Form 5500	Annual Return/Report of Employee Benefit Plan	OMB Nos. 1210-0110 1210-0089
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**2010** **This Form is Open to Public Inspection**

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

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

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [ ] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
MEI HOTELS INCORPORATED 401K PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 08/01/1998

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
MEI HOTELS INCORPORATED 401K PLAN

ONE CLEVELAND CENTER
CLEVELAND, OH 441140000000

2b Employer Identification Number (EIN) 34-1870717

2c Sponsor's telephone number 216-589-0441

2d Business code (see instructions) 531390

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.	07/26/2011	BERT W MOYAR
	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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
MEI HOTELS INCORPORATED 401K PLAN

ONE CLEVELAND CENTER
CLEVELAND, OH 441140000000

3b Administrator's EIN
34-1870717

3c Administrator's telephone number
216-589-0441

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**	237
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**	196
b Retired or separated participants receiving benefits	**6b**	
c Other retired or separated participants entitled to future benefits	**6c**	55
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	251
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	
f Total. Add lines **6d** and **6e**	**6f**	251
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	159
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	17
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 2G 2J 2K 2F 3D 3H

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

9a Plan funding arrangement (check all that apply)
- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [ ] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)
- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [ ] Trust
- **(4)** [ ] General assets of the sponsor

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

a Pension Schedules
- **(1)** [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)** [X] 1 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)	Insurance Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.** ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	**2010** **This Form is Open to Public Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan	**B** Three-digit plan number (PN) ▶	001
MEI HOTELS INCORPORATED 401K PLAN		

C Plan sponsor's name as shown on line 2a of Form 5500.	**D** Employer Identification Number (EIN)
MEI HOTELS INCORPORATED 401K PLAN	34-1870717

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier

NATIONWIDE LIFE INSURANCE COMPANY

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year **(f)** From	**(g)** To
31-4156830	66869	GAPB3R095	159		

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid **(c)** Amount	**(d)** Purpose	**(e)** Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid **(c)** Amount	**(d)** Purpose	**(e)** Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	13795
5	Current value of plan's interest under this contract in separate accounts at year end	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☒ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year		7b	18866
c	Additions: (1) Contributions deposited during the year	7c(1)	1433	
	(2) Dividends and credits	7c(2)		
	(3) Interest credited during the year	7c(3)		
	(4) Transferred from separate account	7c(4)		
	(5) Other (specify below) ▶	7c(5)		
	(6) Total additions		7c(6)	1433
d	Total of balance and additions (add **b** and **c(6)**).		7d	20299
e	Deductions:			
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	5448	
	(2) Administration charge made by carrier	7e(2)	14	
	(3) Transferred to separate account	7e(3)		
	(4) Other (specify below) ▶ FORFEITURE	7e(4)	1042	
	(5) Total deductions		7e(5)	6504
f	Balance at the end of the current year (subtract **e(5)** from **d**)		7f	13795

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- **a** ☐ Health (other than dental or vision)
- **b** ☐ Dental
- **c** ☐ Vision
- **d** ☐ Life insurance
- **e** ☐ Temporary disability (accident and sickness)
- **f** ☐ Long-term disability
- **g** ☐ Supplemental unemployment
- **h** ☐ Prescription drug
- **i** ☐ Stop loss (large deductible)
- **j** ☐ HMO contract
- **k** ☐ PPO contract
- **l** ☐ Indemnity contract
- **m** ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	9a(1)			
(2) Increase (decrease) in amount due but unpaid	9a(2)			
(3) Increase (decrease) in unearned premium reserve	9a(3)			
(4) Earned (**(1)** + **(2)** - **(3)**)			9a(4)	
b Benefit charges (1) Claims paid	9b(1)			
(2) Increase (decrease) in claim reserves	9b(2)			
(3) Incurred claims (add **(1)** and **(2)**)			9b(3)	
(4) Claims charged			9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	9c(1)(A)			
(B) Administrative service or other fees	9c(1)(B)			
(C) Other specific acquisition costs	9c(1)(C)			
(D) Other expenses	9c(1)(D)			
(E) Taxes	9c(1)(E)			
(F) Charges for risks or other contingencies	9c(1)(F)			
(G) Other retention charges	9c(1)(G)			
(H) Total retention			9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			9d(1)	
(2) Claim reserves			9d(2)	
(3) Other reserves			9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in **c(2)**.)			9e	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.			10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).	2010
Department of Labor Employee Benefits Security Administration	▶ **File as an attachment to Form 5500.**	**This Form is Open to Public Inspection.**
Pension Benefit Guaranty Corporation		

