# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

**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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
JAX MERCANTILE 401(K) PROFIT SHARING PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/2007

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

PO BOX 469
BELLVUE, CO 80512

**2b** Employer Identification Number (EIN)
84-1087636

**2c** Sponsor's telephone number
970-488-3250

**2d** Business code (see instructions)
451110

**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. | 07/31/2011 | REBECCA ALLEN |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 07/31/2011 | REBECCA ALLEN |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

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

JAX, INC.

PO BOX 469
BELLVUE, CO 80512

**3b** Administrator's EIN
84-1087636

**3c** Administrator's telephone number
970-488-3250

**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** | 147 |
| **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** | 155 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 25 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 180 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 180 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 90 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 4 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

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

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

**9a** Plan funding arrangement (check all that apply)

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

**9b** Plan benefit arrangement (check all that apply)

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

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

**a Pension Schedules**

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

**b General Schedules**

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

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

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

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

OMB No. 1210-0110

**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
JAX MERCANTILE 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
84-1087636

## 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) | 5175 | 15868 |
| **(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) | 4522 | 12051 |
| **(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) | 1084961 | 1426627 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 1094658 | 1454546 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | |
| **h** | Operating payables | 1h | | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | | |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 1094658 | 1454546 |

## 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) | 68570 | |
| | **(B)** Participants | 2a(1)(B) | 168052 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 8199 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 244821 |
| **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) | 514 | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 514 |
| | **(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) | 22350 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 22350 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 254256 | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 283935 | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | -29679 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **2b** (5) Unrealized appreciation (depreciation) of assets: (A) Real estate | 2b(5)(A) | | |
| (B) Other | 2b(5)(B) | | |
| (C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B) | 2b(5)(C) | | 0 |
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (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) | | 165759 |
| **c** Other income | 2c | | |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 403765 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 20206 | |
| (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) | | 20206 |
| **f** Corrective distributions (see instructions) | 2f | | 23519 |
| **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) | 152 | |
| (5) Total administrative expenses. Add lines 2i(1) through (4) | 2i(5) | | 152 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 43877 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line 2j from line 2d | 2k | | 359888 |
| **l** Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

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

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

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

(1) Name: KNOLL & COMPANY, P.C. (2) EIN: 84-0801829

**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 | | 120000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | |

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

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

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

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

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

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

OMB No. 1210-0110

**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
JAX MERCANTILE 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

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

**D** Employer Identification Number (EIN)
84-1087636

## Part I Distributions

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

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

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

EIN(s): 23-3060382

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

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

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

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

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

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

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

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

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

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

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

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

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

## Part III Amendments

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

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

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

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

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

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

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**JAX MERCANTILE 401(K)**
**PROFIT SHARING PLAN**
**FINANCIAL STATEMENTS**
**DECEMBER 31, 2010**

***KNOLL & COMPANY, P. C.***

JAX MERCANTILE 401(K) PROFIT SHARING PLAN

DECEMBER 31, 2010

TABLE OF CONTENTS


| | |
|---|---|
| Accountants' report | 1 |
| Financial statements: | |
| Statement of Net Assets Available for Benefits | 2 |
| Statements of Changes in Net Assets Available for Benefits | 3 |
| Notes to Financial Statements | 4-14 |

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Lee L. Knoll, C.P.A.

Lee J. Knoll Jr., C.P.A.

# INDEPENDENT AUDITOR'S REPORT

To Plan Administrator of Jax Mercantile 401(K) Profit Sharing Plan

We were engaged to audit the financial statements of the Jax Mercantile 401(K) Profit Sharing Plan as of December 31, 2010, and for the year then ended, as listed in the accompanying table of contents. These financial statements 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, of the United States of American, 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 Fidelity Management Trust Company for 2010 the custodian of the Plan, except for comparing the information with the related information included in financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the year ended December 31, 2010, that the information provided to the plan administrator by the custodian is complete and accurate.

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

Knoll & Company, P.C.

