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
LIFOAM INDUSTRIES LLC 401(K) SAVINGS PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2008

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

235 SCHILLING CIRCLE
SUITE 111
HUNT VALLEY, MD 21031

235 SCHILLING CIRCLE
SUITE 111
HUNT VALLEY, MD 21031

2b Employer Identification Number (EIN)
13-4103395

2c Sponsor's telephone number
410-889-1023

2d Business code (see instructions)
326100

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.	08/25/2011	CHRIS KELLER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

LIFOAM INDUSTRIES, LLC

235 SCHILLING CIRCLE
SUITE 111
HUNT VALLEY, MD 21031

3b Administrator's EIN
13-4103395

3c Administrator's telephone number
410-889-1023

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**	472
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**	453
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	83
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	536
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	2
f	Total. Add lines **6d** and **6e**	**6f**	538
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	361
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	9
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 2T 3D

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500)	Service Provider 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.**	**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
LIFOAM INDUSTRIES LLC 401(K) SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LIFOAM INDUSTRIES, LLC

D Employer Identification Number (EIN)
13-4103395

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

FID.INV.INST.OPS.CO.

04-2647786

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

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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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
64 65 60	RECORDKEEPER	400	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] 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 ☐

(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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
LOOMIS SM CAP VAL R - BOSTON FINANC 04-2526037	0.40%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MSIF MID CAP GRTH P - MORGAN STANLE 13-3799749	0.35%

(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

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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 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
LIFOAM INDUSTRIES LLC 401(K) SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LIFOAM INDUSTRIES, LLC

D Employer Identification Number (EIN)
13-4103395

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)	160188	183416
(2) Participant contributions	1b(2)	13825	0
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	39451	64512
(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)	752773	1453216
(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	966237	1701144
	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		
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	966237	1701144

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)	183330	
	(B) Participants	2a(1)(B)	476680	
	(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)		660010
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	12	
	(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)		12
	(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)	29864	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		29864
	(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)		146007
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		835893
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	92244	
(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)		92244
f Corrective distributions (see instructions)	2f		8329
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)	413	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		413
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		100986
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		734907
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: WEIL, AKMAN, BAYLIN & COLEMAN, PA (2) EIN: 52-1645472

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		2000000
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		X	

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
LIFOAM INDUSTRIES LLC 401(K) SAVINGS PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LIFOAM INDUSTRIES, LLC

D Employer Identification Number (EIN)
13-4103395

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): 04-6568107

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):

Lifoam Industries, LLC
401(k) Savings Plan

FINANCIAL STATEMENTS

December 31, 2010 and 2009

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN

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WABC
Weil, Akman, Baylin & Coleman, P.A. Certified Public Accountants
201 West Padonia Road • Suite 600 • Timonium, MD 21093-2186
410-561-4411 • Fax 410-561-4586 • http://www.wabccpas.com

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Lifoam Industries, LLC
401(k) Savings Plan
Baltimore, Maryland

We were engaged to audit the accompanying financial statements of Lifoam Industries, LLC 401(k) Savings Plan as of December 31, 2010 and 2009, and for the years then ended, and the supplemental schedule as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note F, which was certified by Fidelity Management Trust 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 a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and 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.

Weil, Akman, Baylin & Coleman, P.A.

Timonium Maryland
June 27, 2011

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31,	2010	2009
ASSETS		
INVESTMENTS AT FAIR VALUE	$ 1,517,728	$ 792,224
CONTRIBUTIONS RECEIVABLE		
Employee	-	13,825
Employer	183,416	160,188
Total contributions receivable	183,416	174,013
TOTAL ASSETS	$ 1,701,144	$ 966,237
NET ASSETS AVAILABLE FOR BENEFITS	$ 1,701,144	$ 966,237

See independent auditor's report and notes to the financial statements.