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
MEI HOTELS INCORPORATED 401K PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MEI HOTELS INCORPORATED 401K PLAN

D Employer Identification Number (EIN)
34-1870717

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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(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)

NATIONWIDE

ONE NATIONWIDE PLAZA
COLUMBUS, OH 43215

31-4156830

(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?
22 50 52 53 64 65	N/A	11291	Yes [X] No [ ]	Yes [ ] No [X]	1975	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 [ ]

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

(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)	DFE/Participating Plan Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	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.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan MEI HOTELS INCORPORATED 401K PLAN	**B** Three-digit plan number (PN) ▶ 001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 MEI HOTELS INCORPORATED 401K PLAN	**D** Employer Identification Number (EIN) 34-1870717

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:

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)

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

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

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

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

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

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

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

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

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)	Financial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
MEI HOTELS INCORPORATED 401K PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MEI HOTELS INCORPORATED 401K PLAN

D Employer Identification Number (EIN)
34-1870717

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)	60255	62599
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(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)	822101	1044592
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	19004	13795
(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	901360	1120986
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		3
k Total liabilities (add all amounts in lines 1g through1j)	1k		3
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	901360	1120983

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)	41298	
(B) Participants	2a(1)(B)	132657	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		173955
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		
(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)	104547	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		104547
(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)		

		(a) Amount	(b) Total
2b **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		278502

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	58879	
(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)		58879
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		58879

Net Income and Reconciliation

k Net income (loss). Subtract line **2j** from line **2d**	2k		219623
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: CARD PALMER SIBBISON & CO **(2)** EIN: 34-1599718

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)	Retirement Plan Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 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.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
MEI HOTELS INCORPORATED 401K PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MEI HOTELS INCORPORATED 401K PLAN

D Employer Identification Number (EIN)
34-1870717

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**

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): 31-4156830 _____

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**	0
	b Enter the amount contributed by the employer to the plan for this plan year	**6b**	0
	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**	0

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

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

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

---

a Name of contributing employer

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

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

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

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

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

---

a Name of contributing employer

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

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

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

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

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

---

a Name of contributing employer

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

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

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

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

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

---

a Name of contributing employer

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

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

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MEI HOTELS INCORPORATED 401(k) PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2010

MEI HOTELS INCORPORATED 401(k) PLAN
FINANCIAL STATEMENTS
DECEMBER 31, 2010

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Card Palmer
Certified Public Accountants

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Cleveland, OH 44109–6009
216.621.6100 fax: 216.621.8025
website: www.cps-cpa.com

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
MEI Hotels Incorporated 401(k) Plan
Cleveland, Ohio

We were engaged to audit the accompanying statements of net assets available for benefits of MEI Hotels Incorporated 401(k) Plan as of December 31, 2010 and 2009 and the related statement of changes in net assets available for benefits for the year ended December 31, 2010 and the supplemental schedule of Schedule H, line 4i – Schedule of Assets (Held At End of Year) as of December 31, 2010. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Nationwide Life Insurance Company, the trustee of the Plan, except for comparing such 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 certifications from the trustees as of December 31, 2010 and 2009 and for the year ended December 31, 2010, that the information provided to the plan administrator by the trustees is complete and accurate.

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

Card, Palmer, Sibbison & Co.

Cleveland, Ohio
July 20, 2011

FINANCIAL STATEMENTS

MEI HOTELS INCORPORATED 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

DECEMBER 31, 2010 AND 2009

	2010	2009
ASSETS		
Investments at fair value:		
Money market, interest bearing	$ 62,599	$ 60,255
Registered investment companies	1,044,592	822,101
Insurance company group annuity contract	13,795	19,004
Total investments	1,120,986	901,360
LIABILITIES		
Contributions payable-return of ineligible contribution	3	-
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$ 1,120,983	$ 901,360

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

MEI HOTELS INCORPORATED 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2010

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Investment income:	
Net appreciation in fair value of investments	$ 104,547
Contributions:	
Employer	41,298
Participant	132,657
Total contributions	173,955
Total additions	278,502
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Benefits paid to participants	58,879
NET INCREASE	219,623
NET ASSETS AVAILABLE FOR PLAN BENEFITS:	
Beginning of year	901,360
End of year	$ 1,120,983

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

MEI HOTELS INCORPORATED 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

1. DESCRIPTION OF PLAN

The following description of the MEI Hotels Incorporated 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is sponsored and administered by MEI Hotels Incorporated (the Company) and is governed by the Plan Agreement. The Plan is subject to provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan is a defined contribution plan covering generally all full-time employees of the Company. Participants are eligible to participate in the 401(k) and matching contribution portions of the Plan, on the first of the month following the completion of three months of service, and participants under the age of twenty-one can now participate.