***KNOLL & COMPANY, P. C.***

July 15, 2011

# JAX MERCANTILE 401(K) PROFIT SHARING PLAN

## STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

## DECEMBER 31, 2010

### ASSETS

| | | |
|---|---|---|
| **Investments:** | | |
| At fair value: | | |
| Goldman Sachs Financial Squared | | |
| Money Market Fund AD #475 | $ | 15,868 |
| Shares of registered investment companies: | | |
| American Funds Growth Fund of American R4 | | 242,845 |
| Ariel Fund # 520 | | 65,024 |
| Calvert Social Invest Bond A | | 27,235 |
| First American Mid Cap Value Fund CL R | | 4,278 |
| Harbor Bond Fund Administrative CL #214 | | 32,222 |
| Parnassus Income Equity Income Fund | | 62,502 |
| T Rowe Price Retirement 2010 Advisor | | 256 |
| T Rowe Price Retirement 2020 Advisor | | 168,082 |
| T Rowe Price Retirement 2030 Advisor | | 4,192 |
| T Rowe Price Retirement 2040 Advisor | | 115,746 |
| Tributary Balanced Fund | | 22,848 |
| Tributary Growth Opportunities Fund | | 406 |
| Tributary Small Companies Fund | | 47,205 |
| Vanguard FTSE Social Index Fund #213 | | 20,768 |
| Vanguard 500 Index Fund #40 | | 32,070 |
| Winslow Green Growth Fund | | 57,245 |
| American Cap World Growth & Income Fund R4 | | 122,922 |
| American Fundamental Investors CL R4 | | 165,050 |
| American Pacifice Eurogrowth Fund CL R-4 | | 111,178 |
| Harbor International Fund Investment CL #411 | | 75,600 |
| Oppenheimer Developing Markets Funds A | | 44,019 |
| Templeton Global Bond Fund AD CL | | 4,934 |
| Total current assets | | 1,442,495 |
| Participants notes receivable | | 12,051 |
| **TOTAL ASSETS** | | $ 1,454,546 |
| **LIABILITIES** | | |
| Total Liabilities | | $ - |
| **NET ASSETS** | | |
| Net assets available for benefits | | $ 1,454,546 |

See notes to financial statements.

# JAX MERCANTILE 401(K) PROFIT SHARING PLAN

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

## FOR THE YEAR ENDED DECEMBER 31, 2010

| | |
|---|---|
| **ADDITIONS** | |
| Additions to net assets attributed to: | |
| Contributions: | |
| Participants - Pre tax | $ 109,662 |
| Participants - Roth | $ 58,390 |
| Employer | 68,570 |
| Rollovers - Participants | 8,199 |
| Total | 244,821 |
| Investment income: | |
| Net appreciation (depreciation) in fair value of investments | 165,755 |
| Dividend income | 22,350 |
| Interest money market fund | - |
| Realized Gain (Loss) | (29,680) |
| Interest on participants' loans | 514 |
| **TOTAL ADDITIONS** | 403,760 |
| **DEDUCTIONS** | |
| Deductions from net assets attributed to: | |
| Benefits paid to participants | 20,207 |
| Excess contributions returned | 23,519 |
| Administrative fees | 151 |
| **TOTAL DEDUCTIONS** | 43,877 |
| **NET INCREASE (DECREASE)** | 359,883 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | |
| Beginning of year | 1,094,663 |
| **END OF YEAR** | $ 1,454,546 |

See notes to financial statements.

JAX MERCANTILE 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

1. DESCRIPTION OF PLAN:

The following description of the Jax Mercantile ("Company") 401(K) Profit Sharing Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for more complete description of the Plan's provision.

General: The Plan is a defined contribution plan covering all employees of the Company who are not employees governed by a collective bargaining agreement. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions: Each year, participants may contribute up to annual limit as set by the Internal Revenue Service. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Company match and profit sharing contributions are all discretionary and the amount is determined each year by the employer.

Participant Accounts: Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting: Participants contributions are always 100% vested. Company match contributions and profit sharing contributions are vested at the rate of 20% for each year of service by the employee.

Investment Options: Upon enrollment in the Plan, the Administrator has approved that each participant may direct their contributions to any of twenty-two different investment options. All are registered investment companies that invest in all forms of government and corporate securities, both domestic and foreign.

Participants may change their investment options at any time. However, there are a few funds with redemptions fees, which are incurred if shares are sold before the required holding time has passed, e.g., 30 days, 90 days.

Participant Notes Receivable: Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. Loan terms range up to 5 years or longer if loan is for purchase of a primary residence. A maximum number of two loans are allowed. The loans are secured by the balance in the participant's account and bear interest at a reasonable rate of interest. Principal and interest is paid ratably through payroll deductions. All loans are considered a directed investment by the employee. All payments of principal and interest are credited to that employee's account.

