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
HOLDING COMPANY OF THE VILLAGES, INC. EMPLOYEES SAVING PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 07/01/1996

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

1020 LAKE SUMTER LANDING
THE VILLAGES, FL 32162

2b Employer Identification Number (EIN) 20-4647993

2c Sponsor's telephone number 352-753-6778

2d Business code (see instructions) 237210

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.	10/13/2010	G BRADLEY BROWN
	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")
HOLDING COMPANY OF THE VILLAGES, INC.

1020 LAKE SUMTER LANDING
THE VILLAGES, FL 32162

3b Administrator's EIN
20-4647993

3c Administrator's telephone number
352-753-6778

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**	1872
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**	2093
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	201
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	2294
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	2294
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	1031
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	51
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 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	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)		___ **A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)	X	**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider 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). ▶ **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
HOLDING COMPANY OF THE VILLAGES, INC. EMPLOYEES SAVING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
HOLDING COMPANY OF THE VILLAGES, INC.

D Employer Identification Number (EIN)
20-4647993

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

ASTON

20-4747475

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

INVESCO AIM

76-0528004

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

ALLIANZ

33-0457728

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

FIDELITY

16-1194217

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

FRANKLIN

94-3167260

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

MFS

04-2747644

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

T ROWE PRICE

52-2264646

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

ALLIANCE BERNSTEIN

13-3191825

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

AMERICAN

95-1411037

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

OAKMARK

04-3276558

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

IVY

04-6006759

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

OPPENHEIMER

13-2527171

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

PIMCO

95-2632339

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

AMERICAN CENTURY

44-6006315

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

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

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

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

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

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

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

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

WACHOVIA BANK, N.A.

22-1147033

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 21 37 49 50 60 63 64	NONE	55364	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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
HOLDING COMPANY OF THE VILLAGES, INC. EMPLOYEES SAVING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
HOLDING COMPANY OF THE VILLAGES, INC.

D Employer Identification Number (EIN)
20-4647993

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: STABLE INVESTMENT FUND

b Name of sponsor of entity listed in (a): WACHOVIA BANK, N. 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)
56-6271988-001	C	3437722

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

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
HOLDING COMPANY OF THE VILLAGES, INC. EMPLOYEES SAVING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
HOLDING COMPANY OF THE VILLAGES, INC.

D Employer Identification Number (EIN)
20-4647993

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(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)	979236	970189
(9) Value of interest in common/collective trusts	1c(9)	3724465	3437722
(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)	13088739	19564456
(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	17792440	23972367
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	17792440	23972367

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)	655660	
(B) Participants	2a(1)(B)	2417860	
(C) Others (including rollovers)	2a(1)(C)	41150	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		3114670
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	58234	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		58234
(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)	234920	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		234920
(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)		104849
(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)		4887574
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		8400247
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2130675	
(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)		2130675
f Corrective distributions (see instructions)	2f		7403
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)	82242	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		82242
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2220320
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		6179927
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: PADGETT, WETZ & YOUNG, P.A. (2) EIN: 20-4932032

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		750000
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
HOLDING COMPANY OF THE VILLAGES, INC. EMPLOYEES SAVING PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
HOLDING COMPANY OF THE VILLAGES, INC.

D Employer Identification Number (EIN)
20-4647993

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): 56-1354495

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):

HOLDING COMPANY OF THE VILLAGES, INC.

EMPLOYEES SAVING PLAN

INDEPENDENT AUDITORS' REPORT, FINANCIAL STATEMENTS

AND SUPPLEMENTARY INFORMATION

AS OF AND FOR THE YEARS ENDED

DECEMBER 31, 2009 AND 2008

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEES SAVING PLAN
DECEMBER 31, 2009 AND 2008

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PADGETT WETZ & YOUNG, PA
CERTIFIED PUBLIC ACCOUNTANTS

GREGORY P. PADGETT, CPA
GLENNA G. WETZ, CPA

BARBARA R. SHEPARD, CPA
JENNILEE J. HOSTETLER, CPA
KAREN A. BERRYMAN, CPA
SUE ANN SZUTS, CPA
ROBERT F. HUNT, JR., CPA
ANA L. MALLO, CPA
GABRIEL P. BURROUGHS, CPA
JONATHAN R. FRYE, CPA

