

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A	This return/report is for: ☐ a multiemployer plan; ☒ a single-employer plan; ☐ a multiple-employer plan; or ☐ a DFE (specify) ____
B	This return/report is: ☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information	
1a	Name of plan PGI 401(K) RETIREMENT PLAN	1b Three-digit plan number (PN) ▶ 001
		1c Effective date of plan 11/01/1974
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) PGI INTERNATIONAL, LTD. 16101 VALLEN DRIVE HOUSTON, TX 77041	2b Employer Identification Number (EIN) 73-1475042 2c Sponsor's telephone number 713-744-9808 2d Business code (see instructions) 332110
	16101 VALLEN DRIVE HOUSTON, TX 77041	

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.	10/15/2010	RUBY BURNS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")

PGI INTERNATIONAL, LTD.

16101 VALLEN DRIVE
HOUSTON, TX 77041**3b** Administrator's EIN

73-1475042

3c Administrator's telephone number

713-744-9808

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**

526

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**

340

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

0

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

64

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

404

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

0

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

404

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

258

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

20

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

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

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

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

9b Plan benefit arrangement (check all that apply)(1) ☐

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)**a Pension Schedules**(1) ☒**R** (Retirement Plan Information)(2) ☐**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary(3) ☐**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary**b General Schedules**(1) ☒**H** (Financial Information)(2) ☐**I** (Financial Information - Small Plan)(3) ☐**A** (Insurance Information)(4) ☒**C** (Service Provider Information)(5) ☒**D** (DFE/Participating Plan Information)(6) ☐**G** (Financial Transaction Schedules)

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

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

A Name of plan PGI 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 PGI INTERNATIONAL, LTD.	D Employer Identification Number (EIN) 73-1475042

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)..... ☒ 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
FID.INV.INST.OPS.CO.
04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
JANUS FUNDS
43-1804048

(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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
64 37 65 60	RECORDKEEPER	6275	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

AMEGY BANK OF TEXAS

76-0028668

(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?
61	ADVISOR	0	Yes ☒ No ☐	Yes ☒ No ☐	0	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
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
ALL/BERN INTL VAL A - ALLIANCEBERNS 13-3211780	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
AMCENT INFL ADJ BD A - AMERICAN CEN 44-0619208	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
COL SM CAP VAL II A - COLUMBIA MANA 04-2838628	0.25%	

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
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
COL VALUE & RSTRG A - COLUMBIA MANA 04-2838628	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
COL VALUE & RSTRG R - COLUMBIA MANA 04-2838628	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
FED INDEX TR MID CAP - FEDERATED SH 25-1111467	0.05%	

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
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
LOOMIS BOND ADMIN - BOSTON FINANCIA 04-2526037	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
PIM TOTAL RETURN A - BOSTON FINANCI 04-2526037	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	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.	
PIMCO TOTAL RETURN R - BOSTON FINAN 04-2526037	0.25%	

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
VICTORY DIVERS STK A - BISYS FUND S	0.25%	
13-3532663		
(a) Enter service provider name as it appears on line 2		
AMEGY BANK OF TEXAS	61	0
(d) Enter name and EIN (address) of source of indirect compensation		
COL SM CAP VAL II A - COLUMBIA MANA	\$0-<\$3M=1.00% \$3M-<\$50M=0.50% \$50M+=0.25%	
04-3156901		
(a) Enter service provider name as it appears on line 2		
AMEGY BANK OF TEXAS	61	0
(d) Enter name and EIN (address) of source of indirect compensation		
COL VALUE & RSTRG R - COLUMBIA MANA	\$0-<\$3M=1.00% \$3M-<\$50M=0.50% \$50M+=0.25%	
04-3156901		

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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
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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
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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

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 PGI 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 PGI INTERNATIONAL, LTD.	D Employer Identification Number (EIN) 73-1475042	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	663754	588071
(9) Value of interest in common/collective trusts.....	1c(9)	2050563	1839810
(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)	3884794	4962172
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	6599111	7390053

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	6599111	7390053
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	26307	
(B) Participants	2a(1)(B)	405577	
(C) Others (including rollovers)	2a(1)(C)	1082	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		432966

