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
PALCO RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 04/01/1986

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

P.O. BOX 37
SCOTIA, CA 95565

2b Employer Identification Number (EIN)
26-2635546

2c Sponsor's telephone number
707-764-4472

2d Business code (see instructions)
113110

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.	10/14/2010	SANDY DEAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	SANDY DEAN
	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")
HUMBOLDT REDWOOD COMPANY, LLC

P.O. BOX 37
SCOTIA, CA 95565

3b Administrator's EIN
26-2635546

3c Administrator's telephone number
707-764-4472

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**	1685
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**	165
b	Retired or separated participants receiving benefits	**6b**	479
c	Other retired or separated participants entitled to future benefits	**6c**	935
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1579
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	69
f	Total. Add lines **6d** and **6e**	**6f**	1648
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
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:
1A 1G 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)	X	**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 SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

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

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
PALCO RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
HUMBOLDT REDWOOD COMPANY, LLC

D Employer Identification Number (EIN)
26-2635546

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2009			
2	Assets:			
a	Market value	**2a**		39292558
b	Actuarial value	**2b**		43221814
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	516	24677884
b	For terminated vested participants	**3b**	975	20568555
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		6233329
	(3) Total active	**3c(3)**	194	6233329
d	Total	**3d**	1685	51479768
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
a	Funding target disregarding prescribed at-risk assumptions	**4a**		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**		
5	Effective interest rate	**5**		8.06 %
6	Target normal cost	**6**		0

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	10/01/2010 Date
ELIZABETH HALL Type or print name of actuary	08-06469 Most recent enrollment number
FIDELITY INVESTMENTS Firm name	603-791-3841 Telephone number (including area code)
ONE SPARTAN WAY, TS4V MERRIMACK, NH 03054 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of -31.93 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		419
	b Interest on (a) using prior year's effective rate of 6.18 %		26
	c Total available at beginning of current plan year to add to prefunding balance		445
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	83.95 %
15	Adjusted funding target attainment percentage	15	83.95 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	93.51 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	173782				
07/15/2009	173782				
10/15/2009	173782				
01/14/2010	173782				
09/14/2010	1011558				
			Totals ► 18(b)	1706686	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1547173

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment: %	2nd segment: %	3rd segment: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 62

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] Prescribed - separate [ ] Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ..... [X] Yes [ ] No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) **29** 0

30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29) **30** 0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions) **31** 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	8257954	1546985
b Waiver amortization installment	0	

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33) **34** 1546985

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement			0

36 Additional cash requirement (item 34 minus item 35) **36** 1546985

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) **37** 1547173

38 Interest-adjusted excess contributions for current year (see instructions) **38** 188

39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) **39** 0

40 Unpaid minimum required contribution for all years **40** 0

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
PALCO RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
HUMBOLDT REDWOOD COMPANY, LLC

D Employer Identification Number (EIN)
26-2635546

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

STATE STREET BANK AND TRUST COMPANY

04-1867445

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

PIMCO FUNDS

33-0629048

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

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

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

OSTERWEIS CAPITAL MANAGEMENT

94-3268572

(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?
28	INVESTMENT MANAGER	23859	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
RUANE, CUNNIFF & GOLDFARB INC.	60	0

(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.
ACACIA CONSERVATION FUND OFFSHORE 13-2628641	1% MANAGEMENT ANNUAL FEE 20% FEE ON INVESTMENT GAIN

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
DECCAN VALUE ADVISORS	60	0

(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.
DECCAN VALUE ADVISORS OFFSHORE LTD 56-2748606	1.5% MANAGEMENT FEE ANNUALLY

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
OSTERWEIS CAPITAL MANAGEMENT	60	0

(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.
OSTERWEIS CAPITAL MANAGEMENT 94-3268572	1% MANAGEMENT FEE ANNUALLY

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
BAIN CAPITAL INC.	60	0
(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.	
BROOKSIDE II CAYMAN LIMITED 98-0616172	2% MANAGEMENT 20% FEE ON INVESTMENT GAINS	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
STEADFAST CAPITAL MANAGEMENT	60	0
(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.	
STEADFAST INTERNATIONAL LTD. 03-0481537	1/3 OF INVESTMENT: 1.25% MNGMT FEE ANN AND 20% FEE ON INVST GAIN 2/3 OF INVESTMENT: 1% MNGMT FEE ANN AND 17.5% FEE ON INVST GAIN	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
LONESTAR CAPITAL MANAGEMENT	60	0
(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.	
LONESTAR PARTNERS LP 94-3223164	1.5% MNGMT FEE ANNUALLY 20% FEE ON INVESTMENT GAINS	

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
WATERSHED ASSET MANAGEMENT	60	0

(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.
WATERSHED CAPITAL INSTL PARTNERS LP 82-0547075	1.5% MNGMT FEE 20% FEE ON INVST GAIN

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ARTISAN PARTNERS	60	0

(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.
ARTISAN INTERNATIONAL VALUE FUND FIVE CONCOURSE PARKWAY NORTHEAST SUITE 2120 ATLANTA, GA 30328	98 BPS ANNUALLY

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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
PALCO RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
HUMBOLDT REDWOOD COMPANY, LLC

