Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2007 and ending 12/31/2007

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [X] 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
KAPLAN DEVELOPMENT 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2005

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

419 CROSSWAYS PARK DR
SUITE 100
WOODBURY, NY 11797

2b Employer Identification Number (EIN)
01-0573210

2c Sponsor's telephone number
516-496-1505

2d Business code (see instructions)
812990

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.	12/01/2010	FRANK ALESSI
	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")

KAPLAN DEVELOPMENT GROUP, LLC

419 CROSSWAYS PARK DR
SUITE 100
WOODBURY, NY 11797

3b Administrator's EIN: 01-0573210

3c Administrator's telephone number: 516-496-1505

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**	358
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**	328
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	16
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	344
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	344
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	95
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2F 2G 2J 2K 3B 3D 3H

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2007 and ending 12/31/2007

A Name of plan
KAPLAN DEVELOPMENT 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
KAPLAN DEVELOPMENT GROUP, LLC

D Employer Identification Number (EIN)
01-0573210

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

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

b Name of sponsor of entity listed in (a): UNION BOND AND TRUST COMPANY

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)
93-6274329-001	C	34164

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

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

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 01/01/2007 and ending 12/31/2007

A Name of plan
KAPLAN DEVELOPMENT 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KAPLAN DEVELOPMENT GROUP, LLC

D Employer Identification Number (EIN)
01-0573210

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)	7404	19779
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	25884	34164
(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)	146513	428683
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	179801	482626
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		316
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	316
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	179801	482310

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	0	
(B) Participants	2a(1)(B)	138422	
(C) Others (including rollovers)	2a(1)(C)	160718	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		299140
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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)	23873	
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		23873
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	81241	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	77896	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		3345

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		1186
(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)		-13654
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		313890
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	11373	
(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)		11373
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	8	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		8
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		11381
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		302509
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: ST. CLAIR CPAS, P.C. (2) EIN: 23-2353765

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a	X		55519
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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)

KAPLAN DEVELOPMENT 401(K) PLAN

FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006

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St. Clair CPAs, P.C.
Accounting for Life | Advising for Lifecycles™

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
Kaplan Development 401(k) Plan
Woodbury, New York

We were engaged to audit the financial statements of Kaplan Development 401(k) Plan as of and for the year ended December 31, 2007, and the supplemental schedules as of December 31, 2007 as listed in the accompanying table of contents. These financial statements and schedules are the responsibility of the Plan's management. We audited the accompanying statement of net assets available for benefits of Kaplan Development 401(k) Plan as of December 31, 2006. This financial statement is the responsibility of the Plan's management. Our responsibility is to express an opinion on this financial statement based on our audit.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by CitiSreet LLC on behalf of Citigroup Institutional Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the 2007 financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2007, that the information provided to the plan administrator by the trustee is complete and accurate.

Except as discussed in the following paragraph, we conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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 2007 financial statements and schedules taken as a whole. The form and content of the information included in the 2007 financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

101 West Elm Street ◦ Suite 500 ◦ Conshohocken, Pennsylvania 19428 ◦ (P) 610.862.1998 ◦ (F) 610.862.3200 ◦ www.stclaircpa.com
28 South Centre Street ◦ Merchantville, New Jersey 08109 ◦ (P) 856.482.5600 ◦ (F) 856.665.3618 ◦ info@stclaircpa.com

In our opinion, the 2006 statement of net assets available for benefits presents fairly, in all material respects, the net assets available for benefits of Kaplan Development 401(k) Plan as of December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

St. Clair CPA's, P.C.

Certified Public Accountants

Conshohocken, Pennsylvania
November 12, 2010

KAPLAN DEVELOPMENT 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2007 AND 2006

	2007	2006
ASSETS		
INVESTMENTS, at fair value	$ 462,581	$ 171,908
RECEIVABLES		
Participant contributions	19,779	7,404
TOTAL ASSETS	482,360	179,312
LIABILITIES		
EXCESS CONTRIBUTIONS PAYABLE	316	-
TOTAL LIABILITIES	316	-
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	482,044	179,312
Adjustment from fair value to contract value for fully benefit-responsive investment contract	266	489
NET ASSETS AVAILABLE FOR BENEFITS	$ 482,310	$ 179,801

See accompanying notes and independent auditors' report.

KAPLAN DEVELOPMENT 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2007

ADDITIONS TO NET ASSETS ATTRIBUTED TO	
Investment income	
Net depreciation in fair value of investments	$ (9,123)
Interest income	23,873
	14,750
Contributions	
Participants	299,140
TOTAL ADDITIONS	313,890
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO	
Benefits paid to participants	11,373
Administrative expenses	8
	11,381
NET INCREASE	302,509
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	179,801
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	$ 482,310

See accompanying notes and independent auditors' report.