HERBERT P. YOUNG, JR., RETIRED

INDEPENDENT AUDITORS' REPORT

October 12, 2010

Board of Trustees
Holding Company of the Villages, Inc.
Employees Saving Plan
The Villages, Florida

We were engaged to audit the statements of net assets available for benefits of the Holding Company of the Villages, Inc. Employees Saving Plan as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Wachovia Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. 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 December 31, 2008, 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 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.

Padgett, Wetz & Young, PA

FINANCIAL STATEMENTS

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEES SAVING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2009 AND 2008

ASSETS	2009	2008
Investments, at fair value:		
Mutual funds	$ 19,564,456	$ 13,088,739
Common and commingled trust fund	3,437,722	3,724,465
Participant loans	970,020	979,236
	23,972,198	17,792,440
Receivables:		
Participants' contributions	1,413	-
Employer's contribution	481	-
	1,894	-
TOTAL ASSETS	23,974,092	17,792,440
LIABILITIES		
Payables:		
Excess contributions - participants	9,069	7,403
Excess contributions - employer	134	-
TOTAL LIABILITIES	9,203	7,403
NET ASSETS AVAILABLE FOR BENEFITS	$ 23,964,889	$ 17,785,037

Read Independent Auditors' Report and Notes to Financial Statements

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEES SAVING PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2009

ADDITIONS		
Additions to net assets attributed to:		
Investment income, net of investment expenses		
Net appreciation in fair value of investments:		
Mutual funds	$	4,891,986
Common and commingled trust fund		100,599
		4,992,585
Interest and dividend income		293,154
		5,285,739
Contributions		
Participants		2,409,953
Participant rollovers		41,150
Employer		656,100
		3,107,203
TOTAL ADDITIONS		8,392,942
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		2,130,848
Administrative expenses		82,242
TOTAL DEDUCTIONS		2,213,090
NET INCREASE		6,179,852
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year		17,785,037
End of year	$	23,964,889

Read Independent Auditors' Report and Notes to Financial Statements

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEES SAVING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 1 DESCRIPTION OF PLAN

The following description of Holding Company of the Villages, Inc. (Company) Employees Saving Plan (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

A) General - The Plan is a defined contribution plan commonly known as a Code Section 401(k) profit sharing plan covering all employees of the Company who have completed one year of service and attained age 21. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was established July 1, 1996.

B) Plan Amendments - Effective January 1, 2008, the plan was amended to comply with the requirements for mandatory cash-out distributions of vested account balances not exceeding $5,000. For mandatory distributions greater than $1,000, if the participant does not elect to have the distribution paid directly to an eligible retirement plan specified by the participant in a direct rollover, or to receive the distribution directly, then the administrator shall pay the distribution in a direct rollover to an individual retirement plan designated by the administrator. Also effective January 1, 2008, participants will be automatically enrolled in the plan when eligible with a deferral percentage of 4% unless the administrator is otherwise directed. The plan was also amended to redefine compensation to exclude fringe benefit payments.

C) Contributions - Each year, participants may contribute up to 100 percent of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined-benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the plan. The Company will contribute to the Plan an amount of matching contributions determined by the Company at its discretion, subject to certain limitations.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

D) Vesting - Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100 percent vested after six years of credited service.

E) Participant Accounts - Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings losses), and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. Forfeited balances of terminated participants' nonvested accounts are used to reduce future Company contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

F) Participant Notes Receivable – Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 9.25%, which are commensurate with local prevailing rates as determined quarterly by the Plan administrator.

G) Payment of Benefits - On termination of service, a participant may elect to receive either a lump-sum amount equal to the vested value of his or her account, or payments in monthly, quarterly, or annual installments over a period not exceeding the life expectancy of the participant and their beneficiary.