D Employer Identification Number (EIN)
26-2635546

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: AXA ROSENBERG SMLL MID CAP INSTTNL

b Name of sponsor of entity listed in (a): AXA ROSENBERG INVESTMENT MANAGEMENT

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)
03-0548824-001	C	0

a Name of MTIA, CCT, PSA, or 103-12 IE: GSTCO CONCENTRATED GRWTH INSTTIONAL

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

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)
13-4166989-015	C	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PYRAMIS BROAD MRKT DURATN COMM POOL

b Name of sponsor of entity listed in (a): PYRAMIS GLOBAL ADVISORS TRUST CO

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)
20-4659714-012	C	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PYRAMIS HIGH YIELD BOND COMM POOL

b Name of sponsor of entity listed in (a): PYRAMIS GLOBAL ADVISORS TRUST CO

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)
20-4659714-013	C	0

a Name of MTIA, CCT, PSA, or 103-12 IE: AXA ROSENBERG SMALL MID SL LIQUID

b Name of sponsor of entity listed in (a): AXA ROSENBERG INVESTMENT MANAGEMENT

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)
27-0342010-001	E	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PYRAMIS INTERMDTE DURATN COMM POOL

b Name of sponsor of entity listed in (a): PYRAMIS GLOBAL ADVISORS TRUST CO

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)
20-4659714-014	C	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PYRAMIS SLCT INTNTNL EQTY COMM POOL

b Name of sponsor of entity listed in (a): PYRAMIS GLOBAL ADVISORS TRUST CO

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)
20-4659714-021	C	0

a Name of MTIA, CCT, PSA, or 103-12 IE: PYRAMIS EMERGING MARKETS COMM POOL

b Name of sponsor of entity listed in (a): PYRAMIS GLOBAL ADVISORS TRUST CO

c EIN-PN 20-4659714-032	**d** Entity code C	**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: PYRAMIS INSTITTNL LRG CAP COMM POOL

b Name of sponsor of entity listed in (a): PYRAMIS GLOBAL ADVISORS TRUST CO

c EIN-PN 20-4659714-047	**d** Entity code C	**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: BGI RUSSELL 1000 VALUE ALPHA TILTS

b Name of sponsor of entity listed in (a): BARCLAYS GLOBAL INVESTORS BGI

c EIN-PN 94-3243075-001	**d** Entity code C	**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:

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
PALCO RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
HUMBOLDT REDWOOD COMPANY, LLC

D Employer Identification Number (EIN)
26-2635546

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	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	156404	1185339
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	657	5082
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	324738	1539839
(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)		5288424
(5) Partnership/joint venture interests	1c(5)		23652627
(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)	38711344	81483
(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)		14800182
(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	39193143	46552976
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		15121
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	15121
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	39193143	46537855

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)	1810575	
	(B) Participants	2a(1)(B)		
	(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)		1810575
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	2839	
	(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)		2839
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	450791	
	(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)		450791
	(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)	-66216	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-66216
(6) Net investment gain (loss) from common/collective trusts	2b(6)		7838735
(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)		
c Other income	2c		24289
d Total income. Add all **income** amounts in column (b) and enter total	2d		10061013
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2463114	
(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)		2463114
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	252775	
(4) Other	2i(4)	412	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		253187
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2716301
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		7344712
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: MOSS ADAMS LLP **(2)** EIN: 91-0189318

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		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

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

A Name of plan
PALCO RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
HUMBOLDT REDWOOD COMPANY, LLC

D Employer Identification Number (EIN)
26-2635546

Part I Distributions

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

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

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

EIN(s): 04-1867445 04-3275867

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** 60

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: 80% Investment-Grade Debt: 14% High-Yield Debt: 2% Real Estate: 0% Other: 4%

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):

INDEPENDENT AUDITOR'S REPORT

To the Trustees
PALCO Retirement Plan

We were engaged to audit the financial statements and supplemental schedules of the PALCO Retirement Plan as of and for the years ended December 31, 2009 and 2008, as listed in the accompanying table of contents. 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 Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to investment information summarized in Note 8, which was certified by Fidelity Management Trust Company, the trustee of the Plan from January 1, 2009, to June 30, 2009, and State Street Bank & Trust Company, the trustee of the Plan from July 1, 2009, to December 31, 2009, except for comparing such information with the related information included in the financial statements and supplemental schedules. The plan administrator has informed us that State Street Bank & Trust Company holds the Plan's investment assets and executes investment transactions as of December 31, 2009. The plan administrator has obtained certifications from Fidelity Management Trust Company as of and for the year ended December 31, 2008, and for the period January 1, 2009, to June 30, 2009, and a certification from State Street Bank & Trust Company as of December 31, 2009, and for the period July 1, 2009, to December 31, 2009, that the information provided to the plan administrator by the respective trustees is complete and accurate.

Because of the significance of the information we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from information certified by the trustees, has been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Moss Adams LLP

Santa Rosa, California
October 11, 2010

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

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

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan: PALCO Retirement Plan

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF: Humboldt Redwood Company, LLC

D Employer Identification Number (EIN): 26-2635546

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2009

2 Assets:

a	Market value	2a	39,292,558
b	Actuarial value	2b	43,221,814

3 Funding target/participant count breakdown

			(1) Number of participants	(2) Funding Target
a	For retired participants and beneficiaries receiving payment	3a	516	24,677,884
b	For terminated vested participants	3b	975	20,568,555
c	For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		6,233,329
	(3) Total active	3c(3)	194	6,233,329
d	Total	3d	1,685	51,479,768

4 If the plan is at-risk, check the box and complete items (a) and (b) [ ]

a	Funding target disregarding prescribed at-risk assumptions	4a	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b	

5	Effective interest rate	5	8.06 %
6	Target normal cost	6	0

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

E S Hall
Signature of actuary

10/1/2010
Date

Elizabeth Hall
Type or print name of actuary

08-06469
Most recent enrollment number

Fidelity Investments
Firm name

(603) 791-3841
Telephone number (including area code)

One Spartan Way, TS4V

Merrimack NH 03054
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of (31.93)%		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		419
	b Interest on (a) using prior year's effective rate of 6.18 %		26
	c Total available at beginning of current plan year to add to prefunding balance		445
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	83.95 %
15	Adjusted funding target attainment percentage	15	83.95 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	93.51 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	173,782				
07/15/2009	173,782				
10/15/2009	173,782				
01/14/2010	173,782				
09/14/2010	1,011,558				
			Totals ► 18(b)	1,706,686	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1,547,173

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☒ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☒ Yes ☐ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ..... ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) **29** 0

30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29) **30** 0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions) **31** 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	8,257,954	1,546,985
b Waiver amortization installment	0	

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33) **34** 1,546,985

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement			0

36 Additional cash requirement (item 34 minus item 35) **36** 1,546,985

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) **37** 1,547,173

38 Interest-adjusted excess contributions for current year (see instructions) **38** 188

39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) **39** 0

40 Unpaid minimum required contribution for all years **40** 0

2009 Form 5500 Schedule SB Attachments
Schedule SB, Line 22 – Description of Weighted Average Retirement Age
Humboldt Redwood Company, LLC **EIN: 26-2635546**
PALCO Retirement Plan **Plan Number: 001**
For Plan Year Ended December 31, 2009

Retirement Rate Assumption:

Age	Rate
55	.10
56	.03
57	.03
58	.03
59	.03
60	.03
61	.03
62	.20
63	.20
64	.10
65	1.00

Method used to calculate the Plan's Weighted Average Retirement Age:

For each active participant, an expected retirement age was calculated, weighted in proportion to the probability that the individual would remain an active participant to each age and then retire at that age. The plan's weighted average retirement age of 62 is the arithmetic average of the expected retirement ages.

