Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
CALICO BRANDS, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 08/01/1999

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

2055 S HAVEN AVENUE
ONTARIO, CA 91761

2b Employer Identification Number (EIN)
33-0588675

2c Sponsor's telephone number
909-930-5000

2d Business code (see instructions)
423990

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.	01/17/2011	LAURIE HON
	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")
CALICO BRANDS, INC.

2055 S HAVEN AVENUE
ONTARIO, CA 91761

3b Administrator's EIN
33-0588675

3c Administrator's telephone number
909-930-5000

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**	251
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**	169
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	67
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	236
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	236
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	168
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	4
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 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)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500)

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
CALICO BRANDS, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
33-0588675

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

AMERICAN CENTURY INVESTMENT SERVICE

44-0640487

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

AMERICAN FUNDS DISTRIBUTORS, INC.

95-2769620

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

ALLIANCEBERNSTEIN L.P.

13-4064930

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

BLACKROCK INVESTMENTS, INC.

23-2784752

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

CALVERT DISTRIBUTORS, INC.

52-1899581

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

FRANKLIN TEMPLETON DISTRIBUTORS, IN

100 FOUNTAIN PARKWAY
ST. PETERSBURG, FL 33716

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

NEUBERGER BERMAN

605 THIRD AVENUE
3RD FLOOR
NEW YORK, NY 10158

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

NATIONWIDE FUND DISTRIBUTORS LLC

52-6969857

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

OPPENHEIMER FUNDS INC.

13-2527171

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

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

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

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

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

ADP BROKER-DEALER

22-3319984

(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?
60 63	RECORD KEEPER	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

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

ADP

22-1467904

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 50 64	RECORD KEEPER	2515	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

MERRILL LYNCH PIERCE FENNER & SMITH

13-5674085

(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?
59 63	BROKERAGE	0	Yes [X] No [ ]	Yes [X] No [ ]	17967	Yes [ ] No [X]

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

BANK OF AMERICA

94-1687665

(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?
52	TRUSTEE	0	Yes [X] No [ ]	Yes [ ] No [X]	10051	Yes [ ] No [X]

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

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

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

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

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
ADP BROKER-DEALER	60 63	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.
AMERICAN FUNDS DISTRIBUTORS, INC. 95-2769620	ANNUAL RATE 0.001 OF AVERAGE DAILY ASSETS. ANNUAL RATE 0.005 OF AVERAGE DAILY ASSETS.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	60 63	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.
BLACKROCK INVESTMENTS, INC. 23-2784752	ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS. ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	60 63	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.
ALLIANCEBERNSTEIN L.P. 13-4064930	ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS. ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS.

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
ADP BROKER-DEALER	60 63	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.
CALVERT DISTRIBUTORS, INC. 52-1899581	ANNUAL RATE 0.002 OF AVERAGE DAILY ASSETS. ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	60 63	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.
FRANKLIN TEMPLETON DISTRIBUTORS, IN 100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716	ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS. ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS. ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS. ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ADP BROKER-DEALER	63	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.
ALLIANZ GLOBAL INVESTORS DISTRIBUTO 1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105	ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS.

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
ADP BROKER-DEALER	60 63	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.
OPPENHEIMER FUNDS INC. 13-2527171	ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS. ANNUAL RATE 0.0025 OF AVERAGE DAILY ASSETS.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
MERRILL LYNCH PIERCE FENNER & SMITH	59 63	17967

(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.
UNAVAILABLE UNAVAILABLE UNAVAILABLE, NJ 07932	SHAREHOLDER SERVICE FEES

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
BANK OF AMERICA	52	10051

(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.
UNAVAILABLE UNAVAILABLE UNAVAILABLE, NJ 07932	INVESTMENT MANAGEMENT FEES PAID INDIRECTLY BY THE PLAN

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

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

A Name of plan
CALICO BRANDS, INC. 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
CALICO BRANDS, INC.

D Employer Identification Number (EIN)
33-0588675

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: MERRILL RETIREMENT PRES TRUST

b Name of sponsor of entity listed in (a): MERRILL LYNCH RETIRE PRESRV TR

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)
22-6484011-001	C	1714946

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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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
CALICO BRANDS, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
33-0588675

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	129967	191084
(9) Value of interest in common/collective trusts	1c(9)	1599205	1714946
(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)	3421047	4211022
(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	5150219	6117052
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	5150219	6117052

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)	169322	
	(B) Participants	2a(1)(B)	356207	
	(C) Others (including rollovers)	2a(1)(C)	20681	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		546210
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)	10934	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		10934
	(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)	98333	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		98333
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

			(a) Amount	(b) Total
2b	(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		21522
	(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)		808060
c	Other income	2c		
d	Total income. Add all **income** amounts in column (b) and enter total	2d		1485059
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	513235	
	(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)		513235
f	Corrective distributions (see instructions)	2f		
g	Certain deemed distributions of participant loans (see instructions)	2g		2476
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)	2515	
	(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		2515
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		518226
	Net Income and Reconciliation			
k	Net income (loss). Subtract line 2j from line 2d	2k		966833
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: GARY PICKETT & COMPANY **(2)** EIN: 33-0886580

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

A Name of plan
CALICO BRANDS, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
33-0588675

Part I Distributions

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

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

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

EIN(s): 57-1198022

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

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

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

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

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

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

Part III Amendments

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

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

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

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

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

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

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

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

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

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

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

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

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

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

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

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

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

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Calico Brands, Inc.
401(k) Plan

Financial Statements
and Supplemental Schedule

As of December 31, 2009 and 2008 and
For the Year Ended December 31, 2009

Calico Brands, Inc.
401(k) Plan

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Note: Schedules other than that listed above have been omitted because the information is otherwise disclosed, not applicable or not required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended.

MEIR & MEIR
CERTIFIED PUBLIC ACCOUNTANTS

[illegible]
130 SOUTH BEVERLY DR. SUITE 204
BEVERLY HILLS, CA 90212
310 274 7541 TEL
310 274 7015 FAX

Independent Auditors' Report

To the Administrative Committee
Calico Brands, Inc.
401(k) Plan

We were engaged to audit the financial statements of Calico Brands, Inc. 401(k) Plan ("Plan") as of December 31, 2009 and 2008, and for the year ended December 31, 2009 and the supplemental schedule as of and for the year ended December 31, 2009 as listed in the accompanying index. These financial statements and 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 10, which was certified by JPMorgan Chase Bank ("JPMorgan"), the trustee 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 trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, 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.

