurance	Blue Chip Growth Fund	3,247	3,380
		$ 519,798	$ 627,863

POTENTIAL INDUSTRIES, INC.
401 (K) PLAN AND TRUST
Schedule of 5% Reportable Transactions
For the Plan Year ended December 31, 2009

Participant or beneficiary directed transactions under an individual account plan are not taken into account for purposes of preparing the Schedule of Reportable Transactions. Therefore, there were no 5% reportable transactions for the assets held at John Hancock Life Insurance Company (U.S.A.).



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
Lifecycle Retirement	$ 0.00	.000000	$ 0.00
Lifecycle 2010	$ 416508218.33	.000000	$ 0.00
Lifecycle 2015	$ 360859542.46	.000000	$ 0.00
Lifecycle 2020	$ 499718571.49	.000000	$ 0.00
Lifecycle 2025	$ 520650683.63	.000000	$ 0.00
Lifecycle 2030	$ 428549744.27	.000000	$ 0.00
Lifecycle 2035	$ 329141517.55	.000000	$ 0.00
Lifecycle 2040	$ 238817773.08	.000000	$ 0.00
Lifecycle 2045	$ 232051562.00	.000000	$ 0.00
Russell Conservative	$ 20970084.28	.000000	$ 0.00
Russell Moderate	$ 39243187.84	.000000	$ 0.00
Russell Balanced	$ 169583591.36	.000000	$ 0.00
Russell Growth	$ 147354515.17	.000000	$ 0.00
Russell Equity Growth	$ 50736709.57	.000000	$ 0.00
Lifestyle Conservative	$ 1847759319.18	194.025420	$ 35133.00
Lifestyle Moderate	$ 2392496867.13	101.987555	$ 16386.37
Lifestyle Balanced	$ 8226552466.42	1573.902003	$ 318167.94
JH Dreyfus Premier Core Bond	$ 0.00	.000000	$ 0.00
Lifestyle Growth	$ 8606517480.48	401.594183	$ 112642.73
JH Money Market	$ 0.00	.000000	$ 0.00
Lifestyle Aggressive	$ 2954097761.55	6.200005	$ 1775.54
Manulife Balanced	$ 0.00	.000000	$ 0.00
JH AmCent Mason Select Bnd	$ 0.00	.000000	$ 0.00
John Hancock Stable Val	$ 1318684453.15	.000000	$ 0.00
US Government Securities	$ 32718133.32	.000000	$ 0.00
The Bond Fund of America	$ 8563447.30	.000000	$ 0.00

*Assets = Liabilities

Note: this report does not reflect transactions processed after December 31, 2009
Cash Basis



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
JH AmCent Strat Alloc Moder	$ 0.00	.000000	$ 0.00
Capital World Bond Fund	$ 7765059.92	.000000	$ 0.00
John Hancock Strategic Inc	$ 75597453.86	.000000	$ 0.00
JH AmCent Mason High Yield Bnd	$ 0.00	.000000	$ 0.00
T. Rowe Price Spectrum Inc	$ 244471141.77	.000000	$ 0.00
Oppenheimer Intl Bond	$ 41822180.43	.000000	$ 0.00
LM Partners Glb High Yield	$ 230268562.62	.000000	$ 0.00
PIMCO Real Return	$ 237585548.02	.000000	$ 0.00
JH AmCent Equity Index Fund	$ 0.00	.000000	$ 0.00
PIMCO Global Bond	$ 135383030.12	.000000	$ 0.00
PIMCO Total Return	$ 1230325440.88	76.502457	$ 1542.65
Short-Term Federal	$ 426909244.05	.000000	$ 0.00
American High-Income Fund	$ 14140935.07	.000000	$ 0.00
JH Fidelity Advisor Div Grwth	$ 0.00	.000000	$ 0.00
Managers AMG FQ Global Alt	$ 1229585.40	.000000	$ 0.00
PIMCO All Asset	$ 78059970.68	.000000	$ 0.00
American Balanced Fund	$ 469644243.71	.000000	$ 0.00
Investment Company of America	$ 187863830.73	.000000	$ 0.00
BlackRock Global Allocation	$ 98915281.99	.000000	$ 0.00
Washington Mutual Investors	$ 157117092.92	.000000	$ 0.00
Income Fund of America	$ 12195615.64	.000000	$ 0.00
JH Legg Part Small Cap Value	$ 0.00	.000000	$ 0.00
Pax World Balanced Fund	$ 908.93	.000000	$ 0.00
Mutual Beacon	$ 452507883.24	132.423020	$ 13023.58
Capital Income Builder	$ 15833893.00	.000000	$ 0.00
Value Index Fund	$ 17720567.68	.000000	$ 0.00