2009 Form 5500 Schedule SB Attachments
Schedule SB, Line 24 – Change in Actuarial Assumptions
Humboldt Redwood Company, LLC **EIN: 26-2635546**
PALCO Retirement Plan **Plan Number: 001**
For Plan Year Ended December 31, 2009

Change in Assumptions

The interest rates used to determine the plan's funding target changed from segment rates to a monthly yield curve of investment-grade corporate bonds of varying maturities that are in the top three quality levels available, as published by the IRS.

Interest rates are based on the October 2008 monthly yield curve, published in November 2008 (previously 5.31% for the first 5 years, 5.92% for the next 15 years and 6.43% after that, consistent with the segment rates for January 2008 without the allowable phase in).

2009 Form 5500 Schedule SB Attachments
Schedule SB, Line 25 – Change in Method
Humboldt Redwood Company, LLC **EIN: 26-2635546**
PALCO Retirement Plan **Plan Number: 001**
For Plan Year Ended December 31, 2009

Change in Method

The asset valuation method changed from the market value of assets to a three-year smoothing method.

2009 Form 5500 Schedule SB Attachments
Schedule SB, Line 26 – Schedule of Active Participant Data
Humboldt Redwood Company, LLC **EIN: 26-2635546**
PALCO Retirement Plan **Plan Number: 001**
For Plan Year Ended December 31, 2009

Number of Participants	Completed Years of Service on January 1, 2009										
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total
Attained Age Under 25	0	2	0	0	0	0	0	0	0	0	2
25-29	0	3	4	0	0	0	0	0	0	0	7
30-34	0	5	2	10	0	0	0	0	0	0	17
35-39	0	2	7	8	6	0	0	0	0	0	23
40-44	0	1	3	7	2	13	0	0	0	0	26
45-49	0	2	3	7	3	13	3	2	0	0	33
50-54	0	2	3	1	4	8	4	12	3	0	37
55-59	0	1	6	1	1	5	4	3	5	2	28
60-64	0	2	0	4	0	1	2	2	3	6	20
65-69	0	1	0	0	0	0	0	0	0	0	1
Over 69	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**21**	**28**	**38**	**16**	**40**	**13**	**19**	**11**	**8**	**194**

2009 Form 5500 Schedule SB Attachments **EIN: 26-2635546**
Schedule SB, Line 32 – Schedule of Amortization Bases **Plan Number: 001**
Humboldt Redwood Company, LLC
PALCO Retirement Plan
For Plan Year Ended December 31, 2009

	Initial Amount	Present Value of Remaining Installments as of Valuation Date	Remaining Amortization Period (years)	Amortization Installment as of Valuation Date
Amortization Bases:				
1/1/2008 Shortfall Amortization	$4,156,034	$3,474,862	6.00	$695,127
1/1/2009 Shortfall Amortization	$4,783,092	$4,783,092	7.00	$851,858
Total				$1,546,985

2009 Form 5500 Schedule SB Attachments
Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
Humboldt Redwood Company, LLC **EIN: 26-2635546**
PALCO Retirement Plan **Plan Number: 001**
For Plan Year Ended December 31, 2009

Actuarial Assumptions and Methods

Interest Rate:

PPA funding discount rate for funding target and target normal cost:	Based on October 2008 Monthly Yield Curve rates published in November 2008 (previously 5.31% for the first 5 years, 5.92% for the next 15 years and 6.43% after that, consistent with the segment rates for January 2008, without the allowable phase in).
Consumer Price Index:	3.00 percent, compounded annually.
Increase In Social Security Taxable Wage Base:	3.30 percent, compounded annually.
Salary Increases:	Not applicable.

Actuarial Assumptions and Methods (continued)

Mortality:

Healthy Life: IRS 2009 Static Mortality Table, using separate tables for annuitants and non-annuitants (Previously the IRS 2008 Static Mortality Table).

Disabled Life: 1987 Commissioners Group Disabled Mortality Table.

Retirement Rates: Sample rates of retirement varying by age:

Age	Rate
55	.10
56-61	.03
62-63	.20
64	.10
65	1.00

Average retirement age is 62.

Withdrawal: Rates varying by age. Sample rates:

Age	Male Rate	Female Rate
25	13.5%	18.3%
35	6.2	8.7
45	3.2	4.5
55	1.0	1.5

Actuarial Assumptions and Methods (continued)

Disability: Rates varying by age. Sample rates:

Age	Male Rate	Female Rate
25	0.278%	0.417%
35	0.288	0.432
45	0.405	0.608
55	0.868	1.302
65	0.000	0.000

Marital Status: 80 percent of males and females are assumed married, with females 3 years younger than males.

Form of Payment: It has been assumed that benefits will be paid in the normal annuity form applicable to the particular benefit. To the extent optional forms of payment are elected and conversions are determined under an actuarial basis which differs from the basis funded in the valuation, gains or losses will occur. These gains or losses will be recognized through the routine application of the actuarial cost method.

Actuarial Assumptions and Methods (continued)

Actuarial Cost Method

The unit credit cost method is used for ERISA Funding Target (FT) purposes. Under this method, accrued pension benefits are determined for all eligible active participants. These benefits reflect service, salary and negotiated benefit increases to date. The liability is then equal to the present value of all benefits for inactive participants plus the present value of accrued benefits for active participants.