Meir & Meir

Beverly Hills, California
August 2, 2010

Calico Brands, Inc.
401(k) Plan

Statements of Net Assets Available for Benefits

As of December 31,	**2009**	2008
Assets		
Investments, at fair value	**$ 5,998,721**	$ 4,927,929
Employer contributions receivable	**6,493**	6,460
Employee contributions receivable	**15,575**	14,037
Net assets reflecting all investments at fair value	**6,020,789**	4,948,426
Adjustment from fair value to contract value for fully benefit responsive investment contracts	**118,331**	222,290
Net assets available for benefits	**$ 6,139,120**	$ 5,170,716

See accompanying notes to financial statements

Calico Brands, Inc.
401(k) Plan

Statement of Changes in Net Assets Available for Benefits

Year ended December 31,		2009
Additions		
Additions to net assets attributed to:		
Investment Income:		
Interest	$	32,456
Dividends		98,333
Total Investment Income		130,789
Contributions:		
Participants		357,745
Employer		169,355
Rollovers		20,681
Total Contributions		547,781
Total Additions		678,570
Deductions		
Deductions from net assets attributed to:		
Benefits paid to participants		515,711
Administrative and other expenses		2,515
Total deductions		518,226
Net appreciation (depreciation) in fair value of investments		808,060
Net increase (decrease)		968,404
Net assets available for benefits:		
Beginning of year		5,170,716
End of year	$	6,139,120

See accompanying notes to financial statements

1. Plan Description The following description of Calico Brands, Inc. 401(k) Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan that was adopted effective August 1, 1999 by Calico Brands, Inc. ("Company") for the benefit of the Company's employees. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions

Each year participants may contribute up to 70% of pretax annual compensation, as defined in the Plan limited to the maximum amount allowed by law for the Plan year. Participants may also contribute amounts representing distributions from other qualified defined benefits or contribution plans. The Company may make matching contributions, and discretionary profit sharing contributions.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) Plan earnings, 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 the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Company matching contributions plus earnings thereon is based on years of continuous service. A participant is 100 percent vested after six years of credited services, or after reaching normal retirement age, as specified by the Plan agreement.

1. Plan Description (Continued)

Participant Loans

Under the terms of the Plan, participants may borrow from their accounts a minimum of $500 up to the lesser of (1) 50 percent of their account balance or (2) $50,000 reduced by their highest unpaid loan balance outstanding (principal and interest) under the Plan during the preceding twelve-month period. The loans are secured by the balance in the participants' accounts and bear interest at a rate equal to the prime rate plus one point. The prime rate is determined based upon the prime rate of interest that is published in the Wall Street Journal on the 14th day of each month. Loans are repayable through payroll deductions. Loan terms are limited to a maximum of 5 years or longer for the purchase of a primary residence.

Payment of Benefits

Upon termination of service due to death, disability, or retirement from the Company, participants may receive the vested interest of their accounts in the form of a single sum of cash payment or installments over a period not to exceed the participant life expectancy. In-service withdrawals are also available.

Forfeited Accounts

At December 31, 2009 and 2008, forfeited nonvested accounts totaled $0 and $10 respectively. These accounts will be used to reduce future employer contributions. Also, in 2009 employer contributions were reduced by $7,457 from forfeited nonvested accounts.

Plan Administration

The Plan is administered by the Company. The plan administrator controls and manages the operation and administration of the Plan.

JPMorgan Chase Bank ("JPMorgan") is trustee of the Plan. Automatic Data Processing, Inc. ("ADP") is the record keeper.

1. Plan Description (Continued)

Eligibility

The Plan covers substantially all full-time employees of the Company who have completed three months of service and are age twenty-one or older.

Investments Options

Participants may direct both employee and employer contributions to be invested amongst various investment options as made available and determined by the plan administrator which are more fully described in the plan literature.

2. Summary of Significant Accounting Policies

Date of Management's Review

Subsequent events were evaluated through August 2, 2010, which is the date the financial statements were available to be issued.

Estimates

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

Basis of Accounting

These financial statements are prepared on the accrual basis of accounting.

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. The Statement of

2. Summary of Significant Accounting Policies (Continued)

Net Assets Available for Benefits presents the fair value of the investment contracts 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.

Investment Valuation and Income Recognition

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

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

Payment of Benefits

Benefits are recorded when paid.

Operating Expenses

Expenses of maintaining the Plan are paid by the Company (see Note 6).

Net Appreciation (Depreciation) in Fair Value of Investments

Net appreciation (depreciation) in fair value of investments is based on the fair value of the assets at the beginning of the Plan year, or at the time of purchase during the Plan year, and the related fair value on the day investment are sold with respect to realized appreciation (depreciation), or on the last day of the year with respect to unrealized appreciation (depreciation).

2. Summary of Significant Accounting Policies (Continued)

Realized and unrealized appreciation (depreciation) is recorded in the accompanying statement of changes in net assets available for benefits as net appreciation (depreciation) in fair value of investments.

Recent Accounting Pronouncements

In April 2009, the Financial Accounting Standards Board (FASB) issued guidance under ASC 820, formerly known as FSP FAS 157-4, Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly). ASC 820 reaffirms that 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 under current market conditions. The guidance also reaffirms the need to use judgment in determining if a formerly active market has become inactive and in determining fair values when the market has become inactive. This guidance was adopted by the Plan and did not have a material impact on the Plan's financial statements.

In June 2009, the FASB issued guidance under ASC 105, Generally Accepted Accounting Principles, which was formerly referred to as FASB Statement of Financial Accounting Standards No. 168, FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles – A Replacement of FASB Statement No. 162. This guidance establishes the FASB Accounting Standards Codification (the Codification) as the source of authoritative U.S. generally accepted accounting principles (GAAP) for nongovernmental entities. The Codification supersedes all existing non-SEC accounting and reporting standards. Rules and interpretive releases of the SEC under authority of federal security laws remain authoritative GAAP for SEC registrants. This guidance and the Codification are effective for financial statements issued for annual periods ending after September 15, 2009. As the Codification did not change existing GAAP, the adoption did not have an impact on the Plan's financial statements.

2. Summary of Significant Accounting Policies (Continued)

During 2009, the Plan adopted FASB Statement No. 165, Subsequent Events, or ASC 855, which was issued in May 2009 and is effective for fiscal years and interim periods ending after June 15, 2009. ASC 855 requires evaluation of subsequent events through the date of financial statement issuance. The adoption of this guidance is reflected in these financial statements.

In September 2009, the FASB issued ASC Update 2009-12, Fair Value Measurements and Disclosures (Topic 820) — Investment in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent). This update provides guidance on estimating the fair value of a company's investments in investment companies when the investment does not have a readily determinable fair value. It permits the use of the investment's net asset value as a practical expedient to determine fair value. This guidance also required additional disclosure of the attributes of these investments such as: (i) the nature of any restrictions on the reporting entity's ability to redeem its investment; (ii) unfunded commitments; and (iii) investment strategies of the investees. This guidance is effective for periods ending after December 15, 2009. The adoption did not have a material impact on the Plan's financial condition or results of operations and all applicable disclosures are included in these financial statements.