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	46106	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		46106

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	50157	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		50157

(3) Rents	2b(3)		
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(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)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		88090
(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)		1278372
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1895691

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1093697	
(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)		1093697
f Corrective distributions (see instructions)	2f		1958
g Certain deemed distributions of participant loans (see instructions).....	2g		2816
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	6278	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		6278
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1104749

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		790942
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

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

(1) Name: GRANT THORTON

(2) EIN: 36-6055558

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

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

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 <u>01/01/2009</u> and ending <u>12/31/2009</u>		
A Name of plan <u>PGI 401(K) RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>	
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PGI INTERNATIONAL, LTD.</u>	D Employer Identification Number (EIN) <u>73-1475042</u>	

Part I	Distributions
---------------	----------------------

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

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

1	<u>0</u>
----------	----------

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....

3	
----------	--

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 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	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	
6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No

11 **a** Does the ESOP hold any preferred stock? ☐ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____



Financial Statements, Supplemental Schedule and Report
of Independent Certified Public Accountants

**PGI INTERNATIONAL, LTD. 401(k)
RETIREMENT PLAN**

December 31, 2009 and 2008

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Report of Independent Certified Public Accountants

Plan Administrator
PGI International, Ltd. 401(k) Retirement Plan

We were engaged to audit the financial statements of PGI International, Ltd. 401(k) Retirement Plan as of December 31, 2009 and 2008 and for the year ended December 31, 2009, and the supplemental schedule as of December 31, 2009, as listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management.

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

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the asset custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Grant Thornton LLP

Tulsa, Oklahoma
October 13, 2010

PGI International, Ltd.
401(k) Retirement Plan

Statements of net assets available for benefits

December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
INVESTMENTS, at fair value:		
Common collective trusts	\$ 4,962,172	\$ 2,050,562
Mutual funds	1,839,811	3,884,795
Participant loans	588,071	663,754
Total investments	<u>7,390,054</u>	<u>6,599,111</u>
CONTRIBUTIONS RECEIVABLE:		
Participants	30,357	50,503
Employer	-	20,704
Total contributions receivable	<u>30,357</u>	<u>71,207</u>
REFUNDS PAYABLE TO PARTICIPANTS	-	(10,365)
NET ASSETS AVAILABLE FOR BENEFITS	7,420,411	6,659,953
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit-responsive investment contracts	2,407	56,234
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 7,422,818</u>	<u>\$ 6,716,187</u>

The accompanying notes are an integral part of these financial statements.

PGI International, Ltd.
401(k) Retirement Plan

Statement of changes in net assets available for benefits

For the year ended December 31, 2009

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Contributions -	
Participants	\$ 395,796
Employer	5,602
Rollover	1,082
Total contributions	<u>402,480</u>

Investment income -	
Net appreciation in fair value of investments	1,362,794
Interest	46,311
Total additions	<u>1,811,585</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	1,098,676
Administrative expenses	6,278
Total deductions	<u>1,104,954</u>

INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	706,631
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NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	<u>6,716,187</u>
--	------------------

NET ASSETS AVAILABLE FOR BENEFITS, end of year	<u><u>\$ 7,422,818</u></u>
--	----------------------------

The accompanying notes are an integral part of this financial statement.

PGI International, Ltd. 401(k) Retirement Plan

Notes to financial statements

December 31, 2009 and 2008

A - DESCRIPTION OF THE PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PGI International, Ltd. (the “Company”) adopted the Precision General, Inc. 401(k) Retirement Plan (the “Plan”), effective November 1, 1974. The purpose of the Plan is to provide retirement benefits for all eligible employees of the Company. In conjunction with a merger enacted by the Company in June 1995, the name of the Plan was changed to PGI International, Ltd. 401(k) Retirement Plan, effective July 1, 1995. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

1. General

The Plan is a defined contribution plan covering all full-time employees of the Company who have six months of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

2. Contributions

The Plan allows for pre-tax employee contributions up to 60% of compensation, as defined in the Plan agreement. The Plan allows discretionary employer matching contributions and discretionary nonelective employer contributions. Nonelective employer contributions are allocated to participants’ accounts based on the ratio the participant’s compensation bears to the total compensation of all participants. Only participants who remain employed on the last day of the Plan year and who complete 1,000 hours of service or who died, retired or became disabled during the Plan year are eligible to receive an allocation of nonelective employer contributions. The Company made a discretionary match of employee contributions of 100% of the first 2% of employee contributions and 25% of the next 4% of employee contributions through March 15, 2009. However, as of March 15, 2009, the Company ceased its discretionary match contributions. The Company made no nonelective employer discretionary contributions during 2009 or 2008.