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31,	2010	2009
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Net appreciation in fair value of investments	$ 146,007	$ 134,595
Dividends and interest	29,876	16,954
Total investment income	175,883	151,549
Contributions:		
Participant contributions	476,680	414,586
Employer contributions	183,330	160,188
Total contributions	660,010	574,774
Total additions to net assets	835,893	726,323
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	100,573	58,162
Administrative expenses	413	176
Total deductions from net assets	100,986	58,338
NET INCREASE IN NET ASSETS	734,907	667,985
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	966,237	298,252
End of year	$ 1,701,144	$ 966,237

See independent auditor's report and notes to the financial statements.

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

NOTE A. DESCRIPTION OF PLAN

The following description of the Lifoam Industries, LLC 401(k) Savings 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 and Eligibility Requirements

The Plan is a defined contribution plan covering all employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). On March 1, 2010, the Plan added EnviroCooler, LLC as a participating related employer to the Plan, which is owned solely by Lifoam Industries, LLC. The Plan is a single-employer plan including the following controlled entities: Lifoam Industries, LLC and EnviroCooler, LLC.

For salary reduction contributions, employees will be eligible to participate in the Plan when they complete 6 months of service. For discretionary matching and profit sharing contributions, contributing employees will be eligible to receive the benefit once they have completed 1,000 hours of service, and are employed by the Company on the last day of the plan year.

Anniversary Dates

The anniversary dates (entry dates) for salary reduction contributions are the first day of the quarter coinciding with or following the date on which the eligibility requirements are satisfied.

The anniversary dates (entry dates) for discretionary matching and profit sharing contributions, are the first day of the plan quarter coinciding with or following the date on which the eligibility requirements are satisfied.

Contributions

Each year, participants may contribute up to the maximum dollar limitation allowable under the law subject to certain testing provisions. The annual dollar limit was $16,500 for 2010 and 2009, respectively. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions up to $5,500. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Company may make matching contributions equal to a discretionary percentage of the participants' elective deferrals, which will be determined by management annually. The Company made matching contributions of $183,416 and $160,188 for the plan years ending December 31, 2010 and 2009, respectively.

Participants' Accounts

Each participant's account is credited with the participant's contribution and allocation 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.

NOTE A. DESCRIPTION OF PLAN (Continued)

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting of the Company discretionary matching and profit sharing contributions are based on years of service. As of April 26, 2010 a participant is 100% vested after 3 years of credited service of 1,000 hours each year. For periods before April 26, 2010, a participant is 100% vested after 5 years of credited service of 1,000 hours each year.

Hardship Withdrawals

Participants may withdraw their deferral contributions upon approval of the plan administrator for immediate and heavy financial needs. Deferral contributions are suspended for six months after the receipt of a hardship withdrawal. The minimum hardship withdrawal permitted is $500.

Benefit Payments

Upon termination of service due to death, disability, or retirement, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts

There were $4,307 and $0 of forfeited non-vested accounts as of December 31, 2010 and 2009, respectively. Forfeitures are retained in the Plan and will first be used to pay administrative expenses. Any remaining amounts will be used to reduce future employer contributions payable under the Plan.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

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

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 the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

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

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

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payment of Benefits
Benefits are recorded when paid.

Operating expenses
All expenses of maintaining the Plan are paid by the Company.

Fair Value
The Plan follows the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification. The Topic provides a framework for measuring the fair value of assets and liabilities, and provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. The Topic applies whenever other standards require (or permit) assets or liabilities to be measured at fair value but does not expand the use of fair value in any new circumstances.

The three levels of the fair value hierarchy and investments that fall into each of the levels are described below:

• ***Level 1:*** Level 1 inputs are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

• ***Level 2:*** Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

• ***Level 3:*** Level 3 inputs are unobservable and cannot be corroborated by observable market data. They are based on the best information available in the circumstances.

Mutual Funds: Mutual funds are valued at quoted net asset value (NAV) of shares held by the Plan at year end.

NOTE C. INVESTMENTS (UNAUDITED)

The following table presents investments that represent 5% or more of the Plan's net assets as of December 31, 2010. Investments shown as of December 31, 2009 are available for comparative purposes only and do not necessarily represent 5% or more of the Plan's net assets.