In January 2010, the FASB issued ASC Update 2010-06, Fair Value Measurements and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements. This guidance requires: (i) separate disclosure of significant transfers between Level 1 and Level 2 and reasons for the transfers; (ii) disclosure, on a gross basis, of purchases, sales, issuances, and net settlements within Level 3; (iii) disclosures by class of assets and liabilities; and (iv) a description of the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. This guidance is effective for reporting periods beginning after December 15, 2009, except for the Level 3 disclosure requirements, which will be effective for fiscal years beginning after December 15, 2010 and interim periods within those fiscal years. The adoption of this guidance is reflected, where applicable, throughout these financial statements.

3. Fair Value Measurement

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefit. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

		Fair Value Measurements At Reporting Date Using:		
As of December 31, 2009	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	$ 4,211,022	$ 4,211,022	$ -	$ -
Common collective trust	1,596,615	-	1,596,615	-
Participant loans	191,084	-	-	191,084
Total	$ 5,998,721	$ 4,211,022	$ 1,596,615	$ 191,084
As of December 31, 2008				
Mutual Funds	$ 3,421,048	$ 3,421,048	$ -	$ -
Common collective trust	1,376,915	-	1,376,915	-
Participant loans	129,966	-	-	129,966
Total	$ 4,927,929	$ 3,421,048	$ 1,376,915	$ 129,966

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

3. Fair Value Measurement (Continued)

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end.

Level 2 Fair Value Measurements

The fair value of the investment in the collective trust is based on the market values of the underlying assets within the trust. Short term obligations are valued at amortized cost which approximates fair value. The fair value of traditional guaranteed investment contracts is based on the present value of the contracts expected cash flows, discounted at current market interest rate. Fair values of individual assets of synthetic guaranteed investment contracts are valued by an independent agent. The fair value of the wrap contracts is based on the present value of the difference between current market level rates for contract level wrap fees and the wrap fee being charged, discounted at the prevailing interpolated swap rate as of year end.

Level 3 Fair Value Measurements

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

3. Fair Value Measurement (Continued)

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

As of December 31, 2009	Participant Loans	Total
Beginning Balance	$ 129,966	$ 129,966
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	-	-
Purachases, sales, issuances and settlements (net)	61,118	61,118
Ending balance	$ 191,084	$ 191,084
As of December 31, 2008		
Beginning Balance	$ 173,457	$ 173,457
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	-	-
Purachases, sales, issuances and settlements (net)	(43,491)	(43,491)
Ending balance	$ 129,966	$ 129,966

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

4. Investments

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

As of December 31,	2009	2008
American Funds Inv Co of America	$ 491,377	$ 621,938
American Funds Bal. Fund	522,020	611,952
Oppenheimer Small Cap Value	376,311	357,389
Common collective trust	1,714,946	1,599,205
Blackrock Glob Alloc Fund	483,066	344,718
Loomis Sayles Strategic Income Fund	328,112	-

4. Investments (Continued)

During 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $808,060. All appreciation is attributed to mutual funds.

5. Investment in Collective Trust

One of the investment options offered by the Plan is the Bank of America, N.A. Retirement Preservation Trust ("Trust"), a collective trust that invests primarily in Guaranteed Investment Contracts ("Investment Contracts") and short term obligations.

Contract value (cost plus accrued interest) is the relevant measurement attribute for that portion of the net assets that are fully benefit-responsive investment contracts provided the Trust is established as part of one or more qualified employer-sponsored defined contribution plans. Because the Trust's contracts are fully benefit responsive and because the Trust has been established for the collective investment of one or more qualified employer-sponsored defined contribution plans, the Trust values its investments at contract value. Contract value is considered the relevant measurement attribute because that is the amount participants in the Trust would receive if they were to initiate permitted transactions under the term of the underlying defined contribution plan.

All investment contracts have a zero percent minimum interest crediting. All investment contracts are reset at least quarterly, although under certain circumstances such as a large deposit or withdrawal, they may be reset more frequently.

The fair value of the Plan investment in the Trust at December 31, 2009 and 2008 was $1,596,615 and $1,376,915 respectively. The average yield earned by the Trust was 2.35% and 9.49% at December 31, 2009 and 2008 respectively. The average crediting interest rate to participants in the Trust was 2.57% and 4.10% at December 31, 2009 and 2008 respectively.

5. Investment in Collective Trust (Continued)

The existence of certain conditions can limit the Trust's ability to transact at contract value with the participants in the trust. Examples of such conditions include, but are not limited to, partial or complete legal termination of a unitholder, tax disqualification of the Trust or unitholder, withdrawal of a plan sponsor, and certain Trust amendments without consent from the issuer. As of December 31, 2009 the Trust's Trustee believes the occurrence of an event that would limit the ability of the Trust to transact at contract value with the participants in the Trust is not probable.

6. Related Party Transactions

The Company provides certain accounting and administrative services to the Plan for which no fees are charged. These expenses constitute exempt party-in interest transactions under ERISA.

7. Plan Termination

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

8. Tax Status

The Plan currently operates under a prototype plan offered by ADP. The plan administrator and legal counsel believe that the Plan is designed and is currently being operated with the applicable requirements of the Internal Revenue Code.

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 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 is required to disclose significant concentrations of credit risk regardless of the degree of such risk. At December 31, 2009 and 2008, the financial instruments, which potentially subject the Plan to a concentration of credit risk, consisted principally of cash, investments and participant loans.

10. Trustee Certification

The investment balance and related investment information included in the financial statements, accompanying notes and supplemental schedule are derived from statements which have been certified by JPMorgan as complete and accurate in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

11. Reconciliation Of Financial Statements to Form 5500

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

As of December 31,	**2009**	2008
Net assets available for benefits per the financial statements	**$ 6,139,120**	$ 5,170,716
Deduct: Employer contibutions receivable	**(6,493)**	(6,460)
Deduct: Employee contributions receivable	**(15,575)**	(14,037)
Net assets available for benefits per Form 5500	**$ 6,117,052**	$ 5,150,219

For the years ended December 31, 2009 and 2008 Form 5500 was prepared on the cash basis of accounting modified for changes in fair value of plan investments. Consequently, contributions to be received were not reflected on Form 5500.

12. ERISA Bonding Requirements

ERISA, Title 1, Section 412 requires that every fiduciary and every person who handles funds or other property of a plan be bonded. Such "persons" may include any director, officer or employee of the fiduciary. In October 2008, upon discovering that the Plan was not covered by such policy, management contacted their insurance broker for coverage.