The normal cost is determined on an individual basis for all active participants who have not attained the assumed retirement age and is equal to the present value of the difference between the current accrued benefit and the anticipated accrued benefit one year later, with the accrued benefit based upon earnings, or negotiated benefit increases, to date in both cases. The total normal cost is based upon the sum of the individual normal costs.

The projected unit credit method is used for IRS Maximum Deductible Limit cushion amount purposes. Under this method, accrued pension benefits are determined for all eligible active participants. These benefits reflect service to date and anticipated salary and negotiated benefit increases to the assumed retirement age. The liability is then equal to the present value of all benefits for inactive participants plus the present value of accrued benefits for active participants.

The normal cost is determined on an individual basis for all active participants who have not attained the assumed retirement age and is equal to the present value of the difference between the current accrued benefit and the anticipated accrued benefit one year later, with the accrued benefit based upon earnings and negotiated benefit increases projected to assumed retirement age in both cases. The total normal cost is based upon the sum of the individual normal costs.

Actuarial Assumptions and Methods (continued)

Actuarial Value of Plan Assets – ERISA Contribution Purposes

Effective January 1, 2009, the asset valuation method changed to the following:

The actuarial value of assets is equal to

(a) the market value of assets (including employer contributions receivable) on the valuation date, less

(b) the following percentages of prior years' investment gains (losses):

- 67 percent of the prior year
- 33 percent of the second prior year

Investment gains and losses are defined as the excess or deficiency of the expected return on the market value (at the valuation interest rate) over the actual return on the market value (including employer contributions receivable) for any given year.

(c) The actuarial value of assets cannot be less than 90 percent nor greater than 110 percent of the Market Value of Assets (including employer contributions receivable).

Previously, the method had been calculated as follows:

The actuarial value of assets is equal to the market value of assets (including employer contributions receivable) on the valuation date.

Investment gains and losses are determined by the excess or deficiency of the expected return (at the expected long-term asset return rate) on the fair value of assets over the actual return on the fair value for any given year.

2009 Form 5500 Schedule SB Attachments
Schedule SB, Part V – Summary of Plan Provisions
Humboldt Redwood Company, LLC **EIN: 26-2635546**
PALCO Retirement Plan **Plan Number: 001**
For Plan Year Ended December 31, 2009

Plan Provisions

Name of Plan:	PALCO Retirement Plan.
Employer Identification Number / Plan Number:	26-2635546/001.
Effective Date:	April 1, 1986. Date of most recent amendment, August 4, 2008.
Covered Employees:	All employees of Participating Companies who have completed three consecutive months of full-time employment or completed one thousand hours of service during any consecutive twelve month period and were hired prior to January 1, 2006.
Participation Date:	The end of the three consecutive month period or the twelve consecutive month period, as applicable. The twelve month period shall be measured from the initial date of hire or date of rehire, which ever results in the earliest entry into the Plan.
Monthly Earnings:	
Full-time salaried	A full-time salaried employee's Monthly Earnings shall be his annual base salary in effect on the January 1 of the Plan Year in which such month occurs, divided by 12.
Full-time hourly	A full-time hourly employee's Monthly Earnings shall be the product of his base hourly rate of pay as in effect on the January 1 of the Plan Year in which such month occurs multiplied by 2080, divided by 12.

Plan Provisions (continued)

Part-time	A part-time employee's Monthly Earnings for a month shall be his actual base wage (excluding piecework compensation, bonuses, shift differentials, overtime, severance pay and other items of special or nonrecurring compensation) for the Plan Year in which such month occurs divided by the number of months in such Plan Year for which he is entitled to an accrual.
Normal Retirement Date (NRD):	First of month coinciding with or next following the later of attainment of age 65 and the fourth anniversary of the date of initial participation.
Pre-1989 Accrued Benefit:	A participant's Pre-1989 Accrued Benefit (if any) shall be equal to the benefit he had as of December 31, 1988 as an annual amount payable for his life commencing on his Normal Retirement Date, determined under the terms of the Plan as in effect on such date.
Post-1998 Benefit Accruals:	A participant shall be credited with a Post-1988 Benefit Accrual for each month commencing on or after January 1, 1989 during which he is credited with one (1) Hour of Service equal to: a. one and one-half percent (1.5%) of Compensation for that month that is not in excess of five hundred ($500), plus b. two percent (2%) of Compensation for that month that exceeds five hundred dollars ($500). All benefits are frozen as of December 31, 2005.

Plan Provisions (continued)

Monthly Pre-Retirement Death Benefit	The benefit to the surviving spouse or designated beneficiary of a vested participant is the Early Retirement Benefit payable as a 100% Joint and Survivor annuity as of date of death. If the participant is younger than age 55, the benefit will be further reduced 3% per year for commencement preceding age 55 (or actuarially).
Eligibility for Benefits:	
Normal Retirement:	Age 65 with 4 years of plan participation.
Early Retirement:	Age 55 with 10 years of vesting service.
Postponed Retirement:	Retire after NRD.
Disability Retirement:	Any participant who completes 10 years of vesting service and becomes eligible for Social Security disability payments shall receive a disability retirement benefit. If the participant is receiving LTD payments under the Company's disability program, then such participant shall continue to accrue benefits under this plan until the cessation of such payments as if he were an active participant. If the participant is not receiving LTD payments, then he shall be eligible to receive his accrued benefit as an immediate annuity without actuarial reductions.
Deferred Vested:	Terminate for reasons other than death, disability or retirement after completing 5 years of vesting service. All participants with an hour of service after January 1, 2007 are 100 percent vested, as amended and restated effective August 4, 2008.

Plan Provisions (continued)

Pre-retirement Death Benefits: Participant death after attaining eligibility for deferred vested, early, normal or postponed retirement benefits with a surviving spouse or designated beneficiary.

Monthly Benefits Paid Upon the Following Events:

Normal Retirement: Sum of Pre-1989 Accrued Benefit and Post-1988 Benefit Accruals determined as of Normal Retirement Date, payable immediately.