H) Forfeitures - Forfeitures of non-vested Company contributions are used to reduce future Company contributions. At December 31, 2009, there were $77,543 of forfeitures that had not yet been applied to reduce the Company's contributions. No forfeitures were used during 2009 to reduce the Company's contributions. During 2008, $30,931 of forfeited participant accounts were used to reduce the Company's contributions.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income are recorded as received. Net appreciation includes the plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid.

Operating Expenses

All expenses of maintaining the Plan are paid by the Company.

Estimates

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.

NOTE 3 FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefit. The methods used to measure fair value may produce an amount 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.

		Fair Value Measurements Using:	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
December 31, 2009			
Common trust fund	$ 3,437,722	$ 3,437,722	$ -
Mutual funds	19,564,456	19,564,456	-
Participant loans	970,020	-	970,020
Total	$ 23,972,198	$ 23,002,178	$ 970,020
December 31, 2008			
Common trust fund	$ 3,724,465	$ 3,724,465	$ -
Mutual funds	13,088,739	13,088,739	-
Participant loans	979,236	-	979,236
Total	$ 17,792,440	$ 16,813,204	$ 979,236

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 inputs were available to the Plan, and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end. The fair values of common stocks, corporate bonds, and U.S. Government securities are based on the closing price reported on the active market where the individual securities are traded.

Level 3 Fair Value Measurements

The participant loans are not actively traded and significant other observable inputs are not available. Thus, the fair value of participant loans approximates the amortized cost of the loans because the loans are secured by each respective participant's account balance. The following table provides further details of the Level 3 fair value measurements.

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

		Participant Loans
December 31, 2009		
Beginning balance	$	979,236
Purchases, sales, issuances, and settlements (net)		(9,216)
Ending balance	$	970,020
December 31, 2008		
Beginning balance	$	837,432
Purchases, sales, issuances, and settlements (net)		141,804
Ending balance	$	979,236

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the year ended December 31, 2009 are reported in net appreciation in fair value of investments.

NOTE 4 INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets.

	December 31, 2009	December 31, 2008	
Common and commingled trust funds:			
Stable Investment Fund	$ 3,437,722	$ 3,724,465	
Mutual funds:			
Fidelity Contrafund Fund	2,484,611	1,905,205	
Oppenheimer Development Mkt	3,645,595	1,879,724	
Pimco Total Return Fd	1,300,839	839,153	*
T Rowe Price Retire 2020	1,534,411	1,022,997	

* For comparative purposes only. During the prior year, the investment identified did not represent 5 percent or ore of the Plan's net assets held at December 31.

During 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $4,992,585 as follows:

Mutual funds	$ 4,891,986
Common stocks	100,599
	4,992,585

NOTE 5 INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (UNAUDITED)

The following information included in the accompanying financial statements and supplemental schedules was obtained from data that has been prepared and certified to as complete and accurate by the trustee.

	2009	2008
Investments, at fair value:		
Mutual funds	$ 19,564,456	$ 13,088,739
Common and commingled trust fund	3,437,722	3,724,465
Investment income	5,227,505	(8,022,079)

NOTE 6 PLAN TERMINATION

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

NOTE 7 RELATED PARTY TRANSACTIONS

Certain plan investments are shares in mutual funds and a common and collective fund that are managed by Wachovia Bank, N.A. Wachovia Bank, N.A. is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services amounted to $79,796 for the year ended December 31, 2009.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. All administrative expenses are paid directly by the Plan sponsor. Plan investments also include participant loans, which are considered exempt party-in-interest transactions.

NOTE 8 TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated February 19, 2010, applicable to plan amendments dated March 18, 2005, January 1, 2007, October 31, 2007 and May 13, 2009, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has not been amended since receiving the determination letter. The Plan administrator and the Plan's tax counsel believe 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 made in the financial statements.