3. Participant Loans

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum of the lesser of \$50,000 or 50% of their vested account balance. The duration of the loan cannot exceed five years or ten years if for the purchase of a primary residence. A participant may not have more than one loan outstanding at a time. The loans are secured by the balance in the participant’s account and bear interest at a rate commensurate with commercially reasonable rates (ranging from 6.0% to 11.5%), as determined by the plan administrator (6.0% at December 31, 2009).

4. Administration

The Plan is administered by Fidelity Management Trust Company (“Fidelity”), who serves as the asset custodian and recordkeeper of the Plan.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

5. Plan Expenses

In 2009, the Company did not pay any administrative or asset custodian expenses incurred in connection with the Plan. All expenses were paid by the Plan. In 2008, the Company paid approximately \$750 for Plan administrative and asset custodian expenses.

6. Vesting

Participants are fully vested in all employee contributions and earnings thereon. The Company's contributions vest at 20% after two years of service and vest at 20% each year thereafter, becoming fully vested after six years of service. Participants become fully vested in their account balance upon disability, death, termination of the Plan or attainment of age 65.

7. Forfeitures

Forfeitures are used to reduce the Company's contributions. During 2009, no forfeitures were used to reduce Company contributions. At December 31, 2009 and 2008, forfeitures of \$14,723 and \$47,719, respectively, were available to reduce future Company contributions.

8. Investment Valuation and Income Recognition

The Plan's investments are stated at fair value as determined by the asset custodian. Participant loans are valued at the outstanding loan balances, which approximate fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis.

Management fees and operating expenses charged to the Plan for investments in the mutual fund accounts are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

The Plan provides for investments in various investment securities, which, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. 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 that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

The Plan applies the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification (ASC) 946, *Financial Services – Investment Companies*. ASC 946 concludes contract value is the relevant measurement attribute for that portion of net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive contracts, because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

9. Payment of Benefits

Participants are eligible to receive the vested portion of their account balance as a lump-sum distribution upon retirement, termination of employment, disability, or attainment of age 59 ½. Employee contributions may be withdrawn at any time. Hardship distributions are allowed from a participant's elective contributions in certain circumstances and must be a minimum of \$500.

10. Participant Accounts

Each participant's account is credited with the participant's contributions, an allocation of the Company's contributions and an allocation of the Plan's earnings and losses. Plan earnings and losses are allocated to the participants' accounts based on the ratio of each participant's account in each investment fund to the total of all participants' accounts in each investment fund.

11. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to use estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

13. Payments of Benefits

Benefits are recorded when paid.

B - INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan maintains a fully benefit-responsive investment contract with the asset custodian. The asset custodian maintains the contributions in a general account. The account is credited with earnings on the underlying investments and is charged for participant withdrawals and administrative expenses. The contract is included in the financial statements at fair value as reported to the Plan by the asset custodian. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield was approximately 2.70% and 3.42% for 2009 and 2008, respectively. At December 31, 2009 and 2008, the crediting interest rates were 1.35% and 2.83%, respectively.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

C - TAX STATUS

The Company has adopted a master prototype plan, which received a favorable opinion letter from the Internal Revenue Service dated December 10, 2001. The Plan has been amended subsequent to the date of the opinion letter and has not applied for a separate determination letter. As of December 31, 2009, the Plan has certain operational procedures that must be completed that could potentially impact the tax-qualified status of the Plan. The Company has represented they will take whatever actions necessary to maintain the qualified status of the Plan, therefore, no provision for income taxes has been included in the Plan's financial statements.