NOTE 1 DESCRIPTION OF PLAN

The following description of the Kaplan Development 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement and Summary Plan Description for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan and covers substantially all employees of Kaplan Development Group, LLC (the "Company") and affiliated companies (collectively the "Companies"). Employees are eligible to participate in the Plan upon completing six months of service and attaining the age of twenty-one. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions

Employees electing to participate in the Plan may voluntarily make tax-deferred contributions, as defined, subject to certain limitations as mandated under the Internal Revenue Code up to a maximum of 92% of compensation. Participants may also contribute amounts representing distributions from other qualified plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds, a money market fund and a stable value fund for participants to choose from.

The Companies may chose to match participant contributions equal to a uniform percentage of each participant's salary deferral contributions, which percentage will be determined each year. In addition, the Companies may make discretionary profit sharing contributions and Qualified Non-Elective Contributions ("QNEC") to the Plan. No Companies' contributions were made for the year ending December 31, 2007.

Participant Accounts

Each participant's account is credited with the participant's contribution, qualified rollover contributions and allocations of the Companies' contributions and Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is that which can be provided from the participant's account.

Vesting

Participants are 100% vested, at all times, in their voluntary contributions and related investment earnings, as well as, all QNEC contributions. Vesting of employer matching and profit sharing contributions is based on years of service accruing at 20 percent per year. A participant becomes fully vested after five years of service. A year of service is attained upon the completion of 1,000 hours of service during the plan year. A participant will also become fully vested, if not already, if they attain normal retirement age, if they terminate employment due to permanent disability, if the participant dies, or if the Plan is terminated or partially terminated.

Forfeitures

At December 31, 2007 and 2006 there were no forfeited non-vested accounts. These accounts, when available, may be used to reduce future Companies' contributions or administrative expenses. No forfeitures were available to be used to reduce Companies' contributions or administrative expenses in 2007.

NOTE 1 DESCRIPTION OF PLAN (continued)

Payment of Benefits

On termination of service due to death, disability, or retirement, a participant will receive a lump-sum amount equal to the value of the participant's vested interest in their account. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

In 2005, effective for financial statements for financial periods ending after December 15, 2006, the Financial Accounting Standards Board issued FASB Staff Position Nos. AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the "FSP"), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As required by the FSP AAG INV-1 and SOP 94-1-1, the statement of net assets available for benefits presents the fair value of the investment contract as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis. Consequently, the effect of adopting the FSP had no impact on net assets, which have been historically presented at contract value.

Estimates

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

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Mutual and money market funds are valued at net asset value (NAV) of shares held by the Plan at year end. The fair value of the Stable Value Fund is determined by discounting the related cash flows based on current yields of similar investments with comparable durations from conventional investment contracts. Other investments within the fund are generally valued at quoted market prices or other comparable sales in the market place.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid. No distributions had been requested but not paid as of December 31, 2007.

NOTE 2 SUMMARY O F SIGNIFICANT ACCOUNTING POLICIES (continued)

Administrative Expenses

Administrative expenses of the Plan are paid by both the Company and the Plan.

NOTE 3 INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA for 2007. Accordingly, CitiStreet LLC on behalf of Citigroup Institutional Trust Company, the trustee of the Plan, has certified to the completeness and accuracy of all investments, reported in the accompanying statement of net assets available for benefits and the supplemental schedule of schedule H, line 4i - schedule of assets (held at end of year) as of December 31, 2007 and related investment income as reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2007.

NOTE 4 INVESTMENTS

The following investments represent 5 percent or more of the Plan's net assets at December 31, 2007 and 2006:

	2007	2006
Western Asset Money Market	$ 85,490	$ 15,622
Legg Mason Mid Cap C	31,906	N/A
Legg Mason Gvmt Securities	44,077	13,828
Legg Mason Capital & Growth	30,405	13,894
Legg Mason All Capital Fund A	60,588	N/A
MCM Stable Value Fund	34,164	25,884
Legg Mason Lifestyle Allocation A	31,077	17,851
Legg Mason Investors Value	25,922	N/A
Legg Mason Large Cap Growth B	N/A	9,449
MetLife Invest International	N/A	13,665

NOTE 5 FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT

The Plan invests in a fully benefit-responsive investment contract with Union Bond & Trust Company. The Plan identifies this investment as the Stable Value Fund. The Stable Value Fund is included in the financial statements at contract value as reported to the Plan by Union Bond & Trust Company. Contract value represents invested principal plus accrued interest thereon. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. Net investment income of the fund is not distributed, but reinvested and unit values adjusted accordingly.

NOTE 5 FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT (continued)

As described in Note 2, because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract.

Contract value, as reported to the Plan by Union Bond Trust Company, 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 fair value of the investment contract at December 31, 2007 and 2006 was $33,898 and $25,395, respectively. The crediting interest rate is based on a formula agreed upon with the issuer. The crediting rate earned is calculated based on the weighted average yield to maturity of all underlying investments in the Fund at year end. The market yield earned by the Stable Value Fund is calculated based on weighted average crediting rate of all investment contracts and short-term income at year end. Such interest rates are reviewed on a monthly basis for resetting.