NOTE 9 RISK AND UNCERTAINTIES

The Plan invests in a variety of investment funds. Investments in general are exposed to various risks, such an interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

NOTE 10 EXCESS CONTRIBUTIONS

Contributions received from participants and employer contributions during 2009 are net of repayments made in 2010 of $9,069 and $134, respectively for excess contributions. Those amounts are also included in the plan's statement of net assets available for benefits as excess contributions payable at December 31, 2009.

NOTE 11 RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

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

	2009	2008
Net assts available for benefits per the financial statements	$ 23,964,889	$ 17,785,037
Plus excess contributions payable	9,203	7,403
Plus participant loan payments included in contributions receivable	169	
Less contributions receivable	(1,894)	
Net assets available for benefits per Form 5500	$ 23,972,367	$ 17,792,440

The following is a reconciliation of employer contributions per the financial statements for the year ended December 31, 2009, to Form 5500:

Employer contributions per the financial statements	$ 656,100
Plus excess employer contributions	41
Less employer contributions receivable	(481)
Employer contributions per Form 5500	$ 655,660

NOTE 11 RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500 (CONTINUED)

The following is a reconciliation of participant contributions per the financial statements for the year ended December 31, 2009, to Form 5500:

Participant contributions per the financial statements	$	2,409,953
Plus excess employer contributions recorded as participant contributions		83
Plus excess contributuions payable to employees at December 31, 2009		9,069
Plus participant loan payments included in contributions receivable		169
Less participant contributions receivable		(1,413)
Less rounding difference		(1)
Participant contributions per Form 5500	$	2,417,860

Participant and employer contributions are recorded on the cash basis on the Form 5500.

The following is a reconciliation of investment income per the financial statements for the year ended December 31, 2009, to Form 5500:

Net appreciation in fair value of investments		
Common and commingled trust fund per financial statements	$	100,599
Mutual funds		4,891,986
Interest and dividend income		293,154
Less classification difference		(162)
Net investment income per Form 5500	$	5,285,577

NOTE 11 RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500 (CONTINUED)

The following is a reconciliation of benefit payments per the financial statements for the year ended December 31, 2009, to Form 5500:

Benefit payment paid to participants per financial statements	$	2,130,848
Less classification difference		(173)
Total benefit payments per Form 5500	$	2,130,675

The following is a reconciliation of corrective distributions per the financial statements for the year ended December 31, 2009, to Form 5500:

Corrective distributions per financial statements	$	-
Plus excess contributions payable to participants at December 31, 2008		7,403
Total corrective distributions per Form 5500	$	7,403

NOTE 12 DATE OF MANAGEMENT'S REVIEW

Subsequent events were evaluated through October 12, 2010, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEE SAVINGS PLAN
PLAN # 001
20-4647993
SCHEDULE H, 4I
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
FOR PLAN YEAR ENDED DECEMBER 31, 2009

(A)	(B) IDENTITY OF ISSUE, BORROWER, LESSOR, OR SIMILAR PARTY	(C) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST COLLATERAL, PAR OR MATURITY VALUE	(D) COST **	(E) CURRENT VALUE
*	COMMON & COMMINGLED TRUST FUND	STABLE INVESTMENT	-	3,437,722
	MUTUAL FUND	AMERICAN CENTURY DIVERSIFIED BD		675,496
	MUTUAL FUND	FIDELITY CONTRAFUND	-	2,484,611
	MUTUAL FUND	FRANKLIN MUTUAL BEACON FUND	-	800,256
	MUTUAL FUND	ABN AMRO/MONTAG & CALDWELL GROWTH	-	886,389
	MUTUAL FUND	AIM SMALL CAP GROWTH FD CL A	-	412,910
	MUTUAL FUND	FRANKLIN STRATEGIC SER SMALL CAP GROWTH	-	457,556
	MUTUAL FUND	MFS SER TR I VALUE FD CL A	-	604,992
	MUTUAL FUND	EUROPAC GROWTH FD SH BEN INT	-	1,012,774
	MUTUAL FUND	OPPENHEIMER DEVELOPING MKTS FD CL A	-	3,645,595
	MUTUAL FUND	PIMCO TOTAL RETURN FD CCA	-	1,300,839
	MUTUAL FUND	ALLIANZ NFJ SMALL CAP VALUE FD	-	824,533
	MUTUAL FUND	OAKMARK GLOBAL FD CL I	-	525,495
	MUTUAL FUND	IVY GLOBAL NATURAL RESOURCES FD CL A	-	755,899
	MUTUAL FUND	T ROWE PRICE RETIRE INC - ADV	-	118,356
	MUTUAL FUND	T ROWE PRICE RETIRE 2040 - ADV	-	860,637
	MUTUAL FUND	T ROWE PRICE RETIRE 2030 - ADV	-	1,049,936
	MUTUAL FUND	T ROWE PRICE RETIRE 2020 - ADV	-	1,534,411
	MUTUAL FUND	T ROWE PRICE RETIRE 2010 - ADV	-	817,287
	MUTUAL FUND	ALLIANCE BERNSTEIN IN T VAL-K	-	796,484
*	PARTICIPANT LOANS	PARTICIPANT LOANS - 4.25%-9.25% RATE OF INTEREST	-	970,020