1. DESCRIPTION OF PLAN (continued):

Payment of Benefits: Distribution of benefits will be made upon normal retirement, death or disability. A participant may elect to receive the value of the participant's vested interest upon late retirement or upon termination of employment before normal retirement. Benefits will be in one lump-sum cash payment. Hardship withdrawals may be available.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting: The financial statements of the Plan are prepared using the accrual method of accounting.

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

Investment Valuation and Income Recognition: The Plan's investments are stated at fair value. Shares of registered investment companies are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. Participants' notes receivables are valued at cost, which approximates fair value.

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

Payment of Benefits: Benefits are recorded when paid.

3. PLAN TERMINATION:

Although it has not expressed any intent to do so, the Employer has the right to terminate the Plan at any time, subject to the provisions of ERISA. Upon termination, all amounts credited the participants' accounts will become 100% vested.

4. TAX STATUS:

The Plan was adopted under a First National Bank Retirement Plan Services prototype plan document ("prototype plan"). The prototype plan has received a determination letter on March 31, 2008, in which the Internal Revenue Service stated that the prototype plan, as then designed, was in compliance with a the applicable requirements of the Internal Revenue Code (IRC). Although, the prototype plan and Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is qualified under section 401(a) of the IRC and the related trust is tax exempt as of December 31, 2010.

The original effective date of the JAX Mercantile 401(K) Profit Sharing Plan is January 1, 2007 and the Plan as adopted the restated prototype.

5. INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN:

The following information included in the accompanying financial statements and supplemental schedules was obtained from data that has been prepared and certified to as complete and accurate by the custodian.

| | |
|---|---|
| Investments, at fair value: | |
| Shares of registered investment companies: | $ 1,442,495 |
| Participants notes receivable | 12,051 |
| Investment income from registered investment companies | 16,698 |

JAX MERCANTILE 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEEMTNS
DECEMBER 31, 2010

6 Changes in Net Assets for Each Investment option:
For the year ended December 31, 2010

| | American Growth of America | Ariel Fund | Calvert Social Inv Bond | First Amer Mid Cap Value Fd |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| Additions to net assets attributed to: | | | | |
| Contributions: | | | | |
| Participants | $ 11,162 | $ 5,271 | $ 3,782 | $ 237 |
| Employer | 5,400 | 2,316 | 1,651 | 549 |
| Total | 16,562 | 7,587 | 5,433 | 786 |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | 26,683 | 14,593 | 472 | 989 |
| Dividend income | 2,000 | 5 | 869 | 31 |
| Realized Gain | (1,748) | (1,539) | - | (231) |
| Interest on participants' loans | - | - | - | - |
| **TOTAL ADDITIONS** | 43,497 | 20,646 | 6,774 | 1,575 |
| **DEDUCTIONS** | | | | |
| Deductions from net assets attributed to: | | | | |
| Benefits paid to participants and excess contributions returnec | 1,046 | 4,455 | - | 2,991 |
| Administrative fees & forfeitures | 94 | 138 | - | - |
| **TOTAL DEDUCTIONS** | 1,140 | 4,593 | - | 2,991 |
| **Net increase (decrease) prior to interfund transfers** | 42,357 | 16,053 | 6,774 | (1,416) |
| Interfund transfers | (11,005) | (104) | 1,137 | - |
| **NET INCREASE (DECREASE)** | 31,352 | 15,949 | 7,911 | (1,416) |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | | | |
| Beginning of year | 211,493 | 49,075 | 19,324 | 5,694 |
| **END OF YEAR** | $242,845 | $ 65,024 | $ 27,235 | $ 4,278 |

JAX MERCANTILE 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEEMTNS
DECEMBER 31, 2010

6 Changes in Net Assets for Each Investment option:
For the year ended December 31, 2008

| | Harbor Bond Fund | Parnassus Income Equity | T Rowe Price Ret 2010 | T Rowe Price Ret 2020 |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| Additions to net assets attributed to: | | | | |
| Contributions: | | | | |
| Participants | $ 1,652 | $ 4,856 | $ - | $ 20,747 |
| Employer | - | 2,311 | - | 19,069 |
| Total | 1,652 | 7,167 | - | 39,816 |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | (2,259) | 4,498 | 23 | 15,048 |
| Dividend income | 2,201 | 859 | 5 | 2,814 |
| Realized Gain | - | (179) | - | 1,488 |
| Interest on participants' loans | - | - | - | 210 |
| **TOTAL ADDITIONS** | 1,594 | 12,345 | 28 | 59,376 |
| **DEDUCTIONS** | | | | |
| Deductions from net assets attributed to: | | | | |
| Benefits paid to participants and excess contributions returned | - | 3,056 | - | 2,745 |
| Administrative fees & forfeitures | - | 61 | - | 281 |
| **TOTAL DEDUCTIONS** | - | 3,117 | - | 3,026 |
| **Net increase (decrease) prior to interfund transfers** | 1,594 | 9,228 | 28 | 56,350 |
| Interfund transfers | 30,628 | (1,115) | - | (1,529) |
| **NET INCREASE (DECREASE)** | 32,222 | 8,113 | 28 | 54,821 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | | | |
| Beginning of year | - | 54,389 | 228 | 113,261 |
| **END OF YEAR** | $ 32,222 | $ 62,502 | $ 256 | $168,082 |