	2010	2009
Fidelity Leveraged Company Stock fund	$ 100,059	$ 56,446
Fidelity Value Fund	93,380	41,186
Fidelity Freedom 2015 Fund	85,698	45,535
Fidelity Freedom 2020 Fund	229,362	122,599
Fidelity Freedom 2025 Fund	267,989	135,286
Fidelity Freedom 2035 Fund	86,772	44,414
Fidelity Freedom 2040 Fund	106,244	54,575
Investments that represent less than 5% of plan assets	548,224	292,183
Total Investments	$ 1,517,728	$ 792,224

NOTE D. FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets at Fair Value as of December 31, 2010

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Balanced funds	$ 68,377	$ -	$ -	$ 68,377
Fixed income funds	42,513	-	-	42,513
Freedom funds	954,850	-	-	954,850
Growth funds	328,737	-	-	328,737
Index funds	58,739	-	-	58,739
Money market funds	64,512	-	-	64,512
Total assets at fair value	$ 1,517,728	$ -	$ -	$ 1,517,728

Assets at Fair Value as of December 31, 2009

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Balanced funds	$ 36,161	$ -	$ -	$ 36,161
Fixed income funds	32,907	-	-	32,907
Freedom funds	490,873	-	-	490,873
Growth funds	160,874	-	-	160,874
Index funds	31,958	-	-	31,958
Money market funds	39,451	-	-	39,451
Total assets at fair value	$ 792,224	$ -	$ -	$ 792,224

Freedom funds seek high total return until target retirement date and thereafter, they seek high current income.

NOTE E. INCOME TAX STATUS

The Plan was implemented using a volume submitter Profit Sharing Plan with CODA, which the third party administrator obtained its latest determination letter on March 31, 2008, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The volume submitter Profit Sharing Plan has been modified since receiving the determination letter. However, the plan administrator, the Plan's tax counsel, and TPA believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

NOTE F. INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (UNAUDITED)

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

	2010	2009
Investments	$ 1,517,728	$ 792,224
Investment income	$ 175,883	$ 151,549

NOTE G. PLAN TERMINATION

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

NOTE H. RISKS AND UNCERTAINTIES

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

NOTE I. RELATED-PARTY TRANSACTIONS

Certain plan investments are shares of mutual funds managed by Fidelity Investments. Fidelity Investments is a related party of the Plan's trustee, Fidelity Management Trust Company, as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. There were no fees paid by the Plan for investment management services.

NOTE J. SUBSEQUENT EVENTS

In preparing these financial statements, the Company has evaluated events and transactions subsequent to December 31, 2010 through June 27, 2011, the date these financial statements were available to be issued. As required by the Subsequent Events Topics of the FASB Accounting Standards Codification, the Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN
EIN 13-4103395 PN:001