Early Retirement: Accrued Normal Retirement Benefit reduced for commencement prior to the participant's Normal Retirement Date. Reductions are 1/2% for each of the first 36 months, 5/12% for the next 24 months, 1/3% for the next 36 months and 1/4% for each additional month the commencement precedes the Normal Retirement Date.

Postponed Retirement: Sum of Past Service Benefit and Future Service Benefit determined as of actual retirement date, payable immediately.

Disability Retirement:

Disabled before October 1, 2003: Normal Retirement Benefit commencing at Normal Retirement Date, but with Future Service Benefit calculated as if employee continued accruing service to the earlier of September 30, 2003 and Normal Retirement Date, and assuming Compensation remains constant at the amount in effect at time of disability.

Disabled after September 30, 2003: Normal Retirement Benefit accrued at date of termination due to disability.

Termination with Deferred Vested Benefit: Monthly pension determined as of termination date, payable at NRD.

Plan Provisions (continued)

Forms of Payment:

For those participants with a qualified spouse at retirement, benefits must be paid in the form of a 50% Joint and Survivor annuity unless the spouse consents to an optional form.

Single participants and married participants with spousal consent have the following options:

(a) life annuity;

(b) 100% Joint and Survivor annuity;

(c) 66 2/3% Joint and Survivor annuity; or

(c) ten-year certain and life annuity.

For those participants who are vested upon termination and whose present value of accrued benefits is $5,000 or less, a lump sum payment is made immediately, without participant or spousal consent. A voluntary lump sum is available if the present value of accrued benefits is greater than $5,000, but less than $7,500.

Maximum on Benefits and Pay:

All benefits for any plan year may not exceed the maximum limitation for that year as defined in the Internal Revenue code.

Plan Amendment:

All participants with an hour of service after January 1, 2007 are 100 percent vested, as amended and restated effective August 4, 2008.

PALCO RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2009 and 2008

	2009	2008
ASSETS		
Investments	$ 45,362,556	$ 39,036,082
Employer contribution receivable	1,185,339	156,404
Interest receivable	75	657
Dividends receivable	5,007	-
	46,552,977	39,193,143
LIABILITIES		
Expenses payable	15,121	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 46,537,856	$ 39,193,143

See accompanying notes.

PALCO RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years Ended December 31, 2009 and 2008

	2009	2008
CHANGES IN NET ASSETS ATTRIBUTED TO		
Net appreciation (depreciation) in fair value of investments	$ 7,772,519	$ (18,270,214)
Interest income	2,839	16,888
Dividend income	450,791	-
Other income	24,289	-
Employer contributions	1,810,575	625,616
Benefits paid to participants	(2,463,114)	(2,758,363)
Administrative expenses	(253,186)	(560,586)
NET CHANGE	7,344,713	(20,946,659)
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	39,193,143	60,139,802
NET ASSETS AVAILABLE FOR BENEFITS, end of year	$ 46,537,856	$ 39,193,143

See accompanying notes.

NOTE 1 - DESCRIPTION OF PLAN

The following brief description of the PALCO Retirement Plan (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General - The Pacific Lumber Company adopted the PALCO Retirement Plan to provide retirement benefits to eligible employees of The Pacific Lumber Company (PALCO) and its participating subsidiary, Scotia Pacific Company LLC (Scopac) (collectively, the Company). The Plan is a defined benefit pension plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is funded through contributions by the Company and is noncontributory for employees. The Company is the administrator of the Plan and is responsible for operating the Plan in accordance with the plan document, trust agreement, and other documents, laws, and regulations related to the Plan. Certain administrative functions are performed by officers or employees of the Company or its affiliates. No such officer or employee receives compensation from the Plan.

Effective December 31, 2005, the Plan was amended to freeze future benefit accruals. Accordingly, since January 1, 2006, no new benefits have been accrued and no new employees have become eligible to participate. All benefits previously earned under the Plan were not impacted by the plan freeze.

On January 18, 2007, the Company filed a voluntary petition in the United States Bankruptcy Court for reorganization under chapter 11 of the Bankruptcy Code. Certain assets of PALCO were transferred to a new company, Humboldt Redwood Company, LLC (HRC), on July 30, 2008. Effective with the transfer, HRC assumed ongoing sponsorship and administrator responsibility for the Plan.

Subsequent events - The Plan has evaluated subsequent events through October 11, 2010, which is the date the financial statements were available to be issued.

Pension benefits - The Plan is a career average pay plan. To be eligible for retirement benefits, participants generally must have reached the normal retirement age and plan service requirements, as defined by the Plan. Retirement benefits may begin as early as age 55, contingent upon completing at least ten years of plan service, with an actuarial reduction in benefits. Pension benefits are based upon the participant's base pay rate in effect as of January 1 (until the plan was frozen), age, and years of service. Monthly benefits are equal to 1.5% of the first $500 and 2% of amounts in excess of $500 of regular monthly earnings for each month of credited service.

When eligible, participants may elect to receive their pension benefits in various forms of annuities, as specified in the plan document. The normal form of benefit is a 50% joint and survivor annuity for married participants and a single life annuity for unmarried participants. Participants who terminate before age 65 and prior to achieving five years of vested service normally forfeit the benefits accrued under the terms of the Plan.

Pre-retirement death and disability benefits - If a participant dies with at least five years of plan service, a pension benefit will be paid to the spouse or to a named beneficiary.

The Plan provides for in-service death benefits in the form of a 100% joint and survivor death benefit to all vested participants.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

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

Investment valuation and income recognition - Investments held by the Plan are stated at fair-market value, as determined by Fidelity Management Trust Company (Fidelity) and State Street Bank & Trust Company (State Street), the trustees of the Plan. Security transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date, which is two business days prior to the divided date of record. Interest income is reported on the accrual basis. The net appreciation (depreciation) in fair value of investments consists of both the realized gains or losses and unrealized appreciation or depreciation of those investments.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements, and the reported amounts of changes in those net assets during the reporting periods. Further, the actuarial present value of accumulated plan benefits is also calculated based on estimates and, were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. These estimates could differ from actual results, and the differences could have a significant impact on the financial statements.