Contributions

Participants can elect to make voluntary contributions of pretax annual compensation, as defined in the Plan, up to 100%, the maximum permitted by law. The Company makes matching contributions to the Plan equal to 50% of the participant's contributions not to exceed 3% of the participant's compensation. Participants direct the investment of their contributions into various investment options offered by the Plan and may contribute up to the annual maximum amount pursuant to the applicable section of the Internal Revenue Code. Participants who have attained age 50 before the end of the Plan year were eligible to contribute an additional $5,000 in catch-up contributions. The Company may make discretionary profit sharing contributions.

The Plan adopted Automatic Enrollment Contributions. Under this provision each eligible employee entering the Plan, unless affirmatively elected otherwise, will have pretax contributions of 3% (Automatic Enrollment Rate) withheld from their compensation.

Participant accounts

Each participant account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings and is charged with an allocation of administrative expenses. Allocations are based on participant compensation 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 employee pre-tax withholding account. A participant's interest in the Company's matching contributions, along with any earnings on those contributions, are vested by utilizing a six year graded scale, starting at 20% after two years of service and increasing by 20% for every year until 100% vested.

1. DESCRIPTION OF PLAN (Continued)

Payment of benefits

On termination of service, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum or in installments. The Plan complies with applicable sections of the Internal Revenue Code regarding mandatory cash-out distributions.

Forfeited accounts

Forfeitures of non-vested Company contributions are used to reduce employer contributions. Forfeitures amounted to $7,837 for the year ended December 31, 2010 and $4,007 was used to reduce employer contributions. The remaining forfeiture balance at December 31, 2010 was $4,272.

Plan termination

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

Notes receivable from participants

Participants may borrow from their account a minimum of $1,000 and up to a maximum of $50,000 or 50% of their vested balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at varying rates, which are commensurate with local prevailing rates as determined by the plan administrator. Principal and interest is paid ratably through payroll deductions. At December 31, 2010 and 2009, there were no outstanding participant loans.

2. SUMMARY OF ACCOUNTING POLICIES

Basis of accounting

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

As described by Financial Accounting Standards Board (FASB) accounting codification guidance, investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attributable for the portion of net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by the FASB codification guidance, statements of

2. SUMMARY OF ACCOUNTING POLICIES (Continued)

Basis of accounting (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, if any. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Investment valuation and income recognition

The Plan's shares of registered investment companies are valued at quoted market prices which represent the net asset value of the shares held by the Plan at year end. Investments in money market accounts are stated at fair value, which have been determined based upon the unit value of the trust as reported to the Plan by the custodian. The insurance company group annuity contract, issued by Nationwide Life Insurance Company (Nationwide) is stated at contract value, which approximates fair value. The contract invests in the general assets of Nationwide. Nationwide considers this contract to be benefit-responsive, however, the adjustment to fair value, if any, has been determined to be immaterial.

Purchases and sales of securities are recorded on a trade-date basis. Interest is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Administrative expenses

The Plan provides that administrative expenses of the Plan, except fees related to participant loans, are to be paid by the Plan or by the Company, at the option of the Company.

Use of estimates

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

Payment of benefits

Benefits are recorded when paid.

Risks and uncertainties

The Plan holds 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.

3. INVESTMENT CONTRACTS

The Plan invests in an short-term investment fund (STIF) contract managed by Nationwide. The fully benefit-responsive contract is valued at contract value which represents contributions plus earnings less withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risks of the contract issuer or otherwise. The average yield and crediting interest rates were 0.0% for 2010 and 0.0% for 2009. Interest rates are reviewed on a quarterly basis for resetting.

4. TAX STATUS

Effective August 1, 1998, the Plan adopted a standardized form of a prototype plan sponsored by Nationwide Life Insurance Co. The prototype plan has received an opinion letter from the Internal Revenue Service as to the prototype plan's qualified status. The prototype plan opinion letter has been relied upon by this Plan. The plan administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

The Plan has adopted guidance, as required by the Income Taxes Topic of the FASB Accounting Standards Codification regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting and recognition for income tax positions taken or expected to be taken in the Plan's income tax returns. As of December 31, 2010, the Plan has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Plan records related interest expenses and penalties, if any, as a tax expense, consistent with this guidance. The Plan's open audit periods are for the tax years ended December 31, 2007 through December 31, 2010. In evaluating the Plan's tax position, future taxable income, the reversal of temporary differences, provisions and accruals, tax law interpretation, and tax planning strategies are considered.

