Form 5500-SF

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation Short Form Annual Return/Report of Small Employee Benefit Plan

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

1210-0089

OMB Nos. 1210-0110

2010

This Form is Open to Public Inspection

| Pe | ension Benefit Gua | aranty Corporation | ▶ Complete all entries in accor | dance wit | h the instructions to the Form 550 | 0-SF. | mspection |
|-------------|----------------------------|--------------------------|--|--------------|--|--------|---|
| Pa | art I Ann | nual Report | Identification Information | | | | |
| For | calendar plan | year 2010 or fis | cal plan year beginning 01/01/201 | 0 | and ending 1 | 2/31/2 | 2010 |
| A | This return/rep | oort is for: | single-employer plan | multiple-e | employer plan (not multiemployer) | | one-participant plan |
| | This return/rep | | first return/report | final retur | n/report | | |
| | iiiis ictuiii/icp | JOIL IS IOI. | an amended return/report | 1 | n year return/report (less than 12 moi | nthe) | |
| • | | | | <u>,</u> | | 11113) | |
| C | Check box if fi | ling under: | Form 5558 | 1 | extension | | DFVC program |
| | | | special extension (enter description | | | | |
| Pa | rt II Bas | sic Plan Info | rmation—enter all requested inform | nation | | | |
| 1a | Name of plan | | | | | 1b | Three-digit |
| SCOL | _R PHARMA, | INC. 401(K) PL | AN | | | | plan number 001 |
| | | | | | | 4. | (PN) • |
| | | | | | | 1C | Effective date of plan 06/01/1986 |
| 20 | Diamana | | | [) | | 26 | |
| | Plan sponsor _R PHARMA, | | dress (employer, if for single-employer | r pian) | | 20 | Employer Identification Number (EIN) 91-1689591 |
| 000. | | | | | | 2c | Plan sponsor's telephone number |
| | | EEK PKWY, SU | ITE 100 | | | | 425-368-1050 |
| BOTE | HELL, WA 980 | J11 | | | | 2d | Business code (see instructions) |
| | | | | | | | 541700 |
| 3a | Plan administ R PHARMA, | trator's name an | d address (if same as Plan sponsor, e | enter "Same | e") PKWY, SUITE 100 | 3b | Administrator's EIN 91-1689591 |
| 0001 | -ix i i iAixiviA, | 1140. | BOTHELL, V | | 11 KW1, 00112 100 | 20 | |
| | | | | | | 30 | Administrator's telephone number 425-368-1050 |
| 4 If | the name an | d/or EIN of the r | olan sponsor has changed since the la | st return/re | port filed for this plan, enter the | 4b | EIN |
| | | | per from the last return/report. Sponso | | | | |
| | | | | | | 4c | PN |
| 5a | Total number | r of participants | at the beginning of the plan year | | | 5a | 14 |
| b | Total numbe | r of participants | at the end of the plan year | | | 5b | 8 |
| С | | | with account balances as of the end o | | • | | 7 |
| | complete this | s item) | | | | 5c | |
| _ | | • | during the plan year invested in eligib | | · · | | Yes No |
| b | | | the annual examination and report of (See instructions on waiver eligibility | | | | X Yes ☐ No |
| | | | ther 6a or 6b, the plan cannot use F | | • | | |
| Pa | | ancial Inforn | · | 0 | or and made motoda add r orm od | | |
| 7 | | and Liabilities | | | (a) Beginning of Year | | (b) End of Year |
| | | | | . 7a | 554306 | 3 | 355318 |
| b | | | | | | | |
| C | • | | 7b from line 7a) | | 554306 | 3 | 355318 |
| | | | · | . 7с | | | |
| 8 | | | sfers for this Plan Year | | (a) Amount | | (b) Total |
| а | | s received or rec ers | ervable from. | . 8a(1) | 9370 |) | |
| | | | | | 53485 | 5 | |
| | . , | | ·s) | | | | |
| h | | - | | | 39618 | 3 | |
| b | | ` , | | | 00010 | | 102473 |
| C | | |), 8a(2), 8a(3), and 8b) | . 8с | | | 102413 |
| d | | | t rollovers and insurance premiums | . 8d | 294984 | | |
| е | • | * | ctive distributions (see instructions) | | | | |
| f | | | ers (salaries, fees, commissions) | | 6477 | 7 | |
| g | | · | | | | | |
| h | | | , 8e, 8f, and 8g) | | | | 301461 |
| | | | ne 8h from line 8c) | | | | -198988 |
| ; | ` | , , | see instructions) | | | | |
| j | 1101131513 10 | (11011) the plant (| | · 8j | 1 | | |