Expenses - Asset-based and participant-based fees and certain administrative expenses incurred by the trustee are paid by the Plan, whereas other expenses, such as certain legal, audit, and compliance fees, are generally paid by the Company.

NOTE 3 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those estimated future periodic payments, including lump-sum distributions, that are attributable to services rendered by participants at the valuation date. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated participants or their beneficiaries, and (2) present participants or their beneficiaries. Benefits for a retired or terminated participant or their beneficiaries are based on a participant's compensation during their last ten years of credited service before the Plan was frozen. The accumulated plan benefits for an active participant are based on a percentage of their annual compensation for each year of service up until the plan was frozen.

Fidelity Employer Service Company, consulting actuaries, estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

These actuarial assumptions are based on the Plan being frozen as of December 31, 2005, and the assumption that the Plan will continue.

The actuarial present value of accumulated plan benefits was as follows:

	2009	2008
Vested benefits		
Participants currently receiving payments	$ 26,964,289	$ 24,890,931
Other participants	23,460,526	23,887,121
Actuarial present value of accumulated plan benefits at end of year	$ 50,424,815	$ 48,778,052

The change in the actuarial present value of accumulated plan benefits was as follows:

	2009	2008
Actuarial present value of accumulated plan benefits at beginning of year	$ 48,778,052	$ 48,608,726
Increase (decrease) during the year attributable to		
Benefits paid	(2,463,067)	(2,560,345)
Interest due to decrease in discount period	4,043,589	3,788,255
Actuarial gains	-	443,767
Benefits earned, including experience gains and losses	(10,120)	-
Change in assumptions	76,361	(1,502,351)
Actuarial present value of accumulated plan benefits at end of year	$ 50,424,815	$ 48,778,052

The following is the reconciliation between benefits paid per the actuary report and the financial statements as of December 31:

	2009	2008
Benefits paid per actuary	$ 2,463,067	$ 2,560,345
Plus distributions paid in December 2007 for January 2008 - beginning of the year prepaid benefits	-	198,018
Miscellaneous adjustments	47	-
Benefits paid	$ 2,463,114	$ 2,758,363

Significant assumptions underlying the actuarial computations were as follows:

	January 1, 2010	January 1, 2009
Assumed rate of return on investments	8.5%	8.5%
Mortality table (healthy life)	IRS 2010 Static Mortality Table	IRS 2009 Static Mortality Table
Mortality table (disabled life)	1987 Commissioners Group Disabled	1987 Commissioners Group Disabled
Retirement	At average retirement age (62)	At average retirement age (62)

NOTE 4 - FAIR VALUE MEASUREMENTS (UNAUDITED)

The Plan classifies its investments based upon an established fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly; and

Level 3: Prices or valuations requiring inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The valuation methodologies used for arriving at fair value were as follows:

Common and preferred stocks are valued at the closing price reported on the major market on which the individual securities are traded and are, therefore, generally classified within level 1 of the valuation hierarchy.

Shares of limited partnerships and hedge funds are valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV of the fund is calculated based on a compilation of primarily unobservable market information. The number of units of the fund that are outstanding on the calculation date is derived from observable purchase and redemption activity in the fund. Accordingly, the unit value for these funds is classified within level 3 of the valuation hierarchy.

Common collective trust accounts are valued at the unit value as reported by the investment manager of the accounts. The unit value for these funds is classified in level 2 of the investment hierarchy.

Shares of registered investment companies are valued using the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The number of units of the fund that are outstanding on the calculation date is derived from observable purchase and redemption activity in the fund. Based on whether the of the fund has primarily unobservable or observable market information, the unit value for these funds is classified within level 1, 2, or 3 of the valuation hierarchy.

The following sets forth, by level within the fair value hierarchy, the Plan's assets at fair value at December 31, 2009:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 1,539,839	$ -	$ -	$ 1,539,839
Common stock				
Healthcare	1,254,413	-	-	1,254,413
Consumer goods	1,148,529	-	-	1,148,529
Technology	722,618	-	-	722,618
Basic materials	673,859	-	-	673,859
Utilities	565,319	-	-	565,319
Services	513,621	-	-	513,621
Industrial goods	345,710	-	-	345,710
Financial	64,356	-	-	64,356
Limited partnerships	-	-	19,137,651	19,137,651
Registered investment companies	7,398,619	7,401,563	4,000,000	18,800,182
Hedge fund	-	-	514,976	514,976
Common collective trusts	-	81,483	-	81,483
	$ 14,226,883	$ 7,483,046	$ 23,652,627	$ 45,362,556

The following sets forth, by level within the fair value hierarchy, the Plan's assets at fair value at December 31, 2008:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 324,738	$ -	$ -	$ 324,738
Common collective trusts	38,711,344	-	-	38,711,344
	$ 39,036,082	$ -	$ -	$ 39,036,082

The changes in the fair value of the Plan's level 3 investment assets were as follows at December 31, 2009:

	Hedge Fund	Registered Investment Companies	Limited Partnerships	Total
Beginning balance at January 1, 2009	$ -	$ -	$ -	$ -
Investment income	27,485	-	2,137,651	2,165,136
Purchases, sales, and settlements	487,491	4,000,000	17,000,000	21,487,491
Ending balance at December 31, 2009	$ 514,976	$ 4,000,000	$ 19,137,651	$ 23,652,627

NOTE 5 - FUNDING POLICY

The Company's funding policy is to make annual contributions to the Plan that equal or exceed the minimum funding requirements of ERISA. The Company met ERISA minimum funding requirements for the years ended December 31, 2009 and 2008.

NOTE 6 - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated November 24, 2009, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The plan administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

NOTE 7 - INVESTMENTS

Investments are held under a trust agreement with an independent trustee. The Plan's investment committee establishes the policies and has selected certain funds maintained by the trustee for investment of plan assets. The committee also determines the portion of plan assets to be invested in such funds. The trustee selects both third-party investment managers for these funds and the portion of each fund to be managed by the respective managers. Actual results achieved by the funds are reviewed by the committee on a periodic basis.