D - TERMINATION OF THE PLAN

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

E - INFORMATION CERTIFIED BY THE ASSET CUSTODIAN

The plan administrator has elected the method of annual reporting 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 has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Investments, as shown in the statements of net assets available for benefits as of December 31, 2009 and 2008
- Investment activity, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2009
- The schedule of assets (held at end of year) as of December 31, 2009

The Plan's independent certified public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

F - INVESTMENTS

The following presents the fair value of those investments that represent 5% or more of the Plan's net assets available for benefits at December 31:

Description of Investment	2009	2008
Fidelity Advisor Stable Value Portfolio	\$ 1,839,810	\$ 2,050,562
Fidelity Advisor Large-Cap Fund Class T	697,342	517,826
Fidelity Advisor Mid-Cap Fund Class T	564,450	463,110
Fidelity Advisor Value Strategies Fund Class T	426,735	*
Fidelity Advisor Overseas Fund Class T	382,962	382,672
Fidelity Advisor Small-Cap Fund Class T	624,656	470,558
Janus Advisor Balanced Fund S	405,030	455,936
Participant loans	588,071	663,754

* Did not represent 5% or more of the net assets available for benefits at the date indicated.

During the year ended December 31, 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

Mutual funds	\$ 1,627,373
Common collective trusts	(264,579)
	<u>\$ 1,362,794</u>

G - FAIR VALUE MEASUREMENTS

On January 1, 2008, the Plan adopted Statement of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosure requirements about items measured at fair value.

ASC 820 establishes a fair value hierarchy that distinguishes between assumptions based on market data (observable inputs) and the Plan's assumptions (unobservable inputs). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Common collective trusts: Priced at net asset value per unit as computed by the asset custodian. Stable fund units transact and are reported at fair value as provided in the audited annual financial statements.

Mutual funds: Valued at the net asset value of shares held by the Plan at year end.

Participant loans: Valued at unpaid principal balance, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008:

	2009			
	Level 1	Level 2	Level 3	Total
Common collective trusts	\$ -	\$ 1,839,811	\$ -	\$ 1,839,811
Mutual funds -				
International	384,712	-	-	384,712
Large-Cap	1,340,032	-	-	1,340,032
Mid-Cap	1,167,116	-	-	1,167,116
Small-Cap	655,456	-	-	655,456
Target Date	431,013	-	-	431,013
Other	983,843	-	-	983,843
Participant loans	-	-	588,071	588,071
Total assets at fair value	<u>\$ 4,962,172</u>	<u>\$ 1,839,811</u>	<u>\$ 588,071</u>	<u>\$ 7,390,054</u>

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

	2008			
	Level 1	Level 2	Level 3	Total
Common collective trusts	\$ -	\$ 2,050,562	\$ -	\$ 2,050,562
Mutual funds -				
International	382,822	-	-	382,822
Large-Cap	1,051,641	-	-	1,051,641
Mid-Cap	851,541	-	-	851,541
Small-Cap	474,182	-	-	474,182
Target Date	307,306	-	-	307,306
Other	817,303	-	-	817,303
Participant loans	-	-	663,754	663,754
Total assets at fair value	<u>\$ 3,884,795</u>	<u>\$ 2,050,562</u>	<u>\$ 663,754</u>	<u>\$ 6,599,111</u>

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2009:

	Participant Loans
Balance, beginning of year	\$ 663,754
Issuances and settlements (net)	<u>75,683</u>
Balance, end of year	<u>\$ 588,071</u>

H - RELATED PARTY TRANSACTIONS

The Plan invests in funds managed by Fidelity. Transactions in such mutual funds and common collective trusts qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

I - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	<u>2009</u>	<u>2008</u>
Net assets available for benefits per the financial statements	\$ 7,422,818	\$ 6,716,187
Employer contributions receivable	-	(20,704)
Participant contributions receivable	(30,357)	(50,503)
Refunds payable to participants	-	10,365
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit-responsive investment contracts	<u>(2,407)</u>	<u>(56,234)</u>
Net assets available for benefits per the Form 5500	<u>\$ 7,390,054</u>	<u>\$ 6,599,111</u>

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

Total contributions per the financial statements	\$ 402,480
Net impact of accrued employer contributions in 2009	20,704
Net impact of accrued participant contributions in 2009	20,147
Net impact of refunds payable in 2009	<u>(10,365)</u>
Total contributions per the Form 5500	<u>\$ 432,966</u>

J - RISKS AND UNCERTAINTIES

The Plan provides for investments in various securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. 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 participants' account balances and the amount reported in the statements of net assets available for benefits.