5. INFORMATION CERTIFIED BY NATIONWIDE LIFE INSURANCE CO.

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Nationwide, except for comparing such information certified by the custodian to information included in the Plan's financial statements and supplemental schedule.

5. INFORMATION CERTIFIED BY NATIONWIDE LIFE INSURANCE CO. (Continued)

The following table presents the fair value of the investments in this Plan that were certified by Nationwide. Investments representing more than 5% of the Plan's net assets as of December 31 are separately identified.

	December 31,	
	2010	2009
Registered investment companies:		
American Century Income and Growth Fund	$ 60,788	$ 46,072
Capital World Growth and Income109,134		102,249
Fidelity Advisor Freedom 2040	59,900	40,632
Fidelity Advisor Freedome Income A	60,682	5,762
Vanguard Stock Bond Index Fund	94,516	83,940
Janus Twenty Fund	146,807	132,909
Nationwide S&P 500 Index	129,088	106,259
Other registered investment companies	383,677	304,278
	1,044,592	822,101
Nationwide Money Market Institution	62,599	60,255
Insurance company group annuity contract	13,795	19,004
	$ 1,120,986	$ 901,360

Nationwide also certified to the completeness and accuracy of $104,547 of net appreciation in the fair value of investments.

	2010
Net appreciation in fair value of investments:	
Registered investment companies	$ 104,547

6. FAIR VALUE MEASUREMENTS

FASB codification guidance, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB guidance are described as follows:

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

6. FAIR VALUE MEASUREMENTS (Continued)

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2010.

Mutual funds – valued at the net asset value (NAV) of shares held by the Plan at year end.

Guaranteed investment contract – valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

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

6. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010 and 2009:

	Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Money market fund	$ 62,599	$ -	$ -	$ 62,599
Mutual funds:				
Index funds	268,062	-	-	268,062
Balanced funds	259,905	-	-	259,905
Growth funds	516,625	-	-	516,625
Group annuity contract	13,795	-	-	13,795
	$ 1,120,986	$ -	$ -	$ 1,120,986

	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Money market fund	$ 60,255	$ -	$ -	$ 60,255
Mutual funds:				
Index funds	224,192	-	-	224,192
Balanced funds	174,903	-	-	174,903
Growth funds	423,006	-	-	423,006
Group annuity contract	19,004	-	-	19,004
	$ 901,360	$ -	$ -	$ 901,360

7. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of registered investment companies and a money market fund managed by Nationwide Life Insurance Co. and/or their affiliates. Nationwide Life Insurance Co. is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

8. SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 20, 2011, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

MEI HOTELS INCORPORATED 401(k) PLAN

EIN: 34-1870717

SCHEDULE H, LINE 4i - ASSETS HELD AT END OF YEAR

DECEMBER 31, 2010

(a)	(b) Identity of issue, borrower , lessor or similar party	(c) Description of Investment including maturity date rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
	AMERICAN CENTURY	AMERICAN CENTURY INCOME AND GROWTH FUND	* *	$ 60,788
	AMERICAN FUNDS	CAPITAL WORLD GROWTH AND INCOME	* *	$ 109,134
	EAGLE SERIES TRUST	EAGLE SERIES TRUST MID-CAPITAL STOCK A	* *	$ 6,153
	FEDERATED	FEDERATED BOND FUND	* *	$ 7,743
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2005	* *	$ 27
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2010	* *	$ 9,087
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2015	* *	$ 8,090
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2020	* *	$ 38,119
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2025	* *	$ 24,140
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2030	* *	$ 27,447
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2035	* *	$ 20,082
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2040	* *	$ 59,900
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2045	* *	$ 37,899
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2050	* *	$ 24,586
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR LEVERAGED STOCK FUND	* *	$ 15,034
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FEEDOM INCOME A	* *	$ 60,682
	GOLDMAN SACHS	GOLDMAN SACHS MIDDLE CAPITAL VALUE FUND	* *	$ 32,997
	JANUS	JANUS TWENTY FUND	* *	$ 146,807
	NEUBERGER BERMAN	NEUBERGER BERMAN PARTNERS FUND	* *	$ 29,835
*	NATIONWIDE LIFE INSURANCE CO.	NATIONWIDE FUND D	* *	$ 2,455
*	NATIONWIDE LIFE INSURANCE CO.	NATIONWIDE S&P 500 INDEX	* *	$ 129,088
	PRINCIPAL FUNDS	PRICIPAL INVESTMENT HIGH YIELD	* *	$ 10,527
	THORNBURG INTERNATIONAL MGMT.	THORNBURG INTERNATIONAL VALUE FUND	* *	$ 52,741
	VANGUARD	VANGUARD SMALL CAPITAL VALUE INDEX FUND	* *	$ 17,041
	VANGUARD	VANGUARD SMALL CAPITAL GROWTH INDEX FUND	* *	$ 19,674
	VANGUARD	VANGUARD STOCK BOND INDEX FUND	* *	$ 94,516
*	NATIONWIDE LIFE INSURANCE CO.	BANK OF AMERICA-SHORT TERM INDEX FUND (STIF)	* *	$ 13,795
*	NATIONWIDE LIFE INSURANCE CO.	NATIONWIDE MONEY MARKET INSTITUTION	* *	$ 62,599
				$ 1,120,986