Investments representing 5% or more of net assets available for benefits consisted of the following:

	2009	2008
Pimco Total Return Fd	$ 7,401,563	n/a
Acacia Conservation Fund	6,983,826	n/a
Artisan Intl Value Fund	6,313,611	n/a
Brookside II Cayman Limited	5,244,936	n/a
Steadfast Intl Ltd	4,000,000	n/a
Lonestar Partners Intl Ltd	3,507,744	n/a
Watershed Capital Inst	3,401,145	n/a
Pyramis Institutional Large Cap Commingled Pool	n/a	$ 9,395,156
Pyramis Broad Market Duration Commingled Pool	n/a	4,785,377
Pyramis Intermediate Duration Commingled Pool	n/a	4,773,002
BGI Russell 1000 Value Alpha Tilts	n/a	4,738,720
Pyramis Select International Equity Commingled Pool	n/a	4,730,596
GSTCO Concentrat Growth Investment Fund	n/a	4,657,837
AXA Rosenberg Small Mid Capitalization Institutional Fund	n/a	3,272,185

NOTE 8 - INFORMATION CERTIFIED BY THE TRUSTEES

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company, the trustee of the Plan as of and for the year ended December 31, 2008, and for the period January 1, 2009, to June 30, 2009; and State Street Bank & Trust Company, the trustee of the Plan as of December 31, 2009, and for the period July 1, 2009, to December 31, 2009, have certified to the completeness and accuracy of:

- investments reflected on the accompanying statements of net assets available for benefits as of December 31, 2009 and 2008;
- net appreciation (depreciation) in fair value of investments, interest, and dividends reflected on the accompanying statements of changes in net assets available for benefits for the years ended December 31, 2009 and 2008;
- investments reflected on the supplemental schedule of assets (held at end of year); and
- investment information reflected in Notes 4 and 7.

NOTE 9 - RISKS AND UNCERTAINTIES

The Plan utilizes various funds that invest in securities including U.S. government securities, corporate debt instruments, and corporate stocks. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. The value, liquidity, and related income of these securities are sensitive to changes in economic conditions and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

Plan contributions are made, and the actuarial present value of accumulated plan benefits are reported, based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

NOTE 10 - PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right to terminate the Plan, subject to provisions set forth in ERISA. In the event of a voluntary plan termination, benefit payments would be made either in a lump sum or in the form of individual annuities. In the event of a distress termination, the Pension Benefit Guaranty Corporation (PBGC) would become the trustee of the Plan, acquire the Plan's assets, assume the Plan's liabilities, and use its insurance funds to the extent necessary to pay benefits to plan participants.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits, should the Plan terminate at some future time, will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

NOTE 11 - PARTIAL PLAN TERMINATION

During the period from January 1, 2007, through July 30, 2008, the Company terminated a significant number of employees due to filing for bankruptcy in early 2007, and, later, in conjunction with its transfer of assets to HRC in July 2008; although in the latter situation, some terminated employees were hired by HRC and continued to accrue service under the terms of the Plan. In aggregate, the terminations during the foregoing period of those who were not hired by HRC represented a partial termination of the Plan, as a result of which, the accumulated benefits of the affected employees were fully vested as of July 30, 2008.

Employer identification number: 26-2635546
Plan number: 001
Schedule H, Line 4(i)

(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
	GOVERNMENT STIF 18	Cash Equivalent	$ 1,539,839	$ 1,539,839
	AT+T INC	Common Stock; Shares: 6,755	164,869	189,343
	AGILENT TECHNOLOGIES INC	Common Stock; Shares: 5,740	109,444	178,342
	AMERICAN WATER WORKS	Common Stock; Shares: 9,115	170,259	204,267
	APOLLO GROUP INC	Common Stock; Shares: 2,215	123,561	134,185
	AVERY DENNISON CORP	Common Stock; Shares: 3,555	128,928	129,722
	BAYER A G	Common Stock; Shares: 2,935	158,925	234,213
	COPART INC	Common Stock; Shares: 3,660	125,092	134,066
	CROWN HLDGS INC	Common Stock; Shares: 7,645	185,577	195,559
	DIAGEO PLC	Common Stock; Shares: 2,865	165,300	198,860
	DIGITALGLOBE INC	Common Stock; Shares: 6,085	109,307	147,257
	FMC CORP	Common Stock; Shares: 2,290	128,807	127,690
	GEN PROBE INC NEW	Common Stock; Shares: 3,095	117,355	132,776
	HEALTHSOUTH CORP	Common Stock; Shares: 10,165	137,231	190,797
	JOHNSON + JOHNSON	Common Stock; Shares: 3,025	171,503	194,840
	LABORATORY CORP AMER HLDGS	Common Stock; Shares: 1,810	122,809	135,460
	MCGRAW HILL COS INC	Common Stock; Shares: 3,360	97,723	112,594
	MEDTRONIC INC	Common Stock; Shares: 4,925	164,808	216,602
	NALCO HLDG CO	Common Stock; Shares: 3,415	55,769	87,117
	NESTLE S A	Common Stock; Shares: 4,340	165,275	209,839
	NV ENERGY INC	Common Stock; Shares: 12,230	136,244	151,407
	OCCIDENTAL PETE CORP	Common Stock; Shares: 2,720	163,155	221,272
	QUESTAR CORP	Common Stock; Shares: 5,720	164,045	237,780
	REPUBLIC SVCS INC	Common Stock; Shares: 7,010	165,036	198,453
	SAFEWAY INC	Common Stock; Shares: 9,115	184,332	194,058
	SEMPRA ENERGY	Common Stock; Shares: 3,745	181,265	209,645
	TELEFLEX INC	Common Stock; Shares: 2,505	109,149	134,994