K - SUBSEQUENT EVENTS

Plan management has evaluated subsequent events through October 13, 2010, the date the financial statements were available to be issued. No subsequent events were identified requiring additional recognition or disclosure in the accompanying financial statements.

SUPPLEMENTAL SCHEDULE

PGI International, Ltd.
401(k) Retirement Plan

Form 5500 - Schedule H, Line 4i - Schedule of assets (held at end of year)

EIN #73-1475042

December 31, 2009

Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Fair Value
* Fidelity Management Trust Company	Fidelity Advisor Stable Value Portfolio	\$ 1,839,810
* Fidelity Management Trust Company	Fidelity Advisor Large-Cap Fund Class T	697,342
* Fidelity Management Trust Company	Fidelity Advisor Mid-Cap Fund Class T	564,450
* Fidelity Management Trust Company	Fidelity Advisor Value Strategies Fund Class T	426,735
* Fidelity Management Trust Company	Fidelity Advisor Overseas Fund Class T	382,962
* Fidelity Management Trust Company	Fidelity Advisor Equity Income Fund Class T	190,637
* Fidelity Management Trust Company	Fidelity Advisor Small-Cap Fund Class T	624,656
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2010 Fund Class T	14,797
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2015 Fund Class T	4,103
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2020 Fund Class T	172,700
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2025 Fund Class T	36,192
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2030 Fund Class T	94,342
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2035 Fund Class T	6,258
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2040 Fund Class T	90,904
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2045 Fund Class T	7,245
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2050 Fund Class T	4,471
* Fidelity Management Trust Company	Fidelity Advisor Freedom Income Fund Class T	276,528
Victory Capital Management Inc.	Victory Diverse Stock A	116,178
Janus International Holding, Limited Liability Corporation	Janus Advisor Balanced Fund S	405,030
Federated Investors, Incorporated	FED Index Tracker Mid-Cap Fund	175,932
JP Morgan Investment Management, Inc.	JP Morgan Equity Index Select	2,136
Pacific Investment Mgmt Co. LLC	PIMCO Total Return R	219,712
AllianceBernstein Investments, Inc.	AllianceBernstein International Value Fund	1,750
Columbia Management	Columbia Small Cap Value II A	30,800
Columbia Management	Columbia Value & Rstrg R	333,740
Loomis Sayles & Co. LP	Loomis Bond Admin	82,573
* Various Plan participants	Participant loans with interest rates ranging from 6% to 11.5% and various maturities	588,071
		\$ 7,390,054

* Party-in-interest



Financial Statements, Supplemental Schedule and Report
of Independent Certified Public Accountants

**PGI INTERNATIONAL, LTD. 401(k)
RETIREMENT PLAN**

December 31, 2009 and 2008

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Report of Independent Certified Public Accountants

Plan Administrator
PGI International, Ltd. 401(k) Retirement Plan

We were engaged to audit the financial statements of PGI International, Ltd. 401(k) Retirement Plan as of December 31, 2009 and 2008 and for the year ended December 31, 2009, and the supplemental schedule as of December 31, 2009, as listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management.

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

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the asset custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Grant Thornton LLP

Tulsa, Oklahoma
October 13, 2010

PGI International, Ltd.
401(k) Retirement Plan

Statements of net assets available for benefits

December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
INVESTMENTS, at fair value:		
Common collective trusts	\$ 4,962,172	\$ 2,050,562
Mutual funds	1,839,811	3,884,795
Participant loans	588,071	663,754
Total investments	<u>7,390,054</u>	<u>6,599,111</u>
CONTRIBUTIONS RECEIVABLE:		
Participants	30,357	50,503
Employer	-	20,704
Total contributions receivable	<u>30,357</u>	<u>71,207</u>
REFUNDS PAYABLE TO PARTICIPANTS	-	(10,365)
NET ASSETS AVAILABLE FOR BENEFITS	7,420,411	6,659,953
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit-responsive investment contracts	2,407	56,234
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 7,422,818</u>	<u>\$ 6,716,187</u>

The accompanying notes are an integral part of these financial statements.