* Party-in-interest
** Participant directed - disclosure not required

Read Independent Auditors' report and Notes to Financial Statements

HOLDING COMPANY OF THE VILLAGES, INC.

EMPLOYEES SAVING PLAN

INDEPENDENT AUDITORS' REPORT, FINANCIAL STATEMENTS

AND SUPPLEMENTARY INFORMATION

AS OF AND FOR THE YEARS ENDED

DECEMBER 31, 2009 AND 2008

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEES SAVING PLAN
DECEMBER 31, 2009 AND 2008

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PADGETT WETZ & YOUNG, PA
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INDEPENDENT AUDITORS' REPORT

October 12, 2010

Board of Trustees
Holding Company of the Villages, Inc.
Employees Saving Plan
The Villages, Florida

We were engaged to audit the statements of net assets available for benefits of the Holding Company of the Villages, Inc. Employees Saving Plan as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009. These financial statements are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Wachovia Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. 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 December 31, 2008, 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 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.

Padgett, Wetz & Young, PA

FINANCIAL STATEMENTS

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEES SAVING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2009 AND 2008

ASSETS	2009	2008
Investments, at fair value:		
Mutual funds	$ 19,564,456	$ 13,088,739
Common and commingled trust fund	3,437,722	3,724,465
Participant loans	970,020	979,236
	23,972,198	17,792,440
Receivables:		
Participants' contributions	1,413	-
Employer's contribution	481	-
	1,894	-
TOTAL ASSETS	23,974,092	17,792,440
LIABILITIES		
Payables:		
Excess contributions - participants	9,069	7,403
Excess contributions - employer	134	-
TOTAL LIABILITIES	9,203	7,403
NET ASSETS AVAILABLE FOR BENEFITS	$ 23,964,889	$ 17,785,037

Read Independent Auditors' Report and Notes to Financial Statements

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEES SAVING PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2009

ADDITIONS		
Additions to net assets attributed to:		
Investment income, net of investment expenses		
Net appreciation in fair value of investments:		
Mutual funds	$	4,891,986
Common and commingled trust fund		100,599
		4,992,585
Interest and dividend income		293,154
		5,285,739
Contributions		
Participants		2,409,953
Participant rollovers		41,150
Employer		656,100
		3,107,203
TOTAL ADDITIONS		8,392,942
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		2,130,848
Administrative expenses		82,242
TOTAL DEDUCTIONS		2,213,090
NET INCREASE		6,179,852
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year		17,785,037
End of year	$	23,964,889

Read Independent Auditors' Report and Notes to Financial Statements

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEES SAVING PLAN
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 1 DESCRIPTION OF PLAN

The following description of Holding Company of the Villages, Inc. (Company) Employees Saving Plan (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

A) General - The Plan is a defined contribution plan commonly known as a Code Section 401(k) profit sharing plan covering all employees of the Company who have completed one year of service and attained age 21. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was established July 1, 1996.