ATTACHMENT TO SCHEDULE H, LINE 4i (FORM 5500)
SCHEDULE OF 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
*	Fidelity Investments	Fidelity Total Bond Fund	n/a	$ 42,513
*	Fidelity Investments	Fidelity Balanced Fund	n/a	15,880
*	Fidelity Investments	Fidelity Large Cap Value Fund	n/a	31,543
*	Fidelity Investments	Fidelity Value Fund	n/a	93,380
*	Fidelity Investments	Fidelity Disciplined Equity Fund	n/a	27,714
*	Fidelity Investments	Spartan 500 Index	n/a	38,046
*	Fidelity Investments	Fidelity Leveraged Company Stock fund	n/a	100,059
*	Fidelity Investments	Fidelity Capital Appreciation Fund	n/a	16,532
*	Fidelity Investments	Fidelity Small Cap Indep. Fund	n/a	21,369
*	Fidelity Investments	Fidelity International Discovery Fund	n/a	51,323
*	Fidelity Investments	Spartan International Index Fund	n/a	20,693
*	Fidelity Investments	Fidelity Retirement Money Market	n/a	64,512
*	Fidelity Investments	Fidelity Freedom 2000 Fund	n/a	4,237
*	Fidelity Investments	Fidelity Freedom 2005 Fund	n/a	7,034
*	Fidelity Investments	Fidelity Freedom 2010 Fund	n/a	26,269
*	Fidelity Investments	Fidelity Freedom 2015 Fund	n/a	85,698
*	Fidelity Investments	Fidelity Freedom 2020 Fund	n/a	229,362
*	Fidelity Investments	Fidelity Freedom 2025 Fund	n/a	267,989
*	Fidelity Investments	Fidelity Freedom 2030 Fund	n/a	82,152
*	Fidelity Investments	Fidelity Freedom 2035 Fund	n/a	86,772
*	Fidelity Investments	Fidelity Freedom 2040 Fund	n/a	106,244
*	Fidelity Investments	Fidelity Freedom 2045 Fund	n/a	31,273
*	Fidelity Investments	Fidelity Freedom 2050 Fund	n/a	27,820
*	Fidelity Investments	Fidelity Freedom Income	n/a	1,174
	Loomis Sayles	Loomis Sayles Small Cap Value Fund	n/a	9,325
	Morgan Stanley	MSIF Trust Mid Cap Growth Portfolio	n/a	28,815
				$ 1,517,728

* Parties-in-interest

Lifoam Industries, LLC
401(k) Savings Plan

FINANCIAL STATEMENTS

December 31, 2010 and 2009

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Lifoam Industries, LLC
401(k) Savings Plan
Baltimore, Maryland

We were engaged to audit the accompanying financial statements of Lifoam Industries, LLC 401(k) Savings Plan as of December 31, 2010 and 2009, and for the years then ended, and the supplemental schedule as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note F, which was certified by Fidelity Management Trust 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 a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and 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.

Weil, Akman, Baylin & Coleman, P.A.

Timonium Maryland
June 27, 2011

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31,	2010	2009
ASSETS		
INVESTMENTS AT FAIR VALUE	$ 1,517,728	$ 792,224
CONTRIBUTIONS RECEIVABLE		
Employee	-	13,825
Employer	183,416	160,188
Total contributions receivable	183,416	174,013
TOTAL ASSETS	$ 1,701,144	$ 966,237
NET ASSETS AVAILABLE FOR BENEFITS	$ 1,701,144	$ 966,237

See independent auditor's report and notes to the financial statements.

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31,	2010	2009
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Net appreciation in fair value of investments	$ 146,007	$ 134,595
Dividends and interest	29,876	16,954
Total investment income	175,883	151,549
Contributions:		
Participant contributions	476,680	414,586
Employer contributions	183,330	160,188
Total contributions	660,010	574,774
Total additions to net assets	835,893	726,323
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	100,573	58,162
Administrative expenses	413	176
Total deductions from net assets	100,986	58,338
NET INCREASE IN NET ASSETS	734,907	667,985
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	966,237	298,252
End of year	$ 1,701,144	$ 966,237

See independent auditor's report and notes to the financial statements.

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

NOTE A. DESCRIPTION OF PLAN

The following description of the Lifoam Industries, LLC 401(k) Savings 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 and Eligibility Requirements

The Plan is a defined contribution plan covering all employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). On March 1, 2010, the Plan added EnviroCooler, LLC as a participating related employer to the Plan, which is owned solely by Lifoam Industries, LLC. The Plan is a single-employer plan including the following controlled entities: Lifoam Industries, LLC and EnviroCooler, LLC.

For salary reduction contributions, employees will be eligible to participate in the Plan when they complete 6 months of service. For discretionary matching and profit sharing contributions, contributing employees will be eligible to receive the benefit once they have completed 1,000 hours of service, and are employed by the Company on the last day of the plan year.

Anniversary Dates

The anniversary dates (entry dates) for salary reduction contributions are the first day of the quarter coinciding with or following the date on which the eligibility requirements are satisfied.