6 Changes in Net Assets for Each Investment option:
For the year ended December 31, 2008

| | T Rowe Price Ret 2030 | T Rowe Price Ret 2040 | Tributary Balanced Fund | Tributary Growth Opptunties |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| Additions to net assets attributed to: | | | | |
| Contributions: | | | | |
| Participants | $ 2,611 | $ 9,028 | $ 20,944 | $ 371 |
| Employer | 405 | 5,728 | - | 125 |
| Total | 3,016 | 14,756 | 20,944 | 496 |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | 401 | 11,817 | 1,680 | (71) |
| Dividend income | 54 | 1,251 | 224 | 1 |
| Realized Gain | - | 2,303 | - | 211 |
| Interest on participants' loans | - | 247 | - | - |
| **TOTAL ADDITIONS** | 3,471 | 30,374 | 22,848 | 637 |
| **DEDUCTIONS** | | | | |
| Deductions from net assets attributed to: | | | | |
| Benefits paid to participants and excess contributions returne | - | 3,734 | - | 1,062 |
| Administrative fees & forfeitures | - | 575 | - | - |
| **TOTAL DEDUCTIONS** | - | 4,309 | - | 1,062 |
| **Net increase (decrease) prior to interfund transfers** | 3,471 | 26,065 | 22,848 | (425) |
| Interfund transfers | - | (3,570) | - | - |
| **NET INCREASE (DECREASE)** | 3,471 | 22,495 | 22,848 | (425) |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | | | |
| Beginning of year | 721 | 93,251 | - | 831 |
| **END OF YEAR** | $ 4,192 | $115,746 | $ 22,848 | $ 406 |

JAX MERCANTILE 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEEMTNS
DECEMBER 31, 2010

6 Changes in Net Assets for Each Investment option:
For the year ended December 31, 2008

| | Tributary Small Companies | Vanguard Social Index Fd | Vanguard 500 Index Fd | Winslow Green Growth |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| Additions to net assets attributed to: | | | | |
| Contributions: | | | | |
| Participants | $ 3,124 | $ 2,785 | $ 4,687 | $ 9,203 |
| Employer | - | 1,668 | 2,606 | 2,963 |
| Total | 3,124 | 4,453 | 7,293 | 12,166 |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | 6,924 | 3,343 | 3,733 | 5,719 |
| Dividend income | 2,854 | 162 | 501 | - |
| Realized Gain | - | (1,042) | (366) | (1,851) |
| Interest on participants' loans | - | 23 | - | 8 |
| **TOTAL ADDITIONS** | 12,902 | 6,939 | 11,161 | 16,042 |
| **DEDUCTIONS** | | | | |
| Deductions from net assets attributed to: | | | | |
| Benefits paid to participants and excess contributions returne | - | 1,390 | 1,124 | 2,699 |
| Administrative fees & forfeitures | - | 172 | 186 | 109 |
| **TOTAL DEDUCTIONS** | - | 1,562 | 1,310 | 2,808 |
| **Net increase (decrease) prior to interfund transfers** | 12,902 | 5,377 | 9,851 | 13,234 |
| Interfund transfers | 34,303 | (970) | - | (320) |
| **NET INCREASE (DECREASE)** | 47,205 | 4,407 | 9,851 | 12,914 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | | | |
| Beginning of year | - | 16,361 | 22,219 | 44,331 |
| **END OF YEAR** | $ 47,205 | $ 20,768 | $ 32,070 | $ 57,245 |

JAX MERCANTILE 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEEMTNS
DECEMBER 31, 2010