B) Plan Amendments - Effective January 1, 2008, the plan was amended to comply with the requirements for mandatory cash-out distributions of vested account balances not exceeding $5,000. For mandatory distributions greater than $1,000, if the participant does not elect to have the distribution paid directly to an eligible retirement plan specified by the participant in a direct rollover, or to receive the distribution directly, then the administrator shall pay the distribution in a direct rollover to an individual retirement plan designated by the administrator. Also effective January 1, 2008, participants will be automatically enrolled in the plan when eligible with a deferral percentage of 4% unless the administrator is otherwise directed. The plan was also amended to redefine compensation to exclude fringe benefit payments.

C) Contributions - Each year, participants may contribute up to 100 percent of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined-benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the plan. The Company will contribute to the Plan an amount of matching contributions determined by the Company at its discretion, subject to certain limitations.

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

D) Vesting - Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100 percent vested after six years of credited service.

E) Participant Accounts - Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings losses), and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. Forfeited balances of terminated participants' nonvested accounts are used to reduce future Company contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

F) Participant Notes Receivable – Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 9.25%, which are commensurate with local prevailing rates as determined quarterly by the Plan administrator.

G) Payment of Benefits - On termination of service, a participant may elect to receive either a lump-sum amount equal to the vested value of his or her account, or payments in monthly, quarterly, or annual installments over a period not exceeding the life expectancy of the participant and their beneficiary.

H) Forfeitures - Forfeitures of non-vested Company contributions are used to reduce future Company contributions. At December 31, 2009, there were $77,543 of forfeitures that had not yet been applied to reduce the Company's contributions. No forfeitures were used during 2009 to reduce the Company's contributions. During 2008, $30,931 of forfeited participant accounts were used to reduce the Company's contributions.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income are recorded as received. Net appreciation includes the plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid.

Operating Expenses

All expenses of maintaining the Plan are paid by the Company.

Estimates

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.

NOTE 3 FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefit. The methods used to measure fair value may produce an amount 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.

		Fair Value Measurements Using:	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
December 31, 2009			
Common trust fund	$ 3,437,722	$ 3,437,722	$ -
Mutual funds	19,564,456	19,564,456	-
Participant loans	970,020	-	970,020
Total	$ 23,972,198	$ 23,002,178	$ 970,020
December 31, 2008			
Common trust fund	$ 3,724,465	$ 3,724,465	$ -
Mutual funds	13,088,739	13,088,739	-
Participant loans	979,236	-	979,236
Total	$ 17,792,440	$ 16,813,204	$ 979,236

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 inputs were available to the Plan, and Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end. The fair values of common stocks, corporate bonds, and U.S. Government securities are based on the closing price reported on the active market where the individual securities are traded.

Level 3 Fair Value Measurements

The participant loans are not actively traded and significant other observable inputs are not available. Thus, the fair value of participant loans approximates the amortized cost of the loans because the loans are secured by each respective participant's account balance. The following table provides further details of the Level 3 fair value measurements.

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

		Participant Loans
December 31, 2009		
Beginning balance	$	979,236
Purchases, sales, issuances, and settlements (net)		(9,216)
Ending balance	$	970,020
December 31, 2008		
Beginning balance	$	837,432
Purchases, sales, issuances, and settlements (net)		141,804
Ending balance	$	979,236

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the year ended December 31, 2009 are reported in net appreciation in fair value of investments.

NOTE 4 INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets.

	December 31, 2009	December 31, 2008	
Common and commingled trust funds:			
Stable Investment Fund	$ 3,437,722	$ 3,724,465	
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Fidelity Contrafund Fund	2,484,611	1,905,205	
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Pimco Total Return Fd	1,300,839	839,153	*
T Rowe Price Retire 2020	1,534,411	1,022,997	

* For comparative purposes only. During the prior year, the investment identified did not represent 5 percent or ore of the Plan's net assets held at December 31.

During 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $4,992,585 as follows:

Mutual funds	$ 4,891,986
Common stocks	100,599
	4,992,585

NOTE 5 INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (UNAUDITED)

The following information included in the accompanying financial statements and supplemental schedules was obtained from data that has been prepared and certified to as complete and accurate by the trustee.