(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
	TRANSATLANTIC HLDGS INC	Common Stock; Shares: 1,235	57,953	64,356
	UNILEVER N V	Common Stock; Shares: 6,820	164,755	220,491
	VALEANT PHARMACEUTICALS INTL	Common Stock; Shares: 4,640	118,908	147,506
	VERISIGN INC	Common Stock; Shares: 9,125	163,696	221,190
	WEBSENSE INC	Common Stock; Shares: 7,660	120,477	133,744
		Total Common Stock	4,331,557	5,288,425
	BROOKSIDE II CAYMAN LIMITED	Limited Partnership; Shares: 4,808	5,000,000	5,244,936
	LONESTAR PARTNERS INTL LTD	Limited Partnership; Shares: 3,000	3,000,000	3,507,744
	ACACIA CONSERVATION FUND	Limited Partnership; Shares: 6,000	6,000,000	6,983,826
	WATERSHED CAPITAL INST	Limited Partnership; Shares: 3,000,000	3,000,000	3,401,145
		Total Limited Partnership	17,000,000	19,137,651
	DECCAN VALUE ADVISORS LP	Hedge Fund; Shares: 487	487,491	514,976
		Total Hedge Fund	487,491	514,976
	AXA ROSENBERG SMALL MID CAPITALIZATION INST FD	Common Collective Trust	81,483	81,483
		Total Common Collective Trust	81,483	81,483
	ARTISAN INTL VALUE FUND	Registered Investment Company; Shares: 273,435	5,121,448	6,313,611
	STEADFAST INTL LTD	Registered Investment Company; Shares: 4,000,000	4,000,000	4,000,000
	PIMCO TOTAL RETURN FD	Registered Investment Company; Shares: 685,330	7,250,685	7,401,563
	PROFESSIONALLY MANAGED PORTFOL OSTERWEIS STRATEGIC	Registered Investment Company; Shares: 96,018	1,040,430	1,085,008
		Total Registered Investment Company	17,412,563	18,800,182
				$ 45,362,556

* Indicates party-in-interest.

Employer identification number: 26-2635546
Plan number: 001
Schedule H, Line 4(j)

(a) Identity of party involved	(b) Description of assets	(c) Purchase price	(d) Selling price	(f) Expenses incurred	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
GOVERNMENT STIF 18	Cash Equivalent						
	Series of Cash Sweep Purchases	$ 17,744,376	$ -	$ -	$ -	$ 17,744,376	$ -
	Series of Cash Sweep Sales	-	16,204,537	-	16,204,537	16,204,537	-
BROOKSIDE II CAYMAN LIMITED	Parntership/Joint Venture; Shares: 4,808						
	Purchases	5,000,000	-	-	-	5,000,000	-
	Sales	-	-	-	-	-	-
DECCAN VALUE ADVISORS LP	Parntership/Joint Venture; Shares: 487						
	Purchases	5,000,000	-	-	-	5,000,000	-
	Sales	-	4,782,200	-	4,512,509	4,782,200	269,691
STEADFAST INTL LTD	Parntership/Joint Venture; Shares: 4,000,000						
	Purchases	4,000,000	-	-	-	4,000,000	-
	Sales	-	-	-	-	-	-
LONESTAR PARTNERS INTL LTD	Parntership/Joint Venture; Shares: 3,000						
	Purchases	3,000,000	-	-	-	3,000,000	-
	Sales	-	-	-	-	-	-
ACACIA CONSERVATION FUND	Parntership/Joint Venture; Shares: 6,000						
	Purchases	6,000,000	-	-	-	6,000,000	-
	Sales	-	-	-	-	-	-
WATERSHED CAPITAL INST	Parntership/Joint Venture; Shares: 3,000,000						
	Purchases	3,000,000	-	-	-	3,000,000	-
	Sales	-	-	-	-	-	-
ARTISAN INTL VALUE FUND	Registered Investment Company; Shares: 273,435						
	Purchases	5,121,448	-	-	-	5,121,448	-
	Sales	-	-	-	-	-	-
PIMCO TOTAL RETURN FD	Registered Investment Company; Shares: 685,330						
	Purchases	7,250,685	-	-	-	7,250,685	-
	Sales	-	-	-	-	-	-
AXA US SMALL MID CAP INST FN	Commingled Pool; Shares: 357,992						
	Purchases	-	-	-	-	-	-
	Sales	-	2,893,261	-	4,054,396	2,893,261	(1,161,135)

(a) Identity of party involved	(b) Description of assets	(c) Purchase price	(d) Selling price	(f) Expenses incurred	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
* BTC RUSSELL 1000 VAL TILTS	Commingled Pool; Shares: 232,143						
	Purchases	-	-	-	-	-	-
	Sales	-	4,851,009	-	7,605,072	4,851,009	(2,754,063)
* FID INST CASH PORT: MM FUND CLASS I	Cash Equivalent						
	Purchases	5,112,991	-	-	5,112,991	5,112,991	-
	Sales	-	5,316,926	-	5,316,926	5,316,926	-
GSTCO CONCENTRATE GRWTH INST FD	Commingled Pool; Shares: 633,726						
	Purchases	-	-	-		-	-
	Sales	-	5,139,517	-	5,978,541	5,139,517	(839,024)
* PYRAMIS BROAD MARKET DURATION	Commingled Pool; Shares: 168,480						
	Purchases	-	-	-	-	-	-
	Sales	-	5,010,588	-	4,444,108	5,010,588	566,480
* PYRAMIS DIVERSIFIED ALP LG CAP	Commingled Pool; Shares: 993,456						
	Purchases	-	-	-	-	-	-
	Sales	-	9,825,277	-	11,527,840	9,825,277	(1,702,563)
* PYRAMIS INTERM DUR COMING PL	Commingled Pool; Shares: 270,918						
	Purchases	-	-	-	-	-	-
	Sales	-	4,960,515	-	4,383,947	4,960,515	576,568
* PYRAMIS SELECT INTL EQUITY	Commingled Pool; Shares: 53,095						
	Purchases	-	-	-	-	-	-
	Sales	-	5,012,721	-	5,479,347	5,012,721	(466,626)

* Indicates party-in-interest.