Calico Brands, Inc.
401(k) Plan

Form 5500 – Schedule H – Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2009

EIN: 33-0588675
Plan number: 001

Identity of Issue, Borrower, Lessor, or Similar Party	Decription of Investment, including Maurity Date, Rate of Interest, Par or Maturity Value	Current Value

See attached Schedule of Assets Held for Investment Purposes as provided by the trustee.

* Represents a party-in-interest.

Period: 01/01/2009 through 12/31/2009

Plan Name: CALICO BRANDS, INC. 401(K) PLAN
ADP Plan Number: 760110

Employer EIN: 33-0588675
Run Date: 03/20/2010

ASSETS	PERIOD	COST VALUE	MARKET VALUE	# OF SHARES/UNITS	SHARE/UNIT PRICE
COMMON/COLLECTIVE TRUSTS					
MERRILL RETIREMENT PRES TRUST	BEG	1,599,205.30	1,599,205.30	1,599,205.3000	1.000000
22-6484011/001	END	1,714,946.01	1,714,946.01	1,714,946.0100	1.000000
SUBTOTAL	BEG	1,599,205.30	1,599,205.30		
	END	1,714,946.01	1,714,946.01		
REGISTERED INVESTMENT COMPANIES					
AMERICAN FUNDS INV CO OF AMER	BEG	958,886.00	621,937.67	29,729.3343	20.920000
	END	595,904.71	491,377.19	18,972.0917	25.900000
AMER FUNDS NEW PERSPECTIVE-R3	BEG	146,497.03	94,520.17	5,078.9995	18.610000
	END	65,015.86	60,317.07	2,387.8492	25.260000
AMERICAN FUNDS THE NEW ECON-R	BEG	16,324.72	11,309.54	733.9092	15.410000
	END	61,454.45	76,756.83	3,452.8487	22.230000
AC STRAT ALLOC CONS FUND - AD	BEG	10,606.17	9,113.95	1,998.6733	4.560000
	END	17,984.79	18,946.75	3,700.5387	5.120000
FRANKLIN INCOME FUND - A	BEG	202,284.20	137,814.31	82,523.5382	1.670000
	END	277,000.06	264,626.80	127,839.0345	2.070000
AMERICAN FUNDS AMER BAL FD- R	BEG	806,664.56	611,952.09	44,570.4360	13.730000
	END	575,174.54	522,020.05	32,323.2232	16.150000
OPPENHEIMER SM&MD CAP VALUE -	BEG	654,390.10	357,389.06	19,444.4540	18.380000
	END	425,289.72	376,310.94	14,157.6725	26.580000
LOOMIS SAYLES STRATEGIC INC-A	BEG	281,394.10	204,658.30	19,380.5212	10.560000
	END	323,078.20	328,112.06	23,776.2368	13.800000
NEUBERGER BERMAN PARTNERS -AD	BEG	26,735.68	26,546.55	2,584.8638	10.270000
	END	163,380.20	189,044.40	11,912.0609	15.870000
CALVERT INCOME FUND - A	BEG	174,855.89	152,574.34	11,048.1064	13.810000
	END	200,798.91	202,442.76	13,103.0911	15.450000
BLACKROCK GLOBAL ALLOCATION A	BEG	418,927.06	344,718.03	23,027.2564	14.970000
	END	469,295.48	483,065.75	27,001.9983	17.890000
BLACKROCK LG CAP CORE FD -A	BEG	192,853.87	119,777.05	14,500.8536	8.260000
	END	184,519.88	149,603.52	15,188.1750	9.850000
BLACKROCK LARGE CAP VALUE - A	BEG	167,562.15	110,630.90	9,391.4173	11.780000
	END	232,405.04	198,744.09	14,909.5339	13.330000

Period: 01/01/2009 through 12/31/2009

Plan Name: CALICO BRANDS, INC. 401(K) PLAN
ADP Plan Number: 760110

Employer EIN: 33-0588675
Run Date: 03/20/2010

ASSETS	PERIOD	COST VALUE	MARKET VALUE	# OF SHARES/UNITS	SHARE/UNIT PRICE
AM FNDS EUROPACIFIC GROWTH -R	BEG	257,708.01	162,897.97	5,910.6667	27.560000
	END	157,992.44	145,645.25	3,865.3195	37.680000
AM FND THE GROWTH FND OF AM-R	BEG	292,000.38	198,448.73	9,824.1951	20.200000
	END	191,027.24	179,229.21	6,655.3737	26.930000
OPPENHEIMER INTL BOND FD - A	BEG	119,484.25	117,645.63	19,872.5718	5.920000
	END	266,421.57	279,131.47	43,614.2925	6.400000
ALLIANCEBER INTL GR FD - A	BEG	191,937.62	120,101.94	11,626.5177	10.330000
	END	240,327.41	221,527.01	15,733.4519	14.080000
NATIONWIDE INV DEST MOD - A	BEG	25,927.32	19,011.01	2,551.8134	7.450000
	END	27,620.96	24,120.97	2,769.3422	8.710000
SUBTOTAL	BEG	4,945,039.11	3,421,047.24		
	END	4,474,691.46	4,211,022.12		
Participant Loans	BEG	0.00	176,362.99		
	END	0.00	238,062.49		
Noninterest-Bearing Cash	BEG	0.00	0.00		
	END	0.00	0.00		
TOTAL	BEG	6,544,244.41	5,196,615.53		
	END	6,189,637.47	6,164,030.62		

NOTE: Participant Loans above include Deemed Distributed Loans (DDL) and do not include Defaulted Loans (DLN) or Offset Loans (OFS).

Period: 01/01/2009 through 12/31/2009

Plan Name: CALICO BRANDS, INC. 401(K) PLAN Employer EIN: 33-0588675
ADP Plan Number: 760110 Run Date: 03/20/2010

Total Assets at the Beginning of the Period:	5,196,615.53	Total Assets at the End of the Period:	6,164,030.62

NOTE: The following is specifically for Form 5500 reporting.