Certain events limit the Plan's ability to transact at contract value with Union Bond Investment Corporation. Such events include the following: (a) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (b) changes to the plan's prohibition on competing investment options or deletion of equity wash provisions, (c) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the plan, or (d) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under the Employee Retirement Income Security Act of 1974. The Plan administrator does not believe that any events that would limit the Plan's ability to transact at contract value with Plan participants are probable of occurring.

Average yields:	2007	2006
Market yield	5.071%	4.390%
Blended net crediting rate	4.766%	4.310%

Earnings from the fund are included in net depreciation in fair value of investments as presented in the statement of changes in net assets available for benefits. Earnings amounted to $1,186 for the year ended December 31, 2007.

NOTE 6 RELATED PARTIES

The trustee of the Plan is also the custodian of the Plan assets. The fees paid by the Plan totaled $8 for custodial services for the year ended December 31, 2007.

NOTE 7 TAX STATUS

The Plan obtained its latest determination letter based on a prototype plan on June 5, 2002, in which the Internal Revenue Service stated that the prototype plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE 8 PLAN TERMINATION

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

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

SUPPLEMENTAL SCHEDULE

KAPLAN DEVELOPMENT 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2007

KAPLAN DEVELOPMENT 401(K) PLAN EIN: 01-0573210 PLAN NUMBER: 001

(a) Party-in-interest	(b) Identity of Issue, Borrower, Lessor or Similar party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
	Western Asset Money Market	Money Market Fund	**	$ 85,490
	Legg Mason Classic V	Mutual Funds	**	7,024
	Legg Mason Mid Cap C	Mutual Funds	**	31,906
	Legg Mason Small Cap Core	Mutual Funds	**	23,060
	Legg Mason Small Cap Val	Mutual Funds	**	8,024
	Legg Mason Div Strat	Mutual Funds	**	4,318
	Legg Mason Inv Grade	Mutual Funds	**	22,457
	Legg Mason Large Cap	Mutual Funds	**	10,287
	Legg Mason Gvmt Securities	Mutual Funds	**	44,077
	Legg Mason Capital & Growth	Mutual Funds	**	30,405
	LMP Sml Cap Growth F	Mutual Funds	**	9,565
	Legg Mason All Capital Fund A	Mutual Funds	**	60,588
	LMP Capital fund A	Mutual Funds	**	6,192
	MCM Stable Value Fund	Stable Value Fund	**	34,164
	Legg Mason Lifestyle Allocation A	Mutual Funds	**	31,077
	LMP Lifestyle Alloc	Mutual Funds	**	4,594
	Legg Mason Investors Value	Mutual Funds	**	25,922
	LMP Global High Yield	Mutual Funds	**	23,697
TOTAL ASSETS HELD FOR INVESTMENT PURPOSES				$ 462,847

**Cost omitted for participant directed investments.

KAPLAN DEVELOPMENT 401(K) PLAN
SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2007

	Total that Constitute Nonexempt Prohibited Transactions			
Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 55,519	$ 55,519	$ -	$ -	$ -

See accompanying notes and independent auditors' report.

KAPLAN DEVELOPMENT 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2007

KAPLAN DEVELOPMENT 401(K) PLAN EIN: 01-0573210 PLAN NUMBER: 001

(a) Party-in-interest	(b) Identity of Issue, Borrower, Lessor or Similar party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
	Western Asset Money Market	Money Market Fund	**	$ 85,490
	Legg Mason Classic V	Mutual Funds	**	7,024
	Legg Mason Mid Cap C	Mutual Funds	**	31,906
	Legg Mason Small Cap Core	Mutual Funds	**	23,060
	Legg Mason Small Cap Val	Mutual Funds	**	8,024
	Legg Mason Div Strat	Mutual Funds	**	4,318
	Legg Mason Inv Grade	Mutual Funds	**	22,457
	Legg Mason Large Cap	Mutual Funds	**	10,287
	Legg Mason Gvmt Securities	Mutual Funds	**	44,077
	Legg Mason Capital & Growth	Mutual Funds	**	30,405
	LMP Sml Cap Growth F	Mutual Funds	**	9,565
	Legg Mason All Capital Fund A	Mutual Funds	**	60,588
	LMP Capital fund A	Mutual Funds	**	6,192
	MCM Stable Value Fund	Stable Value Fund	**	34,164
	Legg Mason Lifestyle Allocation A	Mutual Funds	**	31,077
	LMP Lifestyle Alloc	Mutual Funds	**	4,594
	Legg Mason Investors Value	Mutual Funds	**	25,922
	LMP Global High Yield	Mutual Funds	**	23,697
TOTAL ASSETS HELD FOR INVESTMENT PURPOSES				$ 462,847

**Cost omitted for participant directed investments.

KAPLAN DEVELOPMENT 401(K) PLAN
SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2007

	Total that Constitute Nonexempt Prohibited Transactions			
Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 55,519	$ 55,519	$ -	$ -	$ -

See accompanying notes and independent auditors' report.