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
PEGASUS TECHNOLOGIES, INC. EMPLOYEE SAVINGS & RET. PLAN 401(K)

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 06/01/1989

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

932 PILOT DRIVE
GREEN COVE SPRINGS, FL 32043

2b Employer Identification Number (EIN)
59-2538042

2c Sponsor's telephone number
904-284-2490

2d Business code (see instructions)
481000

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.	08/29/2011	RANDY W. KNOTTS
	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")
RANDY W. KNOTTS

932 PILOT DRIVE
GREEN COVE SPRINGS, FL 32043

3b Administrator's EIN
59-2538042

3c Administrator's telephone number
904-284-2490

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**	191
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**	175
b	Retired or separated participants receiving benefits	**6b**	1
c	Other retired or separated participants entitled to future benefits	**6c**	17
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	193
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	4
f	Total. Add lines **6d** and **6e**	**6f**	197
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	197
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	3
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)	X	**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
PEGASUS TECHNOLOGIES, INC. EMPLOYEE SAVINGS & RET. PLAN 401(K)

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
59-2538042

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

BANK OF AMERICA N.A.

94-1687665

(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)

MERRILL LYNCH,PIERCE,FENNER & SMITH

13-5674085

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 71 52 56 59 60 62 63 72	RECORDKEEPER	2280	Yes [X] No [ ]	Yes [X] No [ ]	0	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 ☐

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

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
PEGASUS TECHNOLOGIES, INC. EMPLOYEE SAVINGS & RET. PLAN 401(K)

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
PEGASUS TECHNOLOGIES, INC.

D Employer Identification Number (EIN)
59-2538042

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

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

b Name of sponsor of entity listed in (a): BANK OF AMERICA N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
22-6484011-001	C	2311893

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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a Plan name

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

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
PEGASUS TECHNOLOGIES, INC. EMPLOYEE SAVINGS & RET. PLAN 401(K)

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
59-2538042

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	0	50
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)	805	755
(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)	321204	442631
(9) Value of interest in common/collective trusts	1c(9)	2299909	2311893
(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)	9046297	11201123
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	81800	107917

			(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	11750015	14064369
	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	11750015	14064369

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)	512508	
	(B) Participants	2a(1)(B)	1423949	
	(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)		1936457
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)	19962	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		19962
	(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)	176694	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		176694
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		205697
(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)		1263626
c Other income	2c		7700
d Total income. Add all **income** amounts in column (b) and enter total	2d		3610136
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1287331	
(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)		1287331
f Corrective distributions (see instructions)	2f		2083
g Certain deemed distributions of participant loans (see instructions)	2g		1449
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)	4919	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		4919
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1295782
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		2314354
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: VESTAL & WILER CPAS **(2)** EIN: 59-3198021

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		1250000
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
PEGASUS TECHNOLOGIES, INC. EMPLOYEE SAVINGS & RET. PLAN 401(K)

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
59-2538042

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): 94-1687665

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):

PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS & RETIREMENT PLAN 401(K)

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

WITH INDEPENDENT AUDITOR'S REPORT

December 31, 2010 and 2009

VESTAL & WILER
CERTIFIED PUBLIC ACCOUNTANTS

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VESTAL & WILER
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Pegasus Technologies, Inc.
Employees Savings & Retirement Plan 401(k)
Green Cove Springs, Florida

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

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Bank of America, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements and the 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 December 31, 2010 and 2009 and for the year ended December 31, 2010, 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.

Vestal & Wiler
Certified Public Accountants

July 28, 2011

201 EAST PINE STREET, SUITE 801 • ORLANDO, FLORIDA 32801 • 407/843-4433 • FAX 407/841-6694
www.vestal-wiler.com

PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS & RETIREMENT PLAN 401(K)

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2010 and 2009

ASSETS

	2010	2009
INVESTMENTS, at fair value:		
Common/collective trust	$ 2,311,893	$ 2,299,909
Mutual funds	11,201,123	9,046,297
Self-directed brokerage accounts	107,917	81,800
TOTAL INVESTMENTS, at fair value	13,620,933	11,428,006
RECEIVABLES:		
Notes receivable from participants	442,631	321,204
Accrued income	755	755
TOTAL RECEIVABLES	443,386	321,959
CASH	50	50
TOTAL ASSETS	14,064,369	11,750,015
LIABILITIES - Excess contributions payable	18,431	-
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	14,045,938	11,750,015
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit-responsive investment contracts	-	167,805
NET ASSETS AVAILABLE FOR BENEFITS	$ 14,045,938	$ 11,917,820

See notes to financial statements.

PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS & RETIREMENT PLAN 401(K)

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Year Ended December 31, 2010

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Investment income:	
Net appreciation in fair value of investments	$ 1,263,626
Interest and dividends	242,248
Total investment income	1,505,874
Contributions:	
Participant	1,405,518
Employer	512,508
Total contributions	1,918,026
TOTAL ADDITIONS	3,423,900
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Benefits paid to participants	1,290,863
Administrative expenses	4,919
TOTAL DEDUCTIONS	1,295,782
NET INCREASE	2,128,118
NET ASSETS AVAILABLE FOR BENEFITS - Beginning of year	11,917,820
NET ASSETS AVAILABLE FOR BENEFITS - End of year	$ 14,045,938

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2010 and 2009

NOTE 1 DESCRIPTION OF PLAN

The following description of the Pegasus Technologies, Inc. Employees Savings & Retirement Plan 401(k) (the Plan) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General - The Plan is a defined contribution plan covering all employees of Pegasus Technologies, Inc. (the Company) who are age twenty-one or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA).

Contributions - Each year, participants may contribute from 1% to 20% of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of the contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds, a common/collective trust and self-directed brokerage accounts as investment options for participants. The Company may make annual discretionary matching contributions. For 2010, the Company contributed 50% of the first 10% of base compensation that a participant contributed to the Plan. Contributions are subject to certain limitations.

Contributions received from participants for 2010 are net of payments of $18,431 made in 2011 to certain active participants to return to them excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. That amount is also included in the Plan's statement of net assets available for benefits as excess contributions payable at December 31, 2010.

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

Vesting - Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant becomes 20% vested after two years, 60% vested after three years, 80% vested after four years and 100% vested after five years of service.

NOTE 1 DESCRIPTION OF PLAN - Continued

Notes Receivable from Participants - 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 account balance. The loans are secured by the balance in the participant's account and bear interest at prime plus 1%, which range from 4.25% to 9.25% at December 31, 2010. Principal and interest is paid ratably through monthly payroll deductions.

Payment of Benefits - On termination of service, a participant may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

Forfeited Accounts - At December 31, 2010 and 2009, forfeited nonvested accounts totaled approximately $11,800 and $3,100 respectively. These accounts are allocated to eligible participants' accounts. During the year ended December 31, 2010, forfeitures of approximately $3,000 were allocated to participant accounts.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The Plan's financial statements have been prepared on the accrual basis of accounting.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a collective trust. The Statements of Net Assets Available for Benefits present the fair value of the investment in the collective trust as well as the adjustment of the investment in the collective trust from fair value to contract value relating to the investment contracts. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Use of Estimates - The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Investment Valuation and Income Recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 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.

Notes Receivable from Participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits - Benefits are recorded when paid.

Operating Expenses - Certain expenses of maintaining the Plan are paid by the Company.

Subsequent Events - The Plan has evaluated subsequent events through July 28, 2011, the date the financial statements were available to be issued.

NOTE 3 INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (UNAUDITED)

Bank of America, N.A. (BOA), the trustee for the Plan, holds the Plan's investment assets and executes transactions therein. The following information as well as the information in the supplemental schedule of assets (held at end of year) was certified by the trustee as complete and accurate and, as directed by the Plan administrator, is unaudited. Such investments and other related information consists of the following at December 31, 2010 and 2009:

	2010	2009
ASSETS:		
Common/collective trust at fair value	$ 2,311,893	$ 2,299,909
Adjustment from fair value to contract value	-	167,805
Common/collective trust at contract value	2,311,893	2,467,714

NOTE 3 INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (UNAUDITED) - Continued

	2010	2009
Mutual funds	11,201,123	9,046,297
Self-directed brokerage accounts	107,917	81,800
Notes receivable from participants	442,631	321,204
Accrued income	755	755
Cash	50	50
	$ 14,064,369	$ 11,917,820

NET APPRECIATION IN FAIR VALUE OF INVESTMENTS	$ 1,263,626
INTEREST AND DIVIDENDS	$ 242,248

NOTE 4 INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets at December 31, 2010 and 2009:

	2010	2009
Retirement Preservation Trust *	$ 2,311,893	$ 2,467,714
BlackRock Total Return Portfolio	1,295,327	985,797
BlackRock Global Alloc A	1,222,174	910,761
BlackRock Gov Inc A	971,106	690,285
Lord Abbett Mid Cap Value CL P	1,262,344	1,041,618
Van Kampen Comstock FD CL A	1,060,479	870,285
Oppenheimer Global Fund	1,134,482	927,519
Davis NY Venture FD CL A	985,763	843,144
American Growth Fund of America	1,205,999	1,015,260

*These amounts represent contract value for this investment.