6 Changes in Net Assets for Each Investment option:
For the year ended December 31, 2008

| | Amer Cap World G & I | Amer Fdamental Investtors | Amer Pac Euro-Growth | Habor Internationa Fd |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| Additions to net assets attributed to: | | | | |
| Contributions: | | | | |
| Participants | $ 12,824 | $ 13,042 | $ 9,114 | $ 6,053 |
| Employer | 3,545 | 3,571 | 2,831 | 405 |
| Total | 16,369 | 16,613 | 11,945 | 6,458 |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | 6733 | 21,292 | 8,828 | 9,724 |
| Dividend income | 2,795 | 2,485 | 1,555 | 824 |
| Realized Gain | (939) | (3,026) | (1,144) | - |
| Interest on participants' loans | - | - | - | - |
| **TOTAL ADDITIONS** | 24,958 | 37,364 | 21,184 | 17,006 |
| **DEDUCTIONS** | | | | |
| Deductions from net assets attributed to: | | | | |
| Benefits paid to participants and excess contributions returned | 3,484 | 5,090 | 4,471 | - |
| Administrative fees & forfeitures | - | - | - | - |
| **TOTAL DEDUCTIONS** | 3,484 | 5,090 | 4,471 | - |
| **Net increase (decrease) prior to interfund transfers** | 21,474 | 32,274 | 16,713 | 17,006 |
| Interfund transfers | 18,007 | (10,923) | 17,816 | 57,854 |
| **NET INCREASE (DECREASE)** | 39,481 | 21,351 | 34,529 | 74,860 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | | | |
| Beginning of year | 83,441 | 143,699 | 76,649 | 740 |
| **END OF YEAR** | $ 122,922 | $ 165,050 | $ 111,178 | $ 75,600 |

JAX MERCANTILE 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEEMTNS
DECEMBER 31, 2010

6 Changes in Net Assets for Each Investment option:
For the year ended December 31, 2008

| | Openhmer Developing Markets | Templeton Global Bond | Alliance-Bernstein International | Fidelity Diversified International |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| Additions to net assets attributed to: | | | | |
| Contributions: | | | | |
| Participants | $ 3,465 | $ 298 | $ 5,961 | $ 1,093 |
| Employer | - | - | 3,059 | 836 |
| Total | 3,465 | 298 | 9,020 | 1,929 |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | 7,225 | 84 | 11,933 | 891 |
| Dividend income | 58 | 138 | - | - |
| Realized Gain | 81 | - | (17,197) | (1,343) |
| Interest on participants' loans | 11 | - | - | - |
| **TOTAL ADDITIONS** | 10,840 | 520 | 3,756 | 1,477 |
| **DEDUCTIONS** | | | | |
| Deductions from net assets attributed to: | | | | |
| Benefits paid to participants and excess contributions returned | 559 | - | 4,370 | 529 |
| Administrative fees & forfeitures | 14 | - | 152 | 152 |
| **TOTAL DEDUCTIONS** | 573 | - | 4,522 | 681 |
| **Net increase (decrease) prior to interfund transfers** | 10,267 | 520 | (766) | 796 |
| Interfund transfers | 33,752 | 4,414 | (50,541) | (7,313) |
| **NET INCREASE (DECREASE)** | 44,019 | 4,934 | (51,307) | (6,517) |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | | | |
| Beginning of year | - | - | 51,307 | 6,517 |
| **END OF YEAR** | $ 44,019 | $ 4,934 | $ - | $ - |

JAX MERCANTILE 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEEMTNS
DECEMBER 31, 2010

6 Changes in Net Assets for Each Investment option:
For the year ended December 31, 2008

| | Amer Fds Bond Fd of Amer | Amer Fds Cap World Bond Fd | Pacific Capital Small Cap | MFS Emerging Mkts Equity |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| Additions to net assets attributed to: | | | | |
| Contributions: | | | | |
| Participants | $ 4,828 | $ 448 | $ 4,338 | $ 5,413 |
| Employer | 1,851 | 195 | 4,073 | 1,987 |
| Total | 6,679 | 643 | 8,411 | 7,400 |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | 815 | (179) | 22 | 5,633 |
| Dividend income | 583 | 81 | - | - |
| Realized Gain | 602 | 294 | (227) | (3,825) |
| Interest on participants' loans | - | - | - | 3 |
| **TOTAL ADDITIONS** | 8,679 | 839 | 8,206 | 9,211 |
| **DEDUCTIONS** | | | | |
| Deductions from net assets attributed to: | | | | |
| Benefits paid to participants and excess contributions returned | - | 538 | - | - |
| Administrative fees & forfeitures | - | 128 | - | 12 |
| **TOTAL DEDUCTIONS** | - | 666 | - | 12 |
| **Net increase (decrease) prior to interfund transfers** | 8,679 | 173 | 8,206 | 9,199 |
| Interfund transfers | (30,627) | (4,414) | (34,442) | (48,210) |
| **NET INCREASE (DECREASE)** | (21,948) | (4,241) | (26,236) | (39,011) |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | | | |
| Beginning of year | 21,948 | 4,241 | 26,236 | 39,011 |
| **END OF YEAR** | $ - | $ - | $ - | $ - |