The anniversary dates (entry dates) for discretionary matching and profit sharing contributions, are the first day of the plan quarter coinciding with or following the date on which the eligibility requirements are satisfied.

Contributions

Each year, participants may contribute up to the maximum dollar limitation allowable under the law subject to certain testing provisions. The annual dollar limit was $16,500 for 2010 and 2009, respectively. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions up to $5,500. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Company may make matching contributions equal to a discretionary percentage of the participants' elective deferrals, which will be determined by management annually. The Company made matching contributions of $183,416 and $160,188 for the plan years ending December 31, 2010 and 2009, respectively.

Participants' Accounts

Each participant's account is credited with the participant's contribution and allocation 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.

NOTE A. DESCRIPTION OF PLAN (Continued)

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting of the Company discretionary matching and profit sharing contributions are based on years of service. As of April 26, 2010 a participant is 100% vested after 3 years of credited service of 1,000 hours each year. For periods before April 26, 2010, a participant is 100% vested after 5 years of credited service of 1,000 hours each year.

Hardship Withdrawals

Participants may withdraw their deferral contributions upon approval of the plan administrator for immediate and heavy financial needs. Deferral contributions are suspended for six months after the receipt of a hardship withdrawal. The minimum hardship withdrawal permitted is $500.

Benefit Payments

Upon termination of service due to death, disability, or retirement, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts

There were $4,307 and $0 of forfeited non-vested accounts as of December 31, 2010 and 2009, respectively. Forfeitures are retained in the Plan and will first be used to pay administrative expenses. Any remaining amounts will be used to reduce future employer contributions payable under the Plan.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

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

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 the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

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

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

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payment of Benefits
Benefits are recorded when paid.

Operating expenses
All expenses of maintaining the Plan are paid by the Company.

Fair Value
The Plan follows the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification. The Topic provides a framework for measuring the fair value of assets and liabilities, and provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. The Topic applies whenever other standards require (or permit) assets or liabilities to be measured at fair value but does not expand the use of fair value in any new circumstances.

The three levels of the fair value hierarchy and investments that fall into each of the levels are described below:

• ***Level 1:*** Level 1 inputs are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

• ***Level 2:*** Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

• ***Level 3:*** Level 3 inputs are unobservable and cannot be corroborated by observable market data. They are based on the best information available in the circumstances.

Mutual Funds: Mutual funds are valued at quoted net asset value (NAV) of shares held by the Plan at year end.

NOTE C. INVESTMENTS (UNAUDITED)

The following table presents investments that represent 5% or more of the Plan's net assets as of December 31, 2010. Investments shown as of December 31, 2009 are available for comparative purposes only and do not necessarily represent 5% or more of the Plan's net assets.

	2010	2009
Fidelity Leveraged Company Stock fund	$ 100,059	$ 56,446
Fidelity Value Fund	93,380	41,186
Fidelity Freedom 2015 Fund	85,698	45,535
Fidelity Freedom 2020 Fund	229,362	122,599
Fidelity Freedom 2025 Fund	267,989	135,286
Fidelity Freedom 2035 Fund	86,772	44,414
Fidelity Freedom 2040 Fund	106,244	54,575
Investments that represent less than 5% of plan assets	548,224	292,183
Total Investments	$ 1,517,728	$ 792,224

NOTE D. FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets at Fair Value as of December 31, 2010

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Balanced funds	$ 68,377	$ -	$ -	$ 68,377
Fixed income funds	42,513	-	-	42,513
Freedom funds	954,850	-	-	954,850
Growth funds	328,737	-	-	328,737
Index funds	58,739	-	-	58,739
Money market funds	64,512	-	-	64,512
Total assets at fair value	$ 1,517,728	$ -	$ -	$ 1,517,728

Assets at Fair Value as of December 31, 2009

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Balanced funds	$ 36,161	$ -	$ -	$ 36,161
Fixed income funds	32,907	-	-	32,907
Freedom funds	490,873	-	-	490,873
Growth funds	160,874	-	-	160,874
Index funds	31,958	-	-	31,958
Money market funds	39,451	-	-	39,451
Total assets at fair value	$ 792,224	$ -	$ -	$ 792,224

Freedom funds seek high total return until target retirement date and thereafter, they seek high current income.

