## Form 5500-SF

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation

## **Short Form Annual Return/Report of Small Employee Benefit Plan**

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

2010

OMB Nos. 1210-0110 1210-0089

This Form is Open to Public Inspection

| P          | Complete all entries in accordance  | dance wit                               | h the instructions to the Form 550   | 0-SF. |   |  |  |  |  |  |
|------------|---|---|--------------------------------------|-------|---|--|--|--|--|--|
|            | rt I Annual Report Identification Information   |   |                                      |       |   |  |  |  |  |  |
| For        | For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010  |   |                                      |       |   |  |  |  |  |  |
| Α -        | This return/report is for: Single-employer plan   | multiple-e                              | employer plan (not multiemployer)    |       | one-participant plan                          |  |  |  |  |  |
|            | This return/report is for: first return/report  |   |                                      |       |   |  |  |  |  |  |
| _          | an amended return/report  | final retur                             | year return/report (less than 12 mor | nths) |   |  |  |  |  |  |
| <u> </u>   |   | •                                       | extension                            | ,     | DFVC program                                  |  |  |  |  |  |
| C          |   |   | DF vC program                        |       |   |  |  |  |  |  |
| _          | special extension (enter description)   | ,                                       |                                      |       |   |  |  |  |  |  |
|            | rt II Basic Plan Information—enter all requested inform   | ation                                   |                                      |       |   |  |  |  |  |  |
|            | Name of plan  |   |                                      | 1b    | Three-digit                                   |  |  |  |  |  |
| SQL        | OFT, INC. 401(K) PLAN   |   |                                      |       | plan number (PN) 001                          |  |  |  |  |  |
|            |   |   |                                      | 1c    | Effective date of plan                        |  |  |  |  |  |
|            |   |   |                                      |       | 08/01/2000                                    |  |  |  |  |  |
| 2a         | Plan sponsor's name and address (employer, if for single-employer   | plan)                                   |                                      | 2b    | Employer Identification Number                |  |  |  |  |  |
| SQL        | SOFT, INC.  | . ,                                     |                                      |       | (EIN) 91-2038200                              |  |  |  |  |  |
| D.O.       | BOX1070   |   |                                      | 2c    | Plan sponsor's telephone number 425-990-4115  |  |  |  |  |  |
|            | EVUE, WA 98009-1070   |   |                                      | 24    |   |  |  |  |  |  |
|            |   |   |                                      | Zu    | Business code (see instructions) 611000       |  |  |  |  |  |
| 3a         | Plan administrator's name and address (if same as Plan sponsor, e   | nter "Same                              | e")                                  | 3b    | Administrator's EIN                           |  |  |  |  |  |
| SQL        | OFT, INC. P.O. BOX107<br>BELLEVUE,  | 70                                      |                                      |       | 91-2038200                                    |  |  |  |  |  |
|            | Selection,  | *************************************** | 1070                                 | 3с    | Administrator's telephone number 425-990-4115 |  |  |  |  |  |
| <b>1</b> 1 | the name and/or EIN of the plan sponsor has changed since the las   | ct roturn/ro                            | port filed for this plan, enter the  | 4h    | EIN   |  |  |  |  |  |
|            | name, EIN, and the plan number from the last return/report. Sponso  |   | port filed for this plant, enter the | 40    | EIN   |  |  |  |  |  |
|            |   |   |                                      | 4c    | PN  |  |  |  |  |  |
| 5a         | Total number of participants at the beginning of the plan year  |   |                                      | 5a    | 65  |  |  |  |  |  |
| b          | Total number of participants at the end of the plan year  |   | 5b                                   | 70    |   |  |  |  |  |  |
| С          | Total number of participants with account balances as of the end of   | f the plan y                            | vear (defined benefit plans do not   |       |   |  |  |  |  |  |
|            | complete this item)   |   |                                      | 5c    | 53  |  |  |  |  |  |
|            | 6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)  |   |                                      |       |   |  |  |  |  |  |
| b          | <b>b</b> Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) |   |                                      |       |   |  |  |  |  |  |
|            | If you answered "No" to either 6a or 6b, the plan cannot use Fe   |   |                                      |       |   |  |  |  |  |  |
| Pa         | rt III Financial Information  | <u> </u>                                | or and muct motoda acc r crim co.    |       |   |  |  |  |  |  |
| 7          | Plan Assets and Liabilities   |   | (a) Beginning of Year                |       | (b) End of Year                               |  |  |  |  |  |
| а          | Total plan assets   | . 7a                                    | 1231403                              | 3     | 1446986                                       |  |  |  |  |  |
| b          | Total plan liabilities  |   |                                      |       | 35  |  |  |  |  |  |
| C          | Net plan assets (subtract line 7b from line 7a)   | 7c                                      | 1231403                              | 3     | 1446951                                       |  |  |  |  |  |
| 8          | Income, Expenses, and Transfers for this Plan Year  | 70                                      | (a) Amount                           |       | (b) Total                                     |  |  |  |  |  |
| а          | Contributions received or receivable from:  |   | (a) Alliount                         |       | (b) Total                                     |  |  |  |  |  |
| <u> </u>   | (1) Employers   | . 8a(1)                                 | C                                    | )     |   |  |  |  |  |  |
|            | (2) Participants  | 8a(2)                                   | 163536                               | 6     |   |  |  |  |  |  |
|            | (3) Others (including rollovers)  |   | C                                    | )     |   |  |  |  |  |  |
| b          | Other income (loss)   | . 8b                                    | 150419                               | )     |   |  |  |  |  |  |
| С          | Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)  |   |                                      |       | 313955  |  |  |  |  |  |
| d          | Benefits paid (including direct rollovers and insurance premiums  |   | 05070                                |       |   |  |  |  |  |  |
|            | to provide benefits)  | . 8d                                    | 95372                                | _     |   |  |  |  |  |  |
| е          | Certain deemed and/or corrective distributions (see instructions)   | . 8e                                    | C                                    | _     |   |  |  |  |  |  |
| f          | Administrative service providers (salaries, fees, commissions)  | . 8f                                    | 3035                                 |       |   |  |  |  |  |  |
| g          | Other expenses  | . 8g                                    | C                                    |       |   |  |  |  |  |  |
| h          | Total expenses (add lines 8d, 8e, 8f, and 8g)   |   |                                      |       | 98407   |  |  |  |  |  |
| i          | Net income (loss) (subtract line 8h from line 8c)   | . 8i                                    |                                      |       | 215548  |  |  |  |  |  |
| i          | Transfers to (from) the plan (see instructions)   |   | C                                    | )     |   |  |  |  |  |  |