* A party-in-interest as defined by ERISA

* * Not required for participant-directed investmens

MEI HOTELS INCORPORATED 401(k) PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2010

MEI HOTELS INCORPORATED 401(k) PLAN
FINANCIAL STATEMENTS
DECEMBER 31, 2010

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Card Palmer
Certified Public Accountants

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Cleveland, OH 44109–6009
216.621.6100 fax: 216.621.8025
website: www.cps-cpa.com

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
MEI Hotels Incorporated 401(k) Plan
Cleveland, Ohio

We were engaged to audit the accompanying statements of net assets available for benefits of MEI Hotels Incorporated 401(k) Plan as of December 31, 2010 and 2009 and the related statement of changes in net assets available for benefits for the year ended December 31, 2010 and the supplemental schedule of Schedule H, line 4i – Schedule of Assets (Held At End of Year) as of December 31, 2010. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Nationwide Life Insurance Company, the trustee of the Plan, except for comparing such 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 certifications from the trustees as of December 31, 2010 and 2009 and for the year ended December 31, 2010, that the information provided to the plan administrator by the trustees is complete and accurate.

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

Card, Palmer, Sibbison & Co.

Cleveland, Ohio
July 20, 2011

FINANCIAL STATEMENTS

MEI HOTELS INCORPORATED 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

DECEMBER 31, 2010 AND 2009

	2010	2009
ASSETS		
Investments at fair value:		
Money market, interest bearing	$ 62,599	$ 60,255
Registered investment companies	1,044,592	822,101
Insurance company group annuity contract	13,795	19,004
Total investments	1,120,986	901,360
LIABILITIES		
Contributions payable-return of ineligible contribution	3	-
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$ 1,120,983	$ 901,360

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

MEI HOTELS INCORPORATED 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2010

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Investment income:	
Net appreciation in fair value of investments	$ 104,547
Contributions:	
Employer	41,298
Participant	132,657
Total contributions	173,955
Total additions	278,502
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Benefits paid to participants	58,879
NET INCREASE	219,623
NET ASSETS AVAILABLE FOR PLAN BENEFITS:	
Beginning of year	901,360
End of year	$ 1,120,983

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

MEI HOTELS INCORPORATED 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

1. DESCRIPTION OF PLAN

The following description of the MEI Hotels Incorporated 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is sponsored and administered by MEI Hotels Incorporated (the Company) and is governed by the Plan Agreement. The Plan is subject to provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan is a defined contribution plan covering generally all full-time employees of the Company. Participants are eligible to participate in the 401(k) and matching contribution portions of the Plan, on the first of the month following the completion of three months of service, and participants under the age of twenty-one can now participate.

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1. DESCRIPTION OF PLAN (Continued)

Payment of benefits

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2. SUMMARY OF ACCOUNTING POLICIES (Continued)

Basis of accounting (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, if any. The statement of changes in net assets available for benefits is prepared on a contract value basis.

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5. INFORMATION CERTIFIED BY NATIONWIDE LIFE INSURANCE CO.

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Nationwide, except for comparing such information certified by the custodian to information included in the Plan's financial statements and supplemental schedule.

5. INFORMATION CERTIFIED BY NATIONWIDE LIFE INSURANCE CO. (Continued)

The following table presents the fair value of the investments in this Plan that were certified by Nationwide. Investments representing more than 5% of the Plan's net assets as of December 31 are separately identified.