Beginning Participant Loans WITHOUT DDL Principal and Interest:	129,966.93
Beginning Total Assets WITHOUT DDL Principal and Interest:	5,150,219.47
End Participant Loans WITHOUT DDL Principal and Interest:	191,083.84
End Total Assets WITHOUT DDL Principal and Interest:	6,117,051.97

RUN DATE: 05/21/2010

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF: 12/31/2009

Plan Name: CALICO BRANDS, INC. 401(K) PLAN
Employer EIN: 33-0588675
Plan Number: 001
Run Date: 05/21/2010

(a)	(b)Identity of Issue, Borrower, Lessor or Similar Party	(c)Description of Investment (Maturity Date, Rate of Int, Collateral, Par or Maturity Value)	(d)Cost	(e)Current Value
	MERRILL RETIREMENT PRES TRUST	Common / Collective Trust 1,714,946.0100	n/a	1,714,946.01
	AMERICAN FUNDS INV CO OF AMER	Registered Investment Company 18,972.0917	n/a	491,377.19
	AMER FUNDS NEW PERSPECTIVE-R3	Registered Investment Company 2,387.8492	n/a	60,317.07
	AMERICAN FUNDS THE NEW ECON-R3	Registered Investment Company 3,452.8487	n/a	76,756.83
	AC STRAT ALLOC CONS FUND - ADV	Registered Investment Company 3,700.5387	n/a	18,946.75
	FRANKLIN INCOME FUND - A	Registered Investment Company 127,839.0345	n/a	264,626.80
	AMERICAN FUNDS AMER BAL FD- R3	Registered Investment Company 32,323.2232	n/a	522,020.05
	OPPENHEIMER SM&MD CAP VALUE -A	Registered Investment Company 14,157.6725	n/a	376,310.94
	LOOMIS SAYLES STRATEGIC INC-A	Registered Investment Company 23,776.2368	n/a	328,112.06
	NEUBERGER BERMAN PARTNERS -ADV	Registered Investment Company 11,912.0609	n/a	189,044.40
	CALVERT INCOME FUND - A	Registered Investment Company 13,103.0911	n/a	202,442.76
	BLACKROCK GLOBAL ALLOCATION A	Registered Investment Company 27,001.9983	n/a	483,065.75
	BLACKROCK LG CAP CORE FD -A	Registered Investment Company 15,188.1750	n/a	149,603.52
	BLACKROCK LARGE CAP VALUE - A	Registered Investment Company 14,909.5339	n/a	198,744.09
	AM FNDS EUROPACIFIC GROWTH -R3	Registered Investment Company 3,865.3195	n/a	145,645.25
	AM FND THE GROWTH FND OF AM-R3	Registered Investment Company 6,655.3737	n/a	179,229.21
	OPPENHEIMER INTL BOND FD - A	Registered Investment Company 43,614.2925	n/a	279,131.47
	ALLIANCEBER INTL GR FD - A	Registered Investment Company 15,733.4519	n/a	221,527.01
	NATIONWIDE INV DEST MOD - A	Registered Investment Company 2,769.3422	n/a	24,120.97
	Participant Loans	Interest Rates (4.25% to 10.50%)	n/a	238,062.49
		TOTAL		6,164,030.62

NOTE: The following is specifically for Form 5500 reporting.
The difference between Participant Loans on this Schedule and Participant Loans reported on Form 5500 Schedule H or I is the amount of DDLs. Loan amounts shown here include DDLs, while loan amounts reported on 5500 forms do not include DDLs.

RUN DATE: 05/21/2010

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (ACQUIRED AND DISPOSED OF WITHIN YEAR) PAGE 1

Period: 01/01/2009 through 12/31/2009

Plan Name: CALICO BRANDS, INC. 401(K) PLAN Employer EIN: 33-0588675

Plan Number: 001 Run Date: 05/21/2010

(a)Identity of Issue, Borrower, or Similar Party	(b)Description of Investment (Maturity Date, Rate of Int, Collateral, Par or Maturity Value)	(c)Cost of Acquisitions	(d)Proceeds of Dispositions

NOTE: IN ACCORDANCE WITH SPECIFIC INSTRUCTIONS, ACQUISITIONS AND DISPOSITIONS OF CERTAIN TYPES OF ASSETS NEED NOT BE REPORTED. THESE INCLUDE FUNDS OF COMMON/COLLECTIVE TRUSTS AND REGISTERED INVESTMENT COMPANIES.

Schedule C, Line 2(h) Formula Description

For those service providers listed on Line 2 for which Line 2(h) has been checked "yes":

For a description of indirect compensation received by service providers listed on Line 2 that was disclosed as a formula, please see Line 3(e). Please note: If indirect compensation disclosed as a formula was received by a service provider from more than one source, there will be multiple Lines 3(e) for that service provider.

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Calico Brands, Inc.
401(k) Plan

Financial Statements
and Supplemental Schedule

As of December 31, 2009 and 2008 and
For the Year Ended December 31, 2009

Calico Brands, Inc.
401(k) Plan

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Note: Schedules other than that listed above have been omitted because the information is otherwise disclosed, not applicable or not required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended.

MEIR & MEIR
CERTIFIED PUBLIC ACCOUNTANTS

[illegible]
130 SOUTH BEVERLY DR. SUITE 204
BEVERLY HILLS, CA 90212
310 274 7541 TEL
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Independent Auditors' Report

To the Administrative Committee
Calico Brands, Inc.
401(k) Plan

We were engaged to audit the financial statements of Calico Brands, Inc. 401(k) Plan ("Plan") as of December 31, 2009 and 2008, and for the year ended December 31, 2009 and the supplemental schedule as of and for the year ended December 31, 2009 as listed in the accompanying index. These financial statements and 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 10, which was certified by JPMorgan Chase Bank ("JPMorgan"), the trustee 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 trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, 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.

Meir & Meir

Beverly Hills, California
August 2, 2010

Calico Brands, Inc.
401(k) Plan

Statements of Net Assets Available for Benefits

As of December 31,	**2009**	2008
Assets		
Investments, at fair value	**$ 5,998,721**	$ 4,927,929
Employer contributions receivable	**6,493**	6,460
Employee contributions receivable	**15,575**	14,037
Net assets reflecting all investments at fair value	**6,020,789**	4,948,426
Adjustment from fair value to contract value for fully benefit responsive investment contracts	**118,331**	222,290
Net assets available for benefits	**$ 6,139,120**	$ 5,170,716

See accompanying notes to financial statements

Calico Brands, Inc.
401(k) Plan

Statement of Changes in Net Assets Available for Benefits

Year ended December 31,		2009
Additions		
Additions to net assets attributed to:		
Investment Income:		
Interest	$	32,456
Dividends		98,333
Total Investment Income		130,789
Contributions:		
Participants		357,745
Employer		169,355
Rollovers		20,681
Total Contributions		547,781
Total Additions		678,570
Deductions		
Deductions from net assets attributed to:		
Benefits paid to participants		515,711
Administrative and other expenses		2,515
Total deductions		518,226
Net appreciation (depreciation) in fair value of investments		808,060
Net increase (decrease)		968,404
Net assets available for benefits:		
Beginning of year		5,170,716
End of year	$	6,139,120

See accompanying notes to financial statements

1. Plan Description The following description of Calico Brands, Inc. 401(k) Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan that was adopted effective August 1, 1999 by Calico Brands, Inc. ("Company") for the benefit of the Company's employees. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions

Each year participants may contribute up to 70% of pretax annual compensation, as defined in the Plan limited to the maximum amount allowed by law for the Plan year. Participants may also contribute amounts representing distributions from other qualified defined benefits or contribution plans. The Company may make matching contributions, and discretionary profit sharing contributions.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) Plan earnings, 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 the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Company matching contributions plus earnings thereon is based on years of continuous service. A participant is 100 percent vested after six years of credited services, or after reaching normal retirement age, as specified by the Plan agreement.