| | Form 5500-SF 2010 Page 2- | | | | | | | |
|------|--|---------|---------|----------|-------------|--------|-----|-------|
| ar | IV Plan Characteristics | | | | | | | |
|)a | If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Charac | cteris | tic Co | des in | the instruc | tions: | | |
| | 2E 2F 2G 2J 2K 2T 3D | | | | | | | |
| D | If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Charact | cterist | ic Coc | ies in t | ne instruct | ions: | | |
| art | V Compliance Questions | | | | | | | |
| 0 | During the plan year: | | Yes | No | | Amount | | |
| а | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program) | 10a | | X | | | | |
| b | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) | 10b | | X | | | | |
| С | Was the plan covered by a fidelity bond? | 10c | X | | | | 100 | 00000 |
| d | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 10d | | X | | | | |
| е | Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, | | | | | | | |
| | insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.) | 10e | X | | | | | 2300 |
| f | Has the plan failed to provide any benefit when due under the plan? | 10f | | X | | | | |
| g | Did the plan have any participant loans? (If "Yes," enter amount as of year end.) | 10g | | Χ | | | | |
| h | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 10h | | X | | | | |
| i | If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 | 10i | | | | | | |
| art | VI Pension Funding Compliance | | • | | | | | |
| 1 | Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete 5500)) | | | | | Ye | s X | No |
| 2 | Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code of | or se | ction 3 | 02 of E | ERISA? | Ye | s | No |
| | (If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.) | | | | | | | |
| | If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructi granting the waiver | | | | | | | g |
| lf y | rou completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13. | | _ | 401 | | | | |
| | Enter the minimum required contribution for this plan year | | ··· ⊢ | 12b | | | | |
| _ | Enter the amount contributed by the employer to the plan for this plan year | | | 12c | | | | |
| a | Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of negative amount) | | | 12d | | | | |
| е | Will the minimum funding amount reported on line 12d be met by the funding deadline? | | | | Yes | No | | N/A |
| art | VII Plan Terminations and Transfers of Assets | | | | | | | |
| 3a | Has a resolution to terminate the plan been adopted during the plan year or any prior year? | | <u></u> | | | Υe | s X | No |
| | If "Yes," enter the amount of any plan assets that reverted to the employer this year | | | 13a | | | | |
| b | Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought ur of the PBGC? | | | | | Ye | s | No |

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.)

13c(1) Name of plan(s): 13c(2) EIN(s) 13c(3) PN(s)

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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 | Filed with authorized/valid electronic signature. | 05/20/2011 | RICHARD M. LEVY | | | | | | |
|------|---|------------|--|--|--|--|--|--|--|
| HERE | 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 | | | | | | |

Form 5500-SF

Department of the Treasury internal Revenue Service

Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation Short Form Annual Return/Report of Small Employee Benefit Plan