*Assets = Liabilities



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
T. Rowe Price Equity Inc	$ 267668152.04	98.216199	$ 3260.48
Manulife Capital Growth Stock	$ 0.00	.000000	$ 0.00
JH Fidelity Advisor Large Cap	$ 0.00	.000000	$ 0.00
Ivy Asset Strategy Fund	$ 20258546.30	.000000	$ 0.00
Davis New York Venture	$ 634536217.09	129.592743	$ 3348.81
FT Founding Allocation	$ 14137576.74	.000000	$ 0.00
JH MFS Strategic Value	$ 0.00	.000000	$ 0.00
JH Weitz Partners Value	$ 0.00	.000000	$ 0.00
RiverSource Equity Value	$ 6477822.50	.000000	$ 0.00
Manulife Growth Plus Stock	$ 0.00	.000000	$ 0.00
Mutual Global Discovery	$ 398276854.53	310.070079	$ 19373.94
JH AmCent Select Fund	$ 0.00	.000000	$ 0.00
Fidelity ContraFund	$ 279180696.53	.000000	$ 0.00
Eaton Vance Large-Cap Value	$ 24209739.03	.000000	$ 0.00
The Growth Fund of America	$ 900704125.88	.000000	$ 0.00
JH Lord Abbett All Value	$ 0.00	.000000	$ 0.00
Jennison Growth	$ 132704060.35	391.462019	$ 7076.66
Growth Index Fund	$ 16409904.01	.000000	$ 0.00
JH John Hancock U.S. Gbl Lead	$ 0.00	.000000	$ 0.00
Templeton World	$ 150118485.68	.000000	$ 0.00
BlackRock Large Value	$ 124398653.66	.000000	$ 0.00
JH T. Rowe Price Mid-Cap Val	$ 0.00	.000000	$ 0.00
JH Scudder Intl Select Equity	$ 0.00	.000000	$ 0.00
MFS Utilities	$ 217827828.82	.000000	$ 0.00
JH John Hancock Value Opps	$ 0.00	.000000	$ 0.00
JH AIM Mid Cap Core Equity	$ 0.00	.000000	$ 0.00

*Assets = Liabilities



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
JH Fidelity Advisor Overseas	$ 0.00	.000000	$ 0.00
Domini Social Equity	$ 64485950.34	.000000	$ 0.00
Parnassus Equity Income	$ 2869628.27	.000000	$ 0.00
JH Templeton Foreign	$ 0.00	.000000	$ 0.00
JH Munder Small-Cap Value	$ 0.00	.000000	$ 0.00
Oppenheimer Global	$ 206398988.40	.000000	$ 0.00
John Hancock Classic Value	$ 0.00	.000000	$ 0.00
Mass Investors Fund	$ 2435515.87	.000000	$ 0.00
Dreyfus Structured Mid Cap	$ 7452095.43	.000000	$ 0.00
T. Rowe Price Sml Cap Val	$ 137499638.30	.000000	$ 0.00
JH Am Century Intl Value	$ 0.00	.000000	$ 0.00
RiverSource Mid Cap Value	$ 82561067.50	.000000	$ 0.00
Legg Mason Value	$ 0.00	.000000	$ 0.00
Fidelity Adv New Insights	$ 30282822.47	.000000	$ 0.00
Franklin Balance Sheet	$ 254708488.03	.000000	$ 0.00
Victory Diversified Stock	$ 12279870.80	.000000	$ 0.00
JPM MidCap Value Fund	$ 171505616.32	.000000	$ 0.00
New Perspective Fund	$ 12642405.86	.000000	$ 0.00
JH Putnam Vista	$ 0.00	.000000	$ 0.00
JH INVESCO Dynamics	$ 0.00	.000000	$ 0.00
Columbia Value & Restructuring	$ 359457911.73	1.924774	$ 91.02
Fundamental Investors	$ 67391643.85	.000000	$ 0.00
Brandywine Blue Fund	$ 944722.15	.000000	$ 0.00
Capital World Growth & Income	$ 40847858.98	.000000	$ 0.00
Mid-Cap Value Index Fund	$ 12170222.78	.000000	$ 0.00
EuroPacific Growth Fund	$ 819117532.40	.000000	$ 0.00