JAX MERCANTILE 401(K) PROFIT SHARING PLAN
NOTES TO FINANCIAL STATEEMTNS
DECEMBER 31, 2010

6 Changes in Net Assets for Each Investment option:
For the year ended December 31, 2008

| | Aberdeen Small Cap | Goldman Sachs Money Mkt | Partici-ipants Loans | Total |
|---|---|---|---|---|
| **ADDITIONS** | | | | |
| Additions to net assets attributed to: | | | | |
| Contributions: | | | | |
| Participants | 696 | $ 8,218 | $ - | $ 176,251 |
| Employer | - | 1,426 | - | 68,570 |
| Total | 696 | 9,644 | - | 244,821 |
| Investment income: | | | | |
| Net appreciation (depreciation) in fair value of investments | (834) | | - | 165,760 |
| Dividend income | - | - | - | 22,350 |
| Realized Gain | - | - | - | (29,678) |
| Interest on participants' loans | - | 12 | - | 514 |
| **TOTAL ADDITIONS** | (138) | 9,656 | - | 403,767 |
| **DEDUCTIONS** | | | | |
| Deductions from net assets attributed to: | | | | |
| Benefits paid to participants and excess contributions returned | - | 382 | - | 43,725 |
| Administrative fees & forfeitures | - | (1,914) | - | 160 |
| **TOTAL DEDUCTIONS** | - | (1,532) | - | 43,885 |
| **Net increase (decrease) prior to interfund transfers** | (138) | 11,188 | - | 359,882 |
| Interfund transfers | 138 | (495) | 7,529 | - |
| **NET INCREASE (DECREASE)** | - | 10,693 | 7,529 | 359,882 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | | | | |
| Beginning of year | - | 5,175 | 4,522 | 1,094,664 |
| **END OF YEAR** | $ - | $ 15,868 | $ 12,051 | $1,454,546 |

# JAX MERCANTILE 401(K) PROFIT SHARING PLAN

## STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

## DECEMBER 31, 2010

### ASSETS

| | | |
|---|---|---|
| **Investments:** | | |
| At fair value: | | |
| Goldman Sachs Financial Squared | | |
| Money Market Fund AD #475 | $ | 15,868 |
| Shares of registered investment companies: | | |
| American Funds Growth Fund of American R4 | | 242,845 |
| Ariel Fund # 520 | | 65,024 |
| Calvert Social Invest Bond A | | 27,235 |
| First American Mid Cap Value Fund CL R | | 4,278 |
| Harbor Bond Fund Administrative CL #214 | | 32,222 |
| Parnassus Income Equity Income Fund | | 62,502 |
| T Rowe Price Retirement 2010 Advisor | | 256 |
| T Rowe Price Retirement 2020 Advisor | | 168,082 |
| T Rowe Price Retirement 2030 Advisor | | 4,192 |
| T Rowe Price Retirement 2040 Advisor | | 115,746 |
| Tributary Balanced Fund | | 22,848 |
| Tributary Growth Opportunities Fund | | 406 |
| Tributary Small Companies Fund | | 47,205 |
| Vanguard FTSE Social Index Fund #213 | | 20,768 |
| Vanguard 500 Index Fund #40 | | 32,070 |
| Winslow Green Growth Fund | | 57,245 |
| American Cap World Growth & Income Fund R4 | | 122,922 |
| American Fundamental Investors CL R4 | | 165,050 |
| American Pacifice Eurogrowth Fund CL R-4 | | 111,178 |
| Harbor International Fund Investment CL #411 | | 75,600 |
| Oppenheimer Developing Markets Funds A | | 44,019 |
| Templeton Global Bond Fund AD CL | | 4,934 |
| Total current assets | | 1,442,495 |
| Participants notes receivable | | 12,051 |
| **TOTAL ASSETS** | | $ 1,454,546 |
| **LIABILITIES** | | |
| Total Liabilities | | $ - |
| **NET ASSETS** | | |
| Net assets available for benefits | | $ 1,454,546 |

See notes to financial statements.