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

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

OMB Nos. 1210-0110 1210-0089

2010

This Form is Open to Public Inspection

| | art I Annual Report Identification Information | | | | |
|--------|--|--------------|---|------------|---|
| For | calendar plan year 2010 or fiscal plan year beginning | 01/01/2 | 010 and ending | | 12/31/2010 |
| Α | This return/report is for: X single-employer plan | multiple-e | mployer plan (not multiemployer) | | one-participant plan |
| В | This return/report is for: first return/report | final retur | n/report | | _ |
| | an amended return/report | short plan | year return/report (less than 12 mo | nths) | |
| C | Check box if filing under: Form 5558 | automatic | extension | | DFVC program |
| • | special extension (enter description | J | | | |
| P | art II Basic Plan Information—enter all requested inform | | | | |
| | Name of plan | 12(101) | | 1b | Three-digit |
| , 44 | SCOLR Pharma, Inc. 401(k) Plan | | | | plan number |
| | | | | | (PN) ▶ 001 |
| | | | | 1c | Effective date of plan 06/01/1986 |
| 22 | Plan enanger's name and addrage (ampleyer if for single ampleyer | r nlan) | | 2h | Employer Identification Number |
| Za | Plan sponsor's name and address (employer, if for single-employer SCOLR Pharma, Inc. | piairi | | 20 | (EIN) 91-1689591 |
| | | | | 2c | Plan sponsor's telephone number |
| | 19204 North Creek Pkwy, Suite 100 | | | 0-1 | (425) 368-1050 |
| | Bothell | | WA 98011 | 2 a | Business code (see instructions) 541700 |
| 3a | Plan administrator's name and address (if same as Plan sponsor, e | enter "Same | | 3b | Administrator's EIN |
| | same | | | | |
| | | | | 3c | Administrator's telephone number |
| 4 | f the name and/or EIN of the plan sponsor has changed since the la | st return/re | port filed for this plan, enter the | 4b | EIN |
| | name, EIN, and the plan number from the last return/report. Sponso | or's name | | 4 | Pa. |
| F | Total construction of a selection at the least of the selection of the sel | | | 4c | |
| | Total number of participants at the beginning of the plan year | | | 5a | 14 |
| b | , , | | | 5b | . 8 |
| С | Total number of participants with account balances as of the end o complete this item) | | · · · · · · · · · · · · · · · · · · · | 5c | 7 |
| ĥа | Were all of the plan's assets during the plan year invested in eligib | | | | X Yes No |
| | Are you claiming a waiver of the annual examination and report of | | | | |
| | under 29 CFR 2520.104-46? (See instructions on waiver eligibility | | • | | X Yes No |
| Φ. | If you answered "No" to either 6a or 6b, the plan cannot use F | orm 5500- | SF and must instead use Form 55 | 00. | · · · · · · · · · · · · · · · · · · · |
| 7 | Plan Assets and Liabilities | | (a) Beginning of Year | | (b) End of Year |
| , = | Total plan assets | 7a | (a) Beginning of Teal 554,30 | - | 355,318 |
| h | Total plan liabilities | 7b | 331,30 | 1 | 333,310 |
| | Net plan assets (subtract line 7b from line 7a) | | 554,30 | 6 | 355,318 |
| 8 | Income, Expenses, and Transfers for this Plan Year | | (a) Amount | 1 | (b) Total |
| a | Contributions received or receivable from: | | , , | 100 | |
| | (1) Employers | . 8a(1) | 9,37 | '이 | |
| | (2) Participants | . 8a(2) | 53,48 | 5 | |
| | (3) Others (including rollovers) | . 8a(3) | | | |
| b | Other income (loss) | 8b | 39,61 | .8 | |
| C | Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) | . 8c | | | 102,473 |
| d | Benefits paid (including direct rollovers and insurance premiums to provide benefits) | 8d | 294,98 | 4 | |
| е | Certain deemed and/or corrective distributions (see instructions) | | -22,30 | - | |
| f | Administrative service providers (salaries, fees, commissions) | | 6,47 | ᅱ | |
| g | Other expenses | | V 1 # / | - | |
| y h | Total expenses (add lines 8d, 8e, 8f, and 8g) | | | | 301,461 |
| ; t | Net income (loss) (subtract line 8h from line 8c) | | erreggeraturus granjesistiftikalijan siijinih i Systetii jajja ja kasaa siida ja ja kanaan ja kasaa k | | (198,988) |
| | THE HOURIE (1000) (SUDIEGOLIHIE OH HUH BILE OU) | | | | 1220,2001 |
| ì | Transfers to (from) the plan (see instructions) | | <u>, and had an ann an t-aireann a</u> I | | |