*Assets = Liabilities



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
New World Fund	$ 15236156.67	.000000	$ 0.00
JH DWS Mid Cap Growth	$ 0.00	.000000	$ 0.00
T. Rowe Price Health Sci	$ 223382020.88	.000000	$ 0.00
Legg Partners Agg Growth	$ 134600516.39	196.595211	$ 7881.20
John Hancock Rainier Grow	$ 2175305.28	.000000	$ 0.00
Manulife Emerging Growth Stock	$ 0.00	.000000	$ 0.00
Lifestyle Conservative 280(VS)	$ 0.00	.000000	$ 0.00
Lifestyle Moderate 460 (VS)	$ 0.00	.000000	$ 0.00
Franklin Small-Mid Growth	$ 135825697.89	94.441792	$ 3604.97
Lifestyle Balanced 640 (VS)	$ 0.00	.000000	$ 0.00
Explorer	$ 37060805.48	.000000	$ 0.00
Lifestyle Growth 820 (VS)	$ 0.00	.000000	$ 0.00
Lifestyle Aggressive 1000 (VS)	$ 0.00	.000000	$ 0.00
AIM Small Cap Growth	$ 118477676.62	.000000	$ 0.00
JH Calamos Growth	$ 0.00	.000000	$ 0.00
JH INVESCO Telecom	$ 0.00	.000000	$ 0.00
Bridgeway Ultra-Small Co	$ 8870266.07	.000000	$ 0.00
American Century Vista	$ 249014681.63	149.480872	$ 4601.27
Davis Financial	$ 77931049.30	.000000	$ 0.00
JH Munder NetNet	$ 0.00	.000000	$ 0.00
Small Cap Growth Index	$ 114136749.15	199.431592	$ 3368.71
DFA U.S. Small Cap Fund	$ 60056506.92	.000000	$ 0.00
Small Cap Value Index	$ 19518687.84	.000000	$ 0.00
DFA International Value	$ 87470225.35	.000000	$ 0.00
JH Templeton Foreign Small Co	$ 0.00	.000000	$ 0.00
Thornburg International Value	$ 4686341.12	.000000	$ 0.00

*Assets = Liabilities



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
Turner Core Growth Fund	$ 910052.83	.000000	$ 0.00
Jennison 20/20 Focus Fund	$ 14854812.96	.000000	$ 0.00
T. Rowe Price Sci & Tech	$ 341812965.90	362.348098	$ 13870.49
Oppenheimer Intl Growth Fund	$ 17071563.37	.000000	$ 0.00
JH AIM Constellation	$ 0.00	.000000	$ 0.00
Oppenheimer Developing Mkt	$ 802732822.61	103.816841	$ 5565.05
Energy	$ 559678995.54	.000000	$ 0.00
SMALLCAP World Fund	$ 7285388.79	.000000	$ 0.00
Royce Opportunity	$ 99704339.77	.000000	$ 0.00
DFA US Targeted Value Fund	$ 10577874.65	.000000	$ 0.00
John Hancock Intl Growth	$ 4856401.48	.000000	$ 0.00
American Century Small Co	$ 0.00	.000000	$ 0.00
Balanced Fund (VS)	$ 0.00	.000000	$ 0.00
DFA Emerging Markets Value	$ 227093248.88	.000000	$ 0.00
Keeley Small Cap Value	$ 20635581.49	.000000	$ 0.00
Mid-Cap Growth Index Fund	$ 13205920.77	.000000	$ 0.00
Fidelity Adv Leveraged Co Stk	$ 4727246.89	.000000	$ 0.00
Fidelity Advisor Gold Fund	$ 13550485.11	.000000	$ 0.00
UBS Global Allocation	$ 0.00	.000000	$ 0.00
UBS U.S. Large Cap Equity	$ 0.00	.000000	$ 0.00
DWS RREEF Real Estate	$ 0.00	.000000	$ 0.00
JH AmCent Mason Mid Growth	$ 0.00	.000000	$ 0.00
T. Rowe Price Real Estate	$ 0.00	.000000	$ 0.00
JH John Hancock Growth Opps	$ 0.00	.000000	$ 0.00
T. Rowe Price Blue Chip	$ 0.00	.000000	$ 0.00
JH John Hancock Small Cap	$ 0.00	.000000	$ 0.00