NOTE 4 INVESTMENTS - Continued

During 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

Mutual funds	$ 1,263,626

NOTE 5 FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures,* provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 Inputs to the valuation methodology include quoted prices for similar assets or liabilities in an active market; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2010 and 2009.

NOTE 5 FAIR VALUE MEASUREMENTS - Continued

Common/collective trust: Valued based on information reported by the investment advisor using the audited financial statements of the collective trust at year end.

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

Self-directed brokerage accounts: Valued at the closing price reported on the active market on which the individual securities are traded.

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

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

Assets at Fair Value as of December 31, 2010

	Level 1	Level 2	Level 3	Total
Common/collective trust	$ -	$ 2,311,893	$ -	$ 2,311,893
Mutual funds:				
Equity/stock	7,412,530	-	-	7,412,530
Bond/fixed income	2,563,437	-	-	2,563,437
Allocation	1,225,156	-	-	1,225,156
Total mutual funds	11,201,123	-	-	11,201,123
Self-directed brokerage accounts	107,917	-	-	107,917
Total assets at fair value	$ 11,309,040	$ 2,311,893	$ -	$ 13,620,933

NOTE 5 FAIR VALUE MEASUREMENTS - Continued

Assets at Fair Value as of December 31, 2009

	Level 1	Level 2	Level 3	Total
Common/collective trust	$ -	$ 2,299,909	$ -	$ 2,299,909
Mutual funds:				
Equity/stock	6,233,060	-	-	6,233,060
Bond/fixed income	1,900,605	-	-	1,900,605
Allocation	912,632	-	-	912,632
Total mutual funds	9,046,297	-	-	9,046,297
Self-directed brokerage accounts	81,800	-	-	81,800
Total assets at fair value	$ 9,128,097	$ 2,299,909	$ -	$ 11,428,006

NOTE 6 RELATED PARTY TRANSACTIONS

Plan investments are managed by BOA. BOA is the trustee as defined by the Plan, therefore, these transactions qualify as party-in-interest transactions.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

NOTE 7 PLAN TERMINATION

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

NOTE 8 TAX STATUS

The Plan and Trust has been formed utilizing the Non Standardized Prototype Defined Contribution Plan documents sponsored by Merrill Lynch. The prototype plan sponsor, Merrill Lynch, obtained a favorable determination letter dated March 31, 2008; however, such letter is only applicable to Merrill Lynch. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would be sustained upon examination by the taxing authority. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2007.

NOTE 9 RISKS AND UNCERTAINTIES

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

NOTE 10 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2010 and 2009 to the Form 5500:

	2010	2009
Net assets available for benefits per the financial statements	$ 14,045,938	$ 11,917,820
Plus: excess contributions payable	18,431	-
Less: adjustment from fair value to contract value for fully benefit-responsive investment contracts	-	(167,805)
Net assets available for benefits per the Form 5500	$ 14,064,369	$ 11,750,015

The following is a reconciliation of contributions per the financial statements to the Form 5500:

	2010
Contributions per the financial statements	$ 1,918,026
Plus: excess contributions payable - end of year	18,431
Contributions per the Form 5500	$ 1,936,457

The following is a reconciliation of total investment income per the financial statements to the Form 5500:

	2010
Total investment income per the financial statements	$ 1,505,874
Plus: adjustment from fair value to contract value for fully benefit-responsive investment contracts – beginning of year	167,805
Total investment income per the Form 5500	$ 1,673,679

SUPPLEMENTAL SCHEDULE

PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS & RETIREMENT PLAN 401(K)