PGI International, Ltd.
401(k) Retirement Plan

Statement of changes in net assets available for benefits

For the year ended December 31, 2009

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Contributions -	
Participants	\$ 395,796
Employer	5,602
Rollover	1,082
Total contributions	<u>402,480</u>
Investment income -	
Net appreciation in fair value of investments	1,362,794
Interest	46,311
Total additions	<u>1,811,585</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	1,098,676
Administrative expenses	6,278
Total deductions	<u>1,104,954</u>

INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	706,631
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	<u>6,716,187</u>
NET ASSETS AVAILABLE FOR BENEFITS, end of year	<u><u>\$ 7,422,818</u></u>

The accompanying notes are an integral part of this financial statement.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements

December 31, 2009 and 2008

A - DESCRIPTION OF THE PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PGI International, Ltd. (the “Company”) adopted the Precision General, Inc. 401(k) Retirement Plan (the “Plan”), effective November 1, 1974. The purpose of the Plan is to provide retirement benefits for all eligible employees of the Company. In conjunction with a merger enacted by the Company in June 1995, the name of the Plan was changed to PGI International, Ltd. 401(k) Retirement Plan, effective July 1, 1995. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

1. General

The Plan is a defined contribution plan covering all full-time employees of the Company who have six months of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

2. Contributions

The Plan allows for pre-tax employee contributions up to 60% of compensation, as defined in the Plan agreement. The Plan allows discretionary employer matching contributions and discretionary nonelective employer contributions. Nonelective employer contributions are allocated to participants’ accounts based on the ratio the participant’s compensation bears to the total compensation of all participants. Only participants who remain employed on the last day of the Plan year and who complete 1,000 hours of service or who died, retired or became disabled during the Plan year are eligible to receive an allocation of nonelective employer contributions. The Company made a discretionary match of employee contributions of 100% of the first 2% of employee contributions and 25% of the next 4% of employee contributions through March 15, 2009. However, as of March 15, 2009, the Company ceased its discretionary match contributions. The Company made no nonelective employer discretionary contributions during 2009 or 2008.

3. Participant Loans

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum of the lesser of \$50,000 or 50% of their vested account balance. The duration of the loan cannot exceed five years or ten years if for the purchase of a primary residence. A participant may not have more than one loan outstanding at a time. The loans are secured by the balance in the participant’s account and bear interest at a rate commensurate with commercially reasonable rates (ranging from 6.0% to 11.5%), as determined by the plan administrator (6.0% at December 31, 2009).

4. Administration

The Plan is administered by Fidelity Management Trust Company (“Fidelity”), who serves as the asset custodian and recordkeeper of the Plan.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

5. Plan Expenses

In 2009, the Company did not pay any administrative or asset custodian expenses incurred in connection with the Plan. All expenses were paid by the Plan. In 2008, the Company paid approximately \$750 for Plan administrative and asset custodian expenses.

6. Vesting

Participants are fully vested in all employee contributions and earnings thereon. The Company's contributions vest at 20% after two years of service and vest at 20% each year thereafter, becoming fully vested after six years of service. Participants become fully vested in their account balance upon disability, death, termination of the Plan or attainment of age 65.

7. Forfeitures

Forfeitures are used to reduce the Company's contributions. During 2009, no forfeitures were used to reduce Company contributions. At December 31, 2009 and 2008, forfeitures of \$14,723 and \$47,719, respectively, were available to reduce future Company contributions.

8. Investment Valuation and Income Recognition

The Plan's investments are stated at fair value as determined by the asset custodian. Participant loans are valued at the outstanding loan balances, which approximate fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis.