*Assets = Liabilities



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
BlackRock Mid-Cap Value Opps	$ 0.00	.000000	$ 0.00
Columbia Marsico Intl Opps	$ 0.00	.000000	$ 0.00
JH AmCent Mason Small Growth	$ 0.00	.000000	$ 0.00
Legg Mason Growth	$ 0.00	.000000	$ 0.00
Allianz RCM Tech Fund	$ 0.00	.000000	$ 0.00
Money Market Fund	$ 2870579600.45	1761.862489	$ 23031.53
Strategic Income Fund	$ 24203531.20	.000000	$ 0.00
Strategic Bond Fund	$ 37540130.46	.000000	$ 0.00
Large Cap Growth Fund (VS)	$ 0.00	.000000	$ 0.00
Active Bond Fund	$ 33470659.90	.000000	$ 0.00
Special Value Fund	$ 0.00	.000000	$ 0.00
U.S. High Yield Bond Fund	$ 39552009.00	.000000	$ 0.00
High Yield Fund	$ 69168965.83	.000000	$ 0.00
Core Bond Fund	$ 10240914.67	.000000	$ 0.00
Investment Qual Bond Fund	$ 55102502.32	.000000	$ 0.00
Quantitative Equity Fund (VS)	$ 0.00	.000000	$ 0.00
WAMCO U.S. Government Sec Fund	$ 40003348.60	.000000	$ 0.00
Total Return Fund	$ 242857242.52	.000000	$ 0.00
Real Return Bond Fund	$ 64094525.30	.000000	$ 0.00
Global Bond Fund	$ 59770607.04	.000000	$ 0.00
Strategic Value Fund (VS)	$ 0.00	.000000	$ 0.00
Total Bond Market Fund	$ 56923959.75	.000000	$ 0.00
Core Fundamental Holdings	$ 8895389.13	.000000	$ 0.00
Strategic Growth Fund (VS)	$ 0.00	.000000	$ 0.00
500 Index Fund	$ 860602098.77	21.371740	$ 13444.73
Absolute Return Fund	$ 0.00	.000000	$ 0.00

*Assets = Liabilities



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
Core Diversified Grwth & Inc	$ 15721804.05	.000000	$ 0.00
Income & Value Fund	$ 0.00	.000000	$ 0.00
Optimized Value Fund	$ 48651759.71	.000000	$ 0.00
Fundamental Value Fund	$ 98828961.29	.000000	$ 0.00
Core Global Diversification	$ 12935843.06	.000000	$ 0.00
Mid Cap Core Fund (VS)	$ 0.00	.000000	$ 0.00
Equity Income Fund	$ 128690667.93	.000000	$ 0.00
U.S. Global Leaders Fund	$ 0.00	.000000	$ 0.00
Large Cap Fund	$ 38411637.06	.000000	$ 0.00
Overseas Fund (VS)	$ 0.00	.000000	$ 0.00
All Cap Value Fund	$ 83472453.75	.000000	$ 0.00
Mid Cap Value Fund	$ 0.00	.000000	$ 0.00
Capital Appreciation Fund	$ 131660771.80	604.460134	$ 6164.98
Quantitative Mid Cap Fund	$ 0.00	.000000	$ 0.00
Total Stock Market Index Fund	$ 201981558.72	.000000	$ 0.00
All Cap Core Fund	$ 19907592.27	.000000	$ 0.00
US Core Fund	$ 0.00	.000000	$ 0.00
Utilities Fund	$ 72874135.40	.000000	$ 0.00
Large Cap Value Fund	$ 78456807.86	.000000	$ 0.00
Blue Chip Growth Fund	$ 441877688.50	155.373367	$ 3379.59
Mid Cap Index Fund	$ 251539269.89	.000000	$ 0.00
Classic Value Fund	$ 0.00	.000000	$ 0.00
Mid Cap Opps Fund (VS)	$ 0.00	.000000	$ 0.00
Value Fund	$ 62816973.41	.000000	$ 0.00
Mid Cap Growth Fund (VS)	$ 0.00	.000000	$ 0.00
Strategic Opps Fund (VS)	$ 0.00	.000000	$ 0.00