	2009	2008
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NOTE 6 PLAN TERMINATION

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

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Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. All administrative expenses are paid directly by the Plan sponsor. Plan investments also include participant loans, which are considered exempt party-in-interest transactions.

NOTE 8 TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated February 19, 2010, applicable to plan amendments dated March 18, 2005, January 1, 2007, October 31, 2007 and May 13, 2009, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has not been amended since receiving the determination letter. The Plan administrator and the Plan's tax counsel believe 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 made in the financial statements.

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The Plan invests in a variety of investment funds. Investments in general are exposed to various risks, such an interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

NOTE 10 EXCESS CONTRIBUTIONS

Contributions received from participants and employer contributions during 2009 are net of repayments made in 2010 of $9,069 and $134, respectively for excess contributions. Those amounts are also included in the plan's statement of net assets available for benefits as excess contributions payable at December 31, 2009.

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

	2009	2008
Net assts available for benefits per the financial statements	$ 23,964,889	$ 17,785,037
Plus excess contributions payable	9,203	7,403
Plus participant loan payments included in contributions receivable	169	
Less contributions receivable	(1,894)	
Net assets available for benefits per Form 5500	$ 23,972,367	$ 17,792,440

The following is a reconciliation of employer contributions per the financial statements for the year ended December 31, 2009, to Form 5500:

Employer contributions per the financial statements	$ 656,100
Plus excess employer contributions	41
Less employer contributions receivable	(481)
Employer contributions per Form 5500	$ 655,660

NOTE 11 RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500 (CONTINUED)

The following is a reconciliation of participant contributions per the financial statements for the year ended December 31, 2009, to Form 5500:

Participant contributions per the financial statements	$	2,409,953
Plus excess employer contributions recorded as participant contributions		83
Plus excess contributuions payable to employees at December 31, 2009		9,069
Plus participant loan payments included in contributions receivable		169
Less participant contributions receivable		(1,413)
Less rounding difference		(1)
Participant contributions per Form 5500	$	2,417,860

Participant and employer contributions are recorded on the cash basis on the Form 5500.

The following is a reconciliation of investment income per the financial statements for the year ended December 31, 2009, to Form 5500:

Net appreciation in fair value of investments		
Common and commingled trust fund per financial statements	$	100,599
Mutual funds		4,891,986
Interest and dividend income		293,154
Less classification difference		(162)
Net investment income per Form 5500	$	5,285,577

NOTE 11 RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500 (CONTINUED)

The following is a reconciliation of benefit payments per the financial statements for the year ended December 31, 2009, to Form 5500:

Benefit payment paid to participants per financial statements	$	2,130,848
Less classification difference		(173)
Total benefit payments per Form 5500	$	2,130,675

The following is a reconciliation of corrective distributions per the financial statements for the year ended December 31, 2009, to Form 5500:

Corrective distributions per financial statements	$	-
Plus excess contributions payable to participants at December 31, 2008		7,403
Total corrective distributions per Form 5500	$	7,403

NOTE 12 DATE OF MANAGEMENT'S REVIEW

Subsequent events were evaluated through October 12, 2010, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

HOLDING COMPANY OF THE VILLAGES, INC.
EMPLOYEE SAVINGS PLAN
PLAN # 001
20-4647993
SCHEDULE H, 4I
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
FOR PLAN YEAR ENDED DECEMBER 31, 2009