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

December 31, 2010

(a)	(b) Identity of Issue	(c) Description of Issue	(d) Cost	(e) Current Value
*	Retirement Preservation Trust	Common/collective trust		$ 2,311,893
	AIM Basic Balanced Fund Class A	Mutual fund		74,268
	Pioneer Independence A	Mutual fund		5,574
*	BlackRock Total Return Portfolio	Mutual fund		1,295,327
*	BlackRock Capital Appreciation CL A	Mutual fund		59,313
	ING Global Value Choice Fund A	Mutual fund		38,826
	Van Kampen American Value Fund C A	Mutual fund		43,726
	MFS Growth Fund Class A	Mutual fund		123,965
*	BlackRock Basic Value A	Mutual fund		75,180
*	BlackRock Bal Capital A	Mutual fund		2,982
*	BlackRock High Inc Fund A	Mutual fund		127,706
*	BlackRock Global Alloc A	Mutual fund		1,222,174
*	BlackRock Value Opps A	Mutual fund		61,628
*	BlackRock Int Gov A	Mutual fund		169,298
*	BlackRock Gov Inc A	Mutual fund		971,106
	MFS Core Equity FD A	Mutual fund		232,964
*	BlackRock S&P 500 Index I	Mutual fund		126,140
*	BlackRock International Index I	Mutual fund		108,144
	Lord Abbett Dev Grwth CL-P	Mutual fund		436,583
	Lord Abbett Mid Cap Value CL P	Mutual fund		1,262,344
	Munder Internet FD A	Mutual fund		136,797
	Allncbrnstn Global Thematic A	Mutual fund		16,273
	Van Kampen Comstock FD CL A	Mutual fund		1,060,479
	Seligman Comm & Info FD CL A	Mutual fund		183,028
	Oppenheimer Global Fund	Mutual fund		1,134,482
	Mass Invest Growth Stock FD Class A	Mutual fund		18,915
	Davis NY Venture FD CL A	Mutual fund		985,763
	American Growth Fund of America	Mutual fund		1,205,999
	Van Kampen Capital Growth Class A	Mutual fund		7,442
	Mass Investors trust	Mutual fund		14,697
*	Self-directed brokerage accounts	Various		107,917
*	Participant loans	4.25% - 9.25%	-	442,631

* Denotes a party-in-interest.

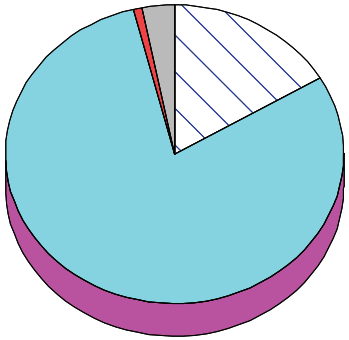
PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS &
RETIREMENT PLAN 401(K)
EIN 59-2538042 Plan 001
Attachment to 2010 Form 5500

STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2010 - 12/31/2010

PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS & RETIREMENT
CONSOLIDATION

ALLOCATION OF PLAN ASSETS



- 16.44% COMMON / COLLECTIVE TRUSTS
- 0.77% OTHER ASSETS
- 0.00% PENDING SETTLEMENT FUNDS
- 79.64% MUTUAL FUNDS
- 3.15% LOANS
- 0.01% ACCRUED INCOME

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
COMMON / COLLECTIVE TRUSTS					
ML RET PRESERVATION TRUST	1,779,931.4400	1.000	1,779,787.44	1,779,931.44	12.66%
ML RET PRES TRUST-GM	531,961.4287	1.000	531,961.43	531,961.43	3.78%
TOTAL COMMON / COLLECTIVE TRUSTS			2,311,748.87	2,311,892.87	16.44%
MUTUAL FUNDS					
INVESCO BASIC BALANCED FUND A	6,745.4835	11.010	79,065.36	74,267.77	0.53%
PIONEER INDEPENDENCE A	496.3645	11.230	4,997.96	5,574.17	0.04%
AMERICAN GROWTH FD AMER R4	1,715.2419	30.190	47,072.88	51,783.15	0.37%
AMERICAN GROWTH FD AMER R4 GM	38,231.7274	30.190	834,922.39	1,154,215.85	8.21%
INVESCO VAN KAMPEN AMERICAN A	1,608.1612	27.190	40,170.72	43,725.90	0.31%
INVESCO VAN KAMPEN CAPITAL A	551.6816	13.490	7,103.96	7,442.18	0.05%