1. Plan Description (Continued)

Participant Loans

Under the terms of the Plan, participants may borrow from their accounts a minimum of $500 up to the lesser of (1) 50 percent of their account balance or (2) $50,000 reduced by their highest unpaid loan balance outstanding (principal and interest) under the Plan during the preceding twelve-month period. The loans are secured by the balance in the participants' accounts and bear interest at a rate equal to the prime rate plus one point. The prime rate is determined based upon the prime rate of interest that is published in the Wall Street Journal on the 14th day of each month. Loans are repayable through payroll deductions. Loan terms are limited to a maximum of 5 years or longer for the purchase of a primary residence.

Payment of Benefits

Upon termination of service due to death, disability, or retirement from the Company, participants may receive the vested interest of their accounts in the form of a single sum of cash payment or installments over a period not to exceed the participant life expectancy. In-service withdrawals are also available.

Forfeited Accounts

At December 31, 2009 and 2008, forfeited nonvested accounts totaled $0 and $10 respectively. These accounts will be used to reduce future employer contributions. Also, in 2009 employer contributions were reduced by $7,457 from forfeited nonvested accounts.

Plan Administration

The Plan is administered by the Company. The plan administrator controls and manages the operation and administration of the Plan.

JPMorgan Chase Bank ("JPMorgan") is trustee of the Plan. Automatic Data Processing, Inc. ("ADP") is the record keeper.

1. Plan Description (Continued)

Eligibility

The Plan covers substantially all full-time employees of the Company who have completed three months of service and are age twenty-one or older.

Investments Options

Participants may direct both employee and employer contributions to be invested amongst various investment options as made available and determined by the plan administrator which are more fully described in the plan literature.

2. Summary of Significant Accounting Policies

Date of Management's Review

Subsequent events were evaluated through August 2, 2010, which is the date the financial statements were available to be issued.

Estimates

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

Basis of Accounting

These financial statements are prepared on the accrual basis of accounting.

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. The Statement of

2. Summary of Significant Accounting Policies (Continued)

Net Assets Available for Benefits presents the fair value of the investment contracts 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.

Investment Valuation and Income Recognition

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

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

Payment of Benefits

Benefits are recorded when paid.

Operating Expenses

Expenses of maintaining the Plan are paid by the Company (see Note 6).

Net Appreciation (Depreciation) in Fair Value of Investments

Net appreciation (depreciation) in fair value of investments is based on the fair value of the assets at the beginning of the Plan year, or at the time of purchase during the Plan year, and the related fair value on the day investment are sold with respect to realized appreciation (depreciation), or on the last day of the year with respect to unrealized appreciation (depreciation).

2. Summary of Significant Accounting Policies (Continued)

Realized and unrealized appreciation (depreciation) is recorded in the accompanying statement of changes in net assets available for benefits as net appreciation (depreciation) in fair value of investments.

Recent Accounting Pronouncements

In April 2009, the Financial Accounting Standards Board (FASB) issued guidance under ASC 820, formerly known as FSP FAS 157-4, Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly). ASC 820 reaffirms that 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 under current market conditions. The guidance also reaffirms the need to use judgment in determining if a formerly active market has become inactive and in determining fair values when the market has become inactive. This guidance was adopted by the Plan and did not have a material impact on the Plan's financial statements.

In June 2009, the FASB issued guidance under ASC 105, Generally Accepted Accounting Principles, which was formerly referred to as FASB Statement of Financial Accounting Standards No. 168, FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles – A Replacement of FASB Statement No. 162. This guidance establishes the FASB Accounting Standards Codification (the Codification) as the source of authoritative U.S. generally accepted accounting principles (GAAP) for nongovernmental entities. The Codification supersedes all existing non-SEC accounting and reporting standards. Rules and interpretive releases of the SEC under authority of federal security laws remain authoritative GAAP for SEC registrants. This guidance and the Codification are effective for financial statements issued for annual periods ending after September 15, 2009. As the Codification did not change existing GAAP, the adoption did not have an impact on the Plan's financial statements.

2. Summary of Significant Accounting Policies (Continued)

During 2009, the Plan adopted FASB Statement No. 165, Subsequent Events, or ASC 855, which was issued in May 2009 and is effective for fiscal years and interim periods ending after June 15, 2009. ASC 855 requires evaluation of subsequent events through the date of financial statement issuance. The adoption of this guidance is reflected in these financial statements.

In September 2009, the FASB issued ASC Update 2009-12, Fair Value Measurements and Disclosures (Topic 820) — Investment in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent). This update provides guidance on estimating the fair value of a company's investments in investment companies when the investment does not have a readily determinable fair value. It permits the use of the investment's net asset value as a practical expedient to determine fair value. This guidance also required additional disclosure of the attributes of these investments such as: (i) the nature of any restrictions on the reporting entity's ability to redeem its investment; (ii) unfunded commitments; and (iii) investment strategies of the investees. This guidance is effective for periods ending after December 15, 2009. The adoption did not have a material impact on the Plan's financial condition or results of operations and all applicable disclosures are included in these financial statements.

In January 2010, the FASB issued ASC Update 2010-06, Fair Value Measurements and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements. This guidance requires: (i) separate disclosure of significant transfers between Level 1 and Level 2 and reasons for the transfers; (ii) disclosure, on a gross basis, of purchases, sales, issuances, and net settlements within Level 3; (iii) disclosures by class of assets and liabilities; and (iv) a description of the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. This guidance is effective for reporting periods beginning after December 15, 2009, except for the Level 3 disclosure requirements, which will be effective for fiscal years beginning after December 15, 2010 and interim periods within those fiscal years. The adoption of this guidance is reflected, where applicable, throughout these financial statements.

3. Fair Value Measurement

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefit. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

		Fair Value Measurements At Reporting Date Using:		
As of December 31, 2009	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds	$ 4,211,022	$ 4,211,022	$ -	$ -
Common collective trust	1,596,615	-	1,596,615	-
Participant loans	191,084	-	-	191,084
Total	$ 5,998,721	$ 4,211,022	$ 1,596,615	$ 191,084
As of December 31, 2008				
Mutual Funds	$ 3,421,048	$ 3,421,048	$ -	$ -
Common collective trust	1,376,915	-	1,376,915	-
Participant loans	129,966	-	-	129,966
Total	$ 4,927,929	$ 3,421,048	$ 1,376,915	$ 129,966

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

3. Fair Value Measurement (Continued)

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end.