Management fees and operating expenses charged to the Plan for investments in the mutual fund accounts are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

The Plan provides for investments in various investment securities, which, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. 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 that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

The Plan applies the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification (ASC) 946, *Financial Services – Investment Companies*. ASC 946 concludes contract value is the relevant measurement attribute for that portion of net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive contracts, because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

9. Payment of Benefits

Participants are eligible to receive the vested portion of their account balance as a lump-sum distribution upon retirement, termination of employment, disability, or attainment of age 59 ½. Employee contributions may be withdrawn at any time. Hardship distributions are allowed from a participant's elective contributions in certain circumstances and must be a minimum of \$500.

10. Participant Accounts

Each participant's account is credited with the participant's contributions, an allocation of the Company's contributions and an allocation of the Plan's earnings and losses. Plan earnings and losses are allocated to the participants' accounts based on the ratio of each participant's account in each investment fund to the total of all participants' accounts in each investment fund.

11. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to use estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

13. Payments of Benefits

Benefits are recorded when paid.

B - INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan maintains a fully benefit-responsive investment contract with the asset custodian. The asset custodian maintains the contributions in a general account. The account is credited with earnings on the underlying investments and is charged for participant withdrawals and administrative expenses. The contract is included in the financial statements at fair value as reported to the Plan by the asset custodian. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The average yield was approximately 2.70% and 3.42% for 2009 and 2008, respectively. At December 31, 2009 and 2008, the crediting interest rates were 1.35% and 2.83%, respectively.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

C - TAX STATUS

The Company has adopted a master prototype plan, which received a favorable opinion letter from the Internal Revenue Service dated December 10, 2001. The Plan has been amended subsequent to the date of the opinion letter and has not applied for a separate determination letter. As of December 31, 2009, the Plan has certain operational procedures that must be completed that could potentially impact the tax-qualified status of the Plan. The Company has represented they will take whatever actions necessary to maintain the qualified status of the Plan, therefore, no provision for income taxes has been included in the Plan's financial statements.

D - TERMINATION OF THE PLAN

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

E - INFORMATION CERTIFIED BY THE ASSET CUSTODIAN

The plan administrator has elected the method of annual reporting 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 has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Investments, as shown in the statements of net assets available for benefits as of December 31, 2009 and 2008
- Investment activity, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2009
- The schedule of assets (held at end of year) as of December 31, 2009

The Plan's independent certified public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

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The following presents the fair value of those investments that represent 5% or more of the Plan's net assets available for benefits at December 31:

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Mutual funds	\$ 1,627,373
Common collective trusts	(264,579)
	<u>\$ 1,362,794</u>

G - FAIR VALUE MEASUREMENTS

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ASC 820 establishes a fair value hierarchy that distinguishes between assumptions based on market data (observable inputs) and the Plan's assumptions (unobservable inputs). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

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Mutual funds: Valued at the net asset value of shares held by the Plan at year end.

Participant loans: Valued at unpaid principal balance, which approximates fair value.

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The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008:

	2009			
	Level 1	Level 2	Level 3	Total
Common collective trusts	\$ -	\$ 1,839,811	\$ -	\$ 1,839,811
Mutual funds -				
International	384,712	-	-	384,712
Large-Cap	1,340,032	-	-	1,340,032
Mid-Cap	1,167,116	-	-	1,167,116
Small-Cap	655,456	-	-	655,456
Target Date	431,013	-	-	431,013
Other	983,843	-	-	983,843
Participant loans	-	-	588,071	588,071
Total assets at fair value	\$ 4,962,172	\$ 1,839,811	\$ 588,071	\$ 7,390,054

**PGI International, Ltd.
401(k) Retirement Plan**

Notes to financial statements - continued

December 31, 2009 and 2008

	2008			
	Level 1	Level 2	Level 3	Total
Common collective trusts	\$ -	\$ 2,050,562	\$ -	\$ 2,050,562
Mutual funds -				
International	382,822	-	-	382,822
Large-Cap	1,051,641	-	-	1,051,641
Mid-Cap	851,541	-	-	851,541
Small-Cap	474,182	-	-	474,182
Target Date	307,306	-	-	307,306
Other	817,303	-	-	817,303
Participant loans	-	-	663,754	663,754
Total assets at fair value	<u>\$ 3,884,795</u>	<u>\$ 2,050,562</u>	<u>\$ 663,754</u>	<u>\$ 6,599,111</u>