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	2010	2009
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Other registered investment companies	383,677	304,278
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Insurance company group annuity contract	13,795	19,004
	$ 1,120,986	$ 901,360

Nationwide also certified to the completeness and accuracy of $104,547 of net appreciation in the fair value of investments.

	2010
Net appreciation in fair value of investments:	
Registered investment companies	$ 104,547

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FASB codification guidance, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB guidance are described as follows:

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

6. FAIR VALUE MEASUREMENTS (Continued)

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2010.

Mutual funds – valued at the net asset value (NAV) of shares held by the Plan at year end.

Guaranteed investment contract – valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

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

6. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010 and 2009:

	Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Money market fund	$ 62,599	$ -	$ -	$ 62,599
Mutual funds:				
Index funds	268,062	-	-	268,062
Balanced funds	259,905	-	-	259,905
Growth funds	516,625	-	-	516,625
Group annuity contract	13,795	-	-	13,795
	$ 1,120,986	$ -	$ -	$ 1,120,986

	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Money market fund	$ 60,255	$ -	$ -	$ 60,255
Mutual funds:				
Index funds	224,192	-	-	224,192
Balanced funds	174,903	-	-	174,903
Growth funds	423,006	-	-	423,006
Group annuity contract	19,004	-	-	19,004
	$ 901,360	$ -	$ -	$ 901,360

7. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of registered investment companies and a money market fund managed by Nationwide Life Insurance Co. and/or their affiliates. Nationwide Life Insurance Co. is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

8. SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 20, 2011, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

MEI HOTELS INCORPORATED 401(k) PLAN

EIN: 34-1870717

SCHEDULE H, LINE 4i - ASSETS HELD AT END OF YEAR

DECEMBER 31, 2010

(a)	(b) Identity of issue, borrower , lessor or similar party	(c) Description of Investment including maturity date rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
	AMERICAN CENTURY	AMERICAN CENTURY INCOME AND GROWTH FUND	* *	$ 60,788
	AMERICAN FUNDS	CAPITAL WORLD GROWTH AND INCOME	* *	$ 109,134
	EAGLE SERIES TRUST	EAGLE SERIES TRUST MID-CAPITAL STOCK A	* *	$ 6,153
	FEDERATED	FEDERATED BOND FUND	* *	$ 7,743
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2005	* *	$ 27
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2010	* *	$ 9,087
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2015	* *	$ 8,090
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2020	* *	$ 38,119
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2025	* *	$ 24,140
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2030	* *	$ 27,447
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2035	* *	$ 20,082
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2040	* *	$ 59,900
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2045	* *	$ 37,899
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FREEDOM 2050	* *	$ 24,586
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR LEVERAGED STOCK FUND	* *	$ 15,034
	FIDELITY MGMT. AND RESEARCH CO.	FIDELITY ADVISOR FEEDOM INCOME A	* *	$ 60,682
	GOLDMAN SACHS	GOLDMAN SACHS MIDDLE CAPITAL VALUE FUND	* *	$ 32,997
	JANUS	JANUS TWENTY FUND	* *	$ 146,807
	NEUBERGER BERMAN	NEUBERGER BERMAN PARTNERS FUND	* *	$ 29,835
*	NATIONWIDE LIFE INSURANCE CO.	NATIONWIDE FUND D	* *	$ 2,455
*	NATIONWIDE LIFE INSURANCE CO.	NATIONWIDE S&P 500 INDEX	* *	$ 129,088
	PRINCIPAL FUNDS	PRICIPAL INVESTMENT HIGH YIELD	* *	$ 10,527
	THORNBURG INTERNATIONAL MGMT.	THORNBURG INTERNATIONAL VALUE FUND	* *	$ 52,741
	VANGUARD	VANGUARD SMALL CAPITAL VALUE INDEX FUND	* *	$ 17,041
	VANGUARD	VANGUARD SMALL CAPITAL GROWTH INDEX FUND	* *	$ 19,674
	VANGUARD	VANGUARD STOCK BOND INDEX FUND	* *	$ 94,516
*	NATIONWIDE LIFE INSURANCE CO.	BANK OF AMERICA-SHORT TERM INDEX FUND (STIF)	* *	$ 13,795
*	NATIONWIDE LIFE INSURANCE CO.	NATIONWIDE MONEY MARKET INSTITUTION	* *	$ 62,599
				$ 1,120,986

* A party-in-interest as defined by ERISA

* * Not required for participant-directed investmens