Balances include the effect of pending trades

STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2010 - 12/31/2010

PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS & RETIREMENT
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
INVESCO VAN KAMPEN COMSTOCK A	21,323.5034	15.730	324,138.14	335,418.71	2.38%
INVESCO VAN KAMPEN COMSTOCK A	46,094.0934	15.730	673,741.82	725,060.09	5.16%
BLACKROCK TOTAL RETRN PORTFOLI	15,746.0906	11.120	173,712.26	175,096.53	1.24%
BLACKROCK TOTAL RETURN PORT GM	100,740.1029	11.120	1,096,112.60	1,120,229.94	7.97%
BLACKROCK CAPITAL APPRC CL A	2,579.9417	22.990	46,510.81	59,312.86	0.42%
ING GLOBAL VALUE CHOICE FUND A	1,147.3491	33.840	32,724.47	38,826.29	0.28%
MFS GROWTH FUND CL A	2,959.2942	41.890	91,282.18	123,964.83	0.88%
BLACKROCK BASIC VALUE A	2,937.8711	25.590	73,993.23	75,180.12	0.53%
BLACKROCK BAL CAPITAL A	139.8594	21.320	2,841.56	2,981.80	0.02%
BLACKROCK HIGH INC FD A	26,661.0636	4.790	119,934.81	127,706.49	0.91%
BLACKROCK GLOBAL ALLOC A	25,696.7245	19.420	434,085.63	499,030.39	3.55%
BLACKROCK GLOBAL ALLOC A GM	37,237.0559	19.420	656,104.72	723,143.63	5.14%
BLACKROCK VALUE OPPS A	3,228.2943	19.090	63,172.25	61,628.14	0.44%
BLACKROCK INT GOV A	16,092.9989	10.520	169,488.00	169,298.35	1.20%
BLACKROCK GOV INC A	1,000.1486	10.810	10,606.63	10,811.61	0.08%
BLACKROCK GOV INC A GM	88,833.8815	10.810	943,129.24	960,294.26	6.83%
MFS CORE EQUITY FD A	13,139.5337	17.730	210,649.08	232,963.93	1.66%
BLACKROCK S&P500 INDEX I	8,201.5500	15.380	110,962.91	126,139.84	0.90%
BLACKROCK INTERN INDEX I	9,469.7041	11.420	118,181.29	108,144.02	0.77%
LORD ABBETT DEV GRWTH CL-P	9,702.2381	20.950	163,925.02	203,261.89	1.45%
LORD ABBETT DEV GRWTH CL P-GM	11,137.0534	20.950	169,759.61	233,321.27	1.66%

Balances include the effect of pending trades

STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2010 - 12/31/2010

PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS & RETIREMENT
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
LORD ABBETT MID CAP VALUE CL P	6,384.1838	15.950	104,698.91	101,827.73	0.72%
LORD ABBT MID CAP VAL P GM	72,759.6455	15.950	1,093,898.02	1,160,516.35	8.25%
MUNDER GROWTH OPPORT FD CL A	4,906.6467	27.880	84,336.44	136,797.31	0.97%
ALLNCBRNSTN GLOBAL THEMATIC A	210.9030	77.160	14,986.30	16,273.28	0.12%
COLUMBIA SELIGMAN COMM FD A	4,093.6664	44.710	145,386.35	183,027.82	1.30%
OPPENHEIMER GLOBAL FUND	7,980.0599	60.370	419,244.12	481,756.22	3.43%
OPPENHEIMER GLOBAL FD GM	10,812.0814	60.370	603,782.89	652,725.35	4.64%
MASS INVEST GROWTH STK FD CL A	1,239.5392	15.260	15,888.91	18,915.37	0.13%
MASS. INVESTORS TRUST	764.6632	19.220	13,745.23	14,696.83	0.10%
DAVIS NY VENTURE FD CL A	6,874.8357	34.340	202,665.52	236,081.86	1.68%
DAVIS NY VENTURE FD CL A GM	21,831.1379	34.340	674,467.45	749,681.28	5.33%
TOTAL MUTUAL FUNDS			10,071,489.67	11,201,123.41	79.64%
OTHER ASSETS					
SELF-DIRECT ACCT	80,840.6700	1.000	80,840.67	80,840.67	0.57%
SELF-DIRECT ACCT	27,076.6600	1.000	27,076.66	27,076.66	0.19%
TOTAL OTHER ASSETS			107,917.33	107,917.33	0.77%
LOANS					
LOAN FUND	442,631.3400	1.000	442,631.34	442,631.34	3.15%
PENDING SETTLEMENT FUNDS					
PENDING SETTLEMENT FUND	50.0000	1.000	50.00	50.00	0.00%
INVESTMENT TOTAL			12,933,837.21	14,063,614.95	99.99%

Balances include the effect of pending trades



STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2010 - 12/31/2010

PEGASUS TECHNOLOGIES, INC.
EMPLOYEES SAVINGS & RETIREMENT
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
UNINVESTED CASH			0.00	0.00	0.00%
ACCRUED INCOME			755.39	755.39	0.01%
CASH			0.00	0.00	0.00%
TOTAL ASSETS			12,934,592.60	14,064,370.34	100.00%

The balance in the cash fund may be temporarily invested in the BIF Money Fund. Additional amounts not reported as cash may also be invested in the BIF Money Fund pending settlement of trades.

Balances include the effect of pending trades