(A)	(B) IDENTITY OF ISSUE, BORROWER, LESSOR, OR SIMILAR PARTY	(C) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST COLLATERAL, PAR OR MATURITY VALUE	(D) COST **	(E) CURRENT VALUE
*	COMMON & COMMINGLED TRUST FUND	STABLE INVESTMENT	-	3,437,722
	MUTUAL FUND	AMERICAN CENTURY DIVERSIFIED BD		675,496
	MUTUAL FUND	FIDELITY CONTRAFUND	-	2,484,611
	MUTUAL FUND	FRANKLIN MUTUAL BEACON FUND	-	800,256
	MUTUAL FUND	ABN AMRO/MONTAG & CALDWELL GROWTH	-	886,389
	MUTUAL FUND	AIM SMALL CAP GROWTH FD CL A	-	412,910
	MUTUAL FUND	FRANKLIN STRATEGIC SER SMALL CAP GROWTH	-	457,556
	MUTUAL FUND	MFS SER TR I VALUE FD CL A	-	604,992
	MUTUAL FUND	EUROPAC GROWTH FD SH BEN INT	-	1,012,774
	MUTUAL FUND	OPPENHEIMER DEVELOPING MKTS FD CL A	-	3,645,595
	MUTUAL FUND	PIMCO TOTAL RETURN FD CCA	-	1,300,839
	MUTUAL FUND	ALLIANZ NFJ SMALL CAP VALUE FD	-	824,533
	MUTUAL FUND	OAKMARK GLOBAL FD CL I	-	525,495
	MUTUAL FUND	IVY GLOBAL NATURAL RESOURCES FD CL A	-	755,899
	MUTUAL FUND	T ROWE PRICE RETIRE INC - ADV	-	118,356
	MUTUAL FUND	T ROWE PRICE RETIRE 2040 - ADV	-	860,637
	MUTUAL FUND	T ROWE PRICE RETIRE 2030 - ADV	-	1,049,936
	MUTUAL FUND	T ROWE PRICE RETIRE 2020 - ADV	-	1,534,411
	MUTUAL FUND	T ROWE PRICE RETIRE 2010 - ADV	-	817,287
	MUTUAL FUND	ALLIANCE BERNSTEIN IN T VAL-K	-	796,484
*	PARTICIPANT LOANS	PARTICIPANT LOANS - 4.25%-9.25% RATE OF INTEREST	-	970,020

* Party-in-interest
** Participant directed - disclosure not required

Read Independent Auditors' report and Notes to Financial Statements

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

Plan Name Holding Company of the Villages, Inc. Employees Saving Pla **EIN:** 20-4647993
Plan Sponsor's Name Holding Company of the Villages, Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	Wachovia Bank, N. A.	Common Trust Fund Stable Investment Fund		3,437,722
	Aston/Montag & Caldwell	Mutual Fund Growth Fund Cl N		886,389
	Aim	Mutual Fund Small Cap Growth Fd Cl A		412,910
	Allianz NFJ	Mutual Fund Small-Cap Value Fund Ad Cl		824,533
	Fidelity	Mutual Fund ContraFd		2,484,611
	Franklin	Mutual Fund Strategic Series - Small-Mid Cap Growth Fd Cl A		457,556
	MFS	Mutual Fund Value FD Cl A		604,992

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(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American	Mutual Fund EuroPacific Growth Fd Cl A		1,012,774
	Oakmark	Mutual Fund Global Fd Cl A		525,495
	Ivy	Mutual Fund Global Natural Resources Fd	Cl A	755,899
	Oppenheimer	Mutual Fund Developing Markets Fd Cl A		3,645,595
	American	Mutual Fund Century Diversified Bd		675,496
	Pimco	Mutual Fund Total Return Fd CCA		1,300,839
	Participant Loans	Various Rates (4.25% - 9.25%)		970,189

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Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Holding Company of the Villages, Inc. Employees Saving Pla **EIN:** 20-4647993
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(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Franklin	Mutual Fund Mutual Series Fd Inc - Mutual Beacon Fd Cl A		800,256
	T Rowe Price	Mutual Fund Retire Inc-Adv		118,356
	T Rowe Price	Mutual Fund Retire 2040-Adv		860,637
	T Rowe Price	Mutual Fund Retire 2030-Adv		1,049,936
	T Rowe Price	Mutual Fund Retire 2020-Adv		1,534,411
	T Rowe Price	Mutual Fund Retire 2010 Fd Advisor Cl		817,287
	AllianceBernstein	Mutual Fund Int Val-K		796,484