Level 2 Fair Value Measurements

The fair value of the investment in the collective trust is based on the market values of the underlying assets within the trust. Short term obligations are valued at amortized cost which approximates fair value. The fair value of traditional guaranteed investment contracts is based on the present value of the contracts expected cash flows, discounted at current market interest rate. Fair values of individual assets of synthetic guaranteed investment contracts are valued by an independent agent. The fair value of the wrap contracts is based on the present value of the difference between current market level rates for contract level wrap fees and the wrap fee being charged, discounted at the prevailing interpolated swap rate as of year end.

Level 3 Fair Value Measurements

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

3. Fair Value Measurement (Continued)

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

As of December 31, 2009	Participant Loans	Total
Beginning Balance	$ 129,966	$ 129,966
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	-	-
Purachases, sales, issuances and settlements (net)	61,118	61,118
Ending balance	$ 191,084	$ 191,084
As of December 31, 2008		
Beginning Balance	$ 173,457	$ 173,457
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	-	-
Purachases, sales, issuances and settlements (net)	(43,491)	(43,491)
Ending balance	$ 129,966	$ 129,966

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

4. Investments

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

As of December 31,	2009	2008
American Funds Inv Co of America	$ 491,377	$ 621,938
American Funds Bal. Fund	522,020	611,952
Oppenheimer Small Cap Value	376,311	357,389
Common collective trust	1,714,946	1,599,205
Blackrock Glob Alloc Fund	483,066	344,718
Loomis Sayles Strategic Income Fund	328,112	-

4. Investments (Continued)

During 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $808,060. All appreciation is attributed to mutual funds.

5. Investment in Collective Trust

One of the investment options offered by the Plan is the Bank of America, N.A. Retirement Preservation Trust ("Trust"), a collective trust that invests primarily in Guaranteed Investment Contracts ("Investment Contracts") and short term obligations.

Contract value (cost plus accrued interest) is the relevant measurement attribute for that portion of the net assets that are fully benefit-responsive investment contracts provided the Trust is established as part of one or more qualified employer-sponsored defined contribution plans. Because the Trust's contracts are fully benefit responsive and because the Trust has been established for the collective investment of one or more qualified employer-sponsored defined contribution plans, the Trust values its investments at contract value. Contract value is considered the relevant measurement attribute because that is the amount participants in the Trust would receive if they were to initiate permitted transactions under the term of the underlying defined contribution plan.

All investment contracts have a zero percent minimum interest crediting. All investment contracts are reset at least quarterly, although under certain circumstances such as a large deposit or withdrawal, they may be reset more frequently.

The fair value of the Plan investment in the Trust at December 31, 2009 and 2008 was $1,596,615 and $1,376,915 respectively. The average yield earned by the Trust was 2.35% and 9.49% at December 31, 2009 and 2008 respectively. The average crediting interest rate to participants in the Trust was 2.57% and 4.10% at December 31, 2009 and 2008 respectively.

5. Investment in Collective Trust (Continued)

The existence of certain conditions can limit the Trust's ability to transact at contract value with the participants in the trust. Examples of such conditions include, but are not limited to, partial or complete legal termination of a unitholder, tax disqualification of the Trust or unitholder, withdrawal of a plan sponsor, and certain Trust amendments without consent from the issuer. As of December 31, 2009 the Trust's Trustee believes the occurrence of an event that would limit the ability of the Trust to transact at contract value with the participants in the Trust is not probable.

6. Related Party Transactions

The Company provides certain accounting and administrative services to the Plan for which no fees are charged. These expenses constitute exempt party-in interest transactions under ERISA.

7. Plan Termination

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

8. Tax Status

The Plan currently operates under a prototype plan offered by ADP. The plan administrator and legal counsel believe that the Plan is designed and is currently being operated with the applicable requirements of the Internal Revenue Code.

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 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 is required to disclose significant concentrations of credit risk regardless of the degree of such risk. At December 31, 2009 and 2008, the financial instruments, which potentially subject the Plan to a concentration of credit risk, consisted principally of cash, investments and participant loans.

10. Trustee Certification

The investment balance and related investment information included in the financial statements, accompanying notes and supplemental schedule are derived from statements which have been certified by JPMorgan as complete and accurate in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

11. Reconciliation Of Financial Statements to Form 5500

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

As of December 31,	**2009**	2008
Net assets available for benefits per the financial statements	**$ 6,139,120**	$ 5,170,716
Deduct: Employer contibutions receivable	**(6,493)**	(6,460)
Deduct: Employee contributions receivable	**(15,575)**	(14,037)
Net assets available for benefits per Form 5500	**$ 6,117,052**	$ 5,150,219

For the years ended December 31, 2009 and 2008 Form 5500 was prepared on the cash basis of accounting modified for changes in fair value of plan investments. Consequently, contributions to be received were not reflected on Form 5500.

12. ERISA Bonding Requirements

ERISA, Title 1, Section 412 requires that every fiduciary and every person who handles funds or other property of a plan be bonded. Such "persons" may include any director, officer or employee of the fiduciary. In October 2008, upon discovering that the Plan was not covered by such policy, management contacted their insurance broker for coverage.

Calico Brands, Inc.
401(k) Plan

Form 5500 – Schedule H – Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2009

EIN: 33-0588675
Plan number: 001

Identity of Issue, Borrower, Lessor, or Similar Party	Decription of Investment, including Maurity Date, Rate of Interest, Par or Maturity Value	Current Value

See attached Schedule of Assets Held for Investment Purposes as provided by the trustee.

* Represents a party-in-interest.