NOTE E. INCOME TAX STATUS

The Plan was implemented using a volume submitter Profit Sharing Plan with CODA, which the third party administrator obtained its latest determination letter on March 31, 2008, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The volume submitter Profit Sharing Plan has been modified since receiving the determination letter. However, the plan administrator, the Plan's tax counsel, and TPA believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

NOTE F. INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (UNAUDITED)

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

	2010	2009
Investments	$ 1,517,728	$ 792,224
Investment income	$ 175,883	$ 151,549

NOTE G. PLAN TERMINATION

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

NOTE H. RISKS AND UNCERTAINTIES

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

NOTE I. RELATED-PARTY TRANSACTIONS

Certain plan investments are shares of mutual funds managed by Fidelity Investments. Fidelity Investments is a related party of the Plan's trustee, Fidelity Management Trust Company, as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. There were no fees paid by the Plan for investment management services.

NOTE J. SUBSEQUENT EVENTS

In preparing these financial statements, the Company has evaluated events and transactions subsequent to December 31, 2010 through June 27, 2011, the date these financial statements were available to be issued. As required by the Subsequent Events Topics of the FASB Accounting Standards Codification, the Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

LIFOAM INDUSTRIES, LLC
401(k) SAVINGS PLAN
EIN 13-4103395 PN:001

ATTACHMENT TO SCHEDULE H, LINE 4i (FORM 5500)
SCHEDULE OF 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
*	Fidelity Investments	Fidelity Total Bond Fund	n/a	$ 42,513
*	Fidelity Investments	Fidelity Balanced Fund	n/a	15,880
*	Fidelity Investments	Fidelity Large Cap Value Fund	n/a	31,543
*	Fidelity Investments	Fidelity Value Fund	n/a	93,380
*	Fidelity Investments	Fidelity Disciplined Equity Fund	n/a	27,714
*	Fidelity Investments	Spartan 500 Index	n/a	38,046
*	Fidelity Investments	Fidelity Leveraged Company Stock fund	n/a	100,059
*	Fidelity Investments	Fidelity Capital Appreciation Fund	n/a	16,532
*	Fidelity Investments	Fidelity Small Cap Indep. Fund	n/a	21,369
*	Fidelity Investments	Fidelity International Discovery Fund	n/a	51,323
*	Fidelity Investments	Spartan International Index Fund	n/a	20,693
*	Fidelity Investments	Fidelity Retirement Money Market	n/a	64,512
*	Fidelity Investments	Fidelity Freedom 2000 Fund	n/a	4,237
*	Fidelity Investments	Fidelity Freedom 2005 Fund	n/a	7,034
*	Fidelity Investments	Fidelity Freedom 2010 Fund	n/a	26,269
*	Fidelity Investments	Fidelity Freedom 2015 Fund	n/a	85,698
*	Fidelity Investments	Fidelity Freedom 2020 Fund	n/a	229,362
*	Fidelity Investments	Fidelity Freedom 2025 Fund	n/a	267,989
*	Fidelity Investments	Fidelity Freedom 2030 Fund	n/a	82,152
*	Fidelity Investments	Fidelity Freedom 2035 Fund	n/a	86,772
*	Fidelity Investments	Fidelity Freedom 2040 Fund	n/a	106,244
*	Fidelity Investments	Fidelity Freedom 2045 Fund	n/a	31,273
*	Fidelity Investments	Fidelity Freedom 2050 Fund	n/a	27,820
*	Fidelity Investments	Fidelity Freedom Income	n/a	1,174
	Loomis Sayles	Loomis Sayles Small Cap Value Fund	n/a	9,325
	Morgan Stanley	MSIF Trust Mid Cap Growth Portfolio	n/a	28,815
				$ 1,517,728

* Parties-in-interest