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2009:

	Participant Loans
Balance, beginning of year	\$ 663,754
Issuances and settlements (net)	<u>75,683</u>
Balance, end of year	<u>\$ 588,071</u>

H - RELATED PARTY TRANSACTIONS

The Plan invests in funds managed by Fidelity. Transactions in such mutual funds and common collective trusts qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

PGI International, Ltd.
401(k) Retirement Plan

Notes to financial statements - continued

December 31, 2009 and 2008

I - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	<u>2009</u>	<u>2008</u>
Net assets available for benefits per the financial statements	\$ 7,422,818	\$ 6,716,187
Employer contributions receivable	-	(20,704)
Participant contributions receivable	(30,357)	(50,503)
Refunds payable to participants	-	10,365
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit-responsive investment contracts	<u>(2,407)</u>	<u>(56,234)</u>
Net assets available for benefits per the Form 5500	<u>\$ 7,390,054</u>	<u>\$ 6,599,111</u>

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

Total contributions per the financial statements	\$ 402,480
Net impact of accrued employer contributions in 2009	20,704
Net impact of accrued participant contributions in 2009	20,147
Net impact of refunds payable in 2009	<u>(10,365)</u>
Total contributions per the Form 5500	<u>\$ 432,966</u>

J - RISKS AND UNCERTAINTIES

The Plan provides for investments in various securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. 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 participants' account balances and the amount reported in the statements of net assets available for benefits.

K - SUBSEQUENT EVENTS

Plan management has evaluated subsequent events through October 13, 2010, the date the financial statements were available to be issued. No subsequent events were identified requiring additional recognition or disclosure in the accompanying financial statements.

SUPPLEMENTAL SCHEDULE

PGI International, Ltd.
401(k) Retirement Plan

Form 5500 - Schedule H, Line 4i - Schedule of assets (held at end of year)

EIN #73-1475042

December 31, 2009

Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Fair Value
* Fidelity Management Trust Company	Fidelity Advisor Stable Value Portfolio	\$ 1,839,810
* Fidelity Management Trust Company	Fidelity Advisor Large-Cap Fund Class T	697,342
* Fidelity Management Trust Company	Fidelity Advisor Mid-Cap Fund Class T	564,450
* Fidelity Management Trust Company	Fidelity Advisor Value Strategies Fund Class T	426,735
* Fidelity Management Trust Company	Fidelity Advisor Overseas Fund Class T	382,962
* Fidelity Management Trust Company	Fidelity Advisor Equity Income Fund Class T	190,637
* Fidelity Management Trust Company	Fidelity Advisor Small-Cap Fund Class T	624,656
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2010 Fund Class T	14,797
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2015 Fund Class T	4,103
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2020 Fund Class T	172,700
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2025 Fund Class T	36,192
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2030 Fund Class T	94,342
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2035 Fund Class T	6,258
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2040 Fund Class T	90,904
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2045 Fund Class T	7,245
* Fidelity Management Trust Company	Fidelity Advisor Freedom 2050 Fund Class T	4,471
* Fidelity Management Trust Company	Fidelity Advisor Freedom Income Fund Class T	276,528
Victory Capital Management Inc.	Victory Diverse Stock A	116,178
Janus International Holding, Limited Liability Corporation	Janus Advisor Balanced Fund S	405,030
Federated Investors, Incorporated	FED Index Tracker Mid-Cap Fund	175,932
JP Morgan Investment Management, Inc.	JP Morgan Equity Index Select	2,136
Pacific Investment Mgmt Co. LLC	PIMCO Total Return R	219,712
AllianceBernstein Investments, Inc.	AllianceBernstein International Value Fund	1,750
Columbia Management	Columbia Small Cap Value II A	30,800
Columbia Management	Columbia Value & Rstrg R	333,740
Loomis Sayles & Co. LP	Loomis Bond Admin	82,573
* Various Plan participants	Participant loans with interest rates ranging from 6% to 11.5% and various maturities	588,071
		<u>\$ 7,390,054</u>

* Party-in-interest