Period: 01/01/2009 through 12/31/2009

Plan Name: CALICO BRANDS, INC. 401(K) PLAN
ADP Plan Number: 760110

Employer EIN: 33-0588675
Run Date: 03/20/2010

ASSETS	PERIOD	COST VALUE	MARKET VALUE	# OF SHARES/UNITS	SHARE/UNIT PRICE
COMMON/COLLECTIVE TRUSTS					
MERRILL RETIREMENT PRES TRUST	BEG	1,599,205.30	1,599,205.30	1,599,205.3000	1.000000
22-6484011/001	END	1,714,946.01	1,714,946.01	1,714,946.0100	1.000000
SUBTOTAL	BEG	1,599,205.30	1,599,205.30		
	END	1,714,946.01	1,714,946.01		
REGISTERED INVESTMENT COMPANIES					
AMERICAN FUNDS INV CO OF AMER	BEG	958,886.00	621,937.67	29,729.3343	20.920000
	END	595,904.71	491,377.19	18,972.0917	25.900000
AMER FUNDS NEW PERSPECTIVE-R3	BEG	146,497.03	94,520.17	5,078.9995	18.610000
	END	65,015.86	60,317.07	2,387.8492	25.260000
AMERICAN FUNDS THE NEW ECON-R	BEG	16,324.72	11,309.54	733.9092	15.410000
	END	61,454.45	76,756.83	3,452.8487	22.230000
AC STRAT ALLOC CONS FUND - AD	BEG	10,606.17	9,113.95	1,998.6733	4.560000
	END	17,984.79	18,946.75	3,700.5387	5.120000
FRANKLIN INCOME FUND - A	BEG	202,284.20	137,814.31	82,523.5382	1.670000
	END	277,000.06	264,626.80	127,839.0345	2.070000
AMERICAN FUNDS AMER BAL FD- R	BEG	806,664.56	611,952.09	44,570.4360	13.730000
	END	575,174.54	522,020.05	32,323.2232	16.150000
OPPENHEIMER SM&MD CAP VALUE -	BEG	654,390.10	357,389.06	19,444.4540	18.380000
	END	425,289.72	376,310.94	14,157.6725	26.580000
LOOMIS SAYLES STRATEGIC INC-A	BEG	281,394.10	204,658.30	19,380.5212	10.560000
	END	323,078.20	328,112.06	23,776.2368	13.800000
NEUBERGER BERMAN PARTNERS -AD	BEG	26,735.68	26,546.55	2,584.8638	10.270000
	END	163,380.20	189,044.40	11,912.0609	15.870000
CALVERT INCOME FUND - A	BEG	174,855.89	152,574.34	11,048.1064	13.810000
	END	200,798.91	202,442.76	13,103.0911	15.450000
BLACKROCK GLOBAL ALLOCATION A	BEG	418,927.06	344,718.03	23,027.2564	14.970000
	END	469,295.48	483,065.75	27,001.9983	17.890000
BLACKROCK LG CAP CORE FD -A	BEG	192,853.87	119,777.05	14,500.8536	8.260000
	END	184,519.88	149,603.52	15,188.1750	9.850000
BLACKROCK LARGE CAP VALUE - A	BEG	167,562.15	110,630.90	9,391.4173	11.780000
	END	232,405.04	198,744.09	14,909.5339	13.330000

Period: 01/01/2009 through 12/31/2009

Plan Name: CALICO BRANDS, INC. 401(K) PLAN
ADP Plan Number: 760110

Employer EIN: 33-0588675
Run Date: 03/20/2010

ASSETS	PERIOD	COST VALUE	MARKET VALUE	# OF SHARES/UNITS	SHARE/UNIT PRICE
AM FNDS EUROPACIFIC GROWTH -R	BEG	257,708.01	162,897.97	5,910.6667	27.560000
	END	157,992.44	145,645.25	3,865.3195	37.680000
AM FND THE GROWTH FND OF AM-R	BEG	292,000.38	198,448.73	9,824.1951	20.200000
	END	191,027.24	179,229.21	6,655.3737	26.930000
OPPENHEIMER INTL BOND FD - A	BEG	119,484.25	117,645.63	19,872.5718	5.920000
	END	266,421.57	279,131.47	43,614.2925	6.400000
ALLIANCEBER INTL GR FD - A	BEG	191,937.62	120,101.94	11,626.5177	10.330000
	END	240,327.41	221,527.01	15,733.4519	14.080000
NATIONWIDE INV DEST MOD - A	BEG	25,927.32	19,011.01	2,551.8134	7.450000
	END	27,620.96	24,120.97	2,769.3422	8.710000
SUBTOTAL	BEG	4,945,039.11	3,421,047.24		
	END	4,474,691.46	4,211,022.12		
Participant Loans	BEG	0.00	176,362.99		
	END	0.00	238,062.49		
Noninterest-Bearing Cash	BEG	0.00	0.00		
	END	0.00	0.00		
TOTAL	BEG	6,544,244.41	5,196,615.53		
	END	6,189,637.47	6,164,030.62		

NOTE: Participant Loans above include Deemed Distributed Loans (DDL) and do not include Defaulted Loans (DLN) or Offset Loans (OFS).

Period: 01/01/2009 through 12/31/2009

Plan Name: CALICO BRANDS, INC. 401(K) PLAN Employer EIN: 33-0588675
ADP Plan Number: 760110 Run Date: 03/20/2010

Total Assets at the Beginning of the Period:	5,196,615.53	Total Assets at the End of the Period:	6,164,030.62

NOTE: The following is specifically for Form 5500 reporting.

Beginning Participant Loans WITHOUT DDL Principal and Interest:	129,966.93
Beginning Total Assets WITHOUT DDL Principal and Interest:	5,150,219.47
End Participant Loans WITHOUT DDL Principal and Interest:	191,083.84
End Total Assets WITHOUT DDL Principal and Interest:	6,117,051.97

Calico Brands, Inc. ◆ 2055 South Haven Ave. ◆ Ontario, CA 91761-0736
◆ (909) 930-5000 ◆ FAX (909) 930-3900 ◆ Toll Free 1-800-LIGHTER

This filing was delayed due to the following difficulties that were experienced with the electronic filing system used when trying to file timely:

- Unreliability of various network connections creating time-out and failed filing attempts.
- Unrecognizable 'schematic' errors preventing a successful e-filing.
- Inordinate number of Warning and Error messages and system failures associated with attachment processes complicating e-filing at all, let alone timely.

I have every intention of complying with reporting and disclosure rules. I believe that the late filing of this Form 5500 is the result of reasonable cause, not willful neglect. Since next year will be the second year of this new procedure, I do not anticipate the same issues in the future and the filings in the future will be timely. I would ask for abatement of the purposed late filing penalty.

Thank you,

Calico Brands, Inc.

IRS Form 5500 Electronic Filing

ADP Retirement Services

5500 WEB CLIENT

[Send To Printer]

Status History

EIN	PN	Plan Id	Plan Year	Plan	Status	UserName	IFASStatus	Date
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Printed & Finished	ADP RS Government Forms 5500	Processing_Stopped	10/18/2010 4:48:20 AM
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Finished	LHON	PROCESSING_STOPPED	10/15/2010 7:33:29 PM
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Finished	LHON	PROCESSING	10/15/2010 7:33:09 PM
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Finished	LHON	Submitted	10/15/2010 7:32:17 PM
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Finished	LHON	Signature Saved (ADM)	10/15/2010 7:32:13 PM
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Finished	LHON	Not_Filed	10/15/2010 6:26:23 PM
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Viewed	LHON	Not_Filed	10/15/2010 4:50:29 PM
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Republished	ADP RS Government Forms 5500	Not_Filed	7/30/2010 1:39:51 AM
330588675	001	760110	2009	CALICO BRANDS, INC. 401(K) PLAN	Published	ADP RS Government Forms 5500	Not_Filed	6/25/2010 11:47:44 PM

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