| | Form 5500-SF 2010 Page 2- | | | | |
|------|---|-------------|----------|----------|-------------------|
| | t IV Plan Characteristics If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan 0 | `haracteri | stic Co | ides in | the instructions: |
| Jd | 2E 2F 2G 2J 2K 2T 3D | niai acicii | SHO OC | iuca III | the manuchons. |
| b | If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan C | haracteris | stic Co | des in t | the instructions: |
| | | | <u> </u> | | |
| Part | V Compliance Questions | | | | |
| 10 | During the plan year: | | Yes | No | Amount |
| а | Was there a failure to transmit to the plan any participant contributions within the time period describe | d in | | | |
| _ | 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program) | 10a | | Х | |
| b | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions report on line 10a.) | ed 10b | | X | |
| С | Was the plan covered by a fidelity bond? | 10c | x | | 1,000,000 |
| d | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by from dishonesty? | ud 10d | | Х | |
| е | Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.) | 10e | x | | 2,300 |
| f | Has the plan failed to provide any benefit when due under the plan? | 10f | | Х | |
| g | Did the plan have any participant loans? (If "Yes," enter amount as of year end.) | 10g | | Х | |
| h | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 10h | | Х | |

| | 29 CTR 2510.5-102? (See instructions and DOE's voluntary Fluddiary Correction Flogrand) | IUa | 1 | 21 | | | | |
|-------------|---|----------|--------|---|------------|----------|--------------|----------|
| b | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) | 10b | | х | | | | |
| С | Was the plan covered by a fidelity bond? | 10c | Х | | | | 1,00 | 00,000 |
| d | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 10d | | х | | | ··· · | ····· |
| е | Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.) | 10e | х | | | | | 2,300 |
| f | Has the plan failed to provide any benefit when due under the plan? | 10f | | х | | | | |
| g | Did the plan have any participant loans? (If "Yes," enter amount as of year end.) | 10g | | х | | | | |
| h | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 10h | | х | | | | |
| ì | If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 | 10i | | | | | | |
| Part | VI Pension Funding Compliance | | | *************************************** | | | | * |
| 11 | Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and co 5500)) | | | | | | Yes | X No |
| 12 | Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Co | de or se | ection | 302 of | ERISA? | [| Yes | X No |
| | (If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.) | | | | | | _ | _ |
| а | If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see inst granting the waiver | uctions | , and | enter t | he date o | f the le | etter ru | ling |
| lf v | you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 1 | | | _ Day | | _ 16 | dl | |
| - | Enter the minimum required contribution for this plan year | | [| 12b | T | | | |
| | Enter the amount contributed by the employer to the plan for this plan year | | | 12c | | | | |
| | Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the le negative amount) | ft of a | | 12d | | | | |
| е | Will the minimum funding amount reported on line 12d be met by the funding deadline? | | - | | Yes | П | No | N/A |
| Part | | | | | <u>,—</u> | | | |
| | Has a resolution to terminate the plan been adopted during the plan year or any prior year? | | | | | | Yes | X No |
| 104 | If "Yes," enter the amount of any plan assets that reverted to the employer this year | | ı | 4.0 | T | | | <u> </u> |
| b | Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brougl of the PBGC? | t under | the c | ontrol | 1 | |] Ves | X No |
| С | If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify which assets or liabilities were transferred. (See instructions.) | | | | | L | , | <u> </u> |
| 1 | I3c(1) Name of plan(s): | | 13 | 3c(2) E | IN(s) | | 13c(3) |) PN(s) |
| | | | | | | | | |
| | | | | · • · · · · · · · · · · · · · · · · · · | | | | |
| | | | | | | | | |
| | ion. A popular for the late or incomplete filing of this return/report will be econocid unless recom- | ble se | | . satab | Cobod | | | |
| | ion: A penalty for the late or incomplete filing of this return/report will be assessed unless reasona or penalties of perjuryand other penalties set forth in the instructions, I declare that I have examined this r | | | | | icable | a Sch | edule |
| SB o | r Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return f, it is true, correct, and complete. | | | | | | | |
| 610 | N A/14/17 Richard M | . Le | vv | | | | | |
| SIGI HER | | | | anina a | is plan ar | minist | rator | |
| The let | | | | J J | piaii ac | | | |

SIGN HERE Richard M. Levy Signature of employer/plan sponsor Enter name of individual signing as employer or plan sponsor