*Assets = Liabilities



STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
Small Company Value Fund	$ 100566861.07	.000000	$ 0.00
Core Equity Fund	$ 0.00	.000000	$ 0.00
Mid Value Fund	$ 147766803.13	.000000	$ 0.00
Optimized All Cap Fund	$ 133619128.37	109.543000	$ 1855.19
U.S. Large Cap Fund	$ 0.00	.000000	$ 0.00
Small Cap Opportunities Fund	$ 44043804.12	.000000	$ 0.00
Small Company Blend Fund (VS)	$ 0.00	.000000	$ 0.00
Small Cap Value Fund	$ 129199516.80	.000000	$ 0.00
Dynamic Growth Fund	$ 0.00	.000000	$ 0.00
Real Est. Securities Fund	$ 279578925.15	.000000	$ 0.00
All Cap Growth Fund	$ 89366217.87	78.618941	$ 1247.99
Aggressive Growth Fund (VS)	$ 0.00	.000000	$ 0.00
Small Cap Growth Fund	$ 51575954.63	.000000	$ 0.00
International Core Fund	$ 44359449.33	.000000	$ 0.00
Intl Equity Index Fund	$ 182760899.64	.000000	$ 0.00
Mid Cap Stock Fund	$ 282785351.63	159.250547	$ 2633.78
Pacific Rim Fund	$ 28457402.89	.000000	$ 0.00
Telecommunications Fund (VS)	$ 0.00	.000000	$ 0.00
International Value Fund	$ 292266942.36	81.608068	$ 1596.46
Internet Technolog. Fund (VS)	$ 0.00	.000000	$ 0.00
Financial Services Fund	$ 21692908.13	.000000	$ 0.00
Small Cap Index Fund	$ 132666689.48	.000000	$ 0.00
Science & Technology Fund	$ 172631163.37	.000000	$ 0.00
Global Fund	$ 2238765.64	.000000	$ 0.00
International Opps Fund	$ 90954665.86	.000000	$ 0.00
Intl Small Cap Fund	$ 129307991.79	.000000	$ 0.00

*Assets = Liabilities

John Hancock

STATEMENT OF ASSETS AND LIABILITIES OF
THE SUB-ACCOUNTS OF JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)
FOR CONTRACT # 63896 THE TRUSTEES OF POTENTIAL INDUSTRIES,
INC. 401(K) PLAN
MONEY INVESTED AS OF DECEMBER 31, 2009

Sub-Accounts	John Hancock USA Total Sub-Accounts Assets and Liabilities*	THE TRUSTEES OF POTENTIAL INDUSTRIES, INC. 401(K) PLAN Total No of Units	Total Value
Natural Resources Fund	$ 164034386.83	.000000	$ 0.00
Global Allocation Fund	$ 0.00	.000000	$ 0.00
Overseas Equity Fund	$ 0.00	.000000	$ 0.00
Emerging Small Co Fund	$ 0.00	.000000	$ 0.00
Health Sciences Fund	$ 3647203.02	.000000	$ 0.00
Small Company Fund	$ 0.00	.000000	$ 0.00
Small Cap Fund	$ 0.00	.000000	$ 0.00
Emerging Growth Fund	$ 0.00	.000000	$ 0.00

*Assets = Liabilities

I hereby certify that this statement, given pursuant to 29 CFR 2520.103-5(c), is complete and accurate.

Katherine MacMillan
President, Retirement Plan Services

Production Date(R): JAN/12/2010