|     | Form 5500-SF 2010 Page <b>2-</b>  |         |            |          |             |     |     |             |      |     |
|-----|---|---------|------------|----------|-------------|-----|-----|-------------|------|-----|
| ar  | t IV Plan Characteristics   |         |            |          |             | _   |     |             |      |     |
| -   | If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Chara   | acteris | tic Co     | des in   | the instruc | tio | ns: |             |      |     |
|     | 2A 2E 2F 2G 2J 2K 2S 2T 3B 3D   |         |            |          |             |     |     |             |      |     |
| )   | If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Chara-  | cterist | ic Coc     | les in t | he instruc  | ior | าร: |             |      |     |
| art | V Compliance Questions  |         |            |          |             | _   |     |             |      |     |
| )   | During the plan year:   |         | Yes        | No       |             | A   | mou | ınt         |      |     |
| а   | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)                      | 10a     |            | X        |             |     |     |             |      |     |
| b   | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)   | 10b     |            | X        |             |     |     |             |      |     |
| С   | Was the plan covered by a fidelity bond?  | 10c     | X          |          |             |     |     |             | 2000 | 000 |
| d   | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?  | 10d     |            | X        |             |     |     |             |      |     |
| е   | Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.) | 10e     |            | X        |             |     |     |             |      |     |
| f   | Has the plan failed to provide any benefit when due under the plan?   | 10f     |            | X        |             |     |     |             |      |     |
| g   | Did the plan have any participant loans? (If "Yes," enter amount as of year end.)   | 10g     | X          |          |             |     |     |             | 327  | 707 |
| h   | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)   | 10h     |            | X        |             |     |     |             |      |     |
| i   | If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3  | 10i     |            |          |             |     |     |             |      |     |
| ırt | VI Pension Funding Compliance   |         |            |          |             |     |     |             |      |     |
| 1   | Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and com 5500))  |         |            |          |             |     |     | Yes         | X    | No  |
| 2   | Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code  | or se   | ction 3    | 02 of E  | ERISA?      |     |     | Yes         | X    | No  |
|     | (If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)  |         |            |          |             |     |     |             |      |     |
| а   | If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instruction granting the waiver  |         |            |          |             |     |     |             |      | _   |
|     | you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.  |         |            |          |             |     |     |             |      |     |
| b   | Enter the minimum required contribution for this plan year  |         | 12b<br>12c |          | _           |     |     |             |      |     |
| _   | Enter the amount contributed by the employer to the plan for this plan year   |         |            |          |             |     |     |             |      |     |
| d   | Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of negative amount)   |         |            | 12d      | _           | _   |     | <del></del> |      |     |
| е   | Will the minimum funding amount reported on line 12d be met by the funding deadline?  |         |            |          | Yes         | Ц   | No  | )           | N    | I/A |

## Part VII Plan Terminations and Transfers of Assets

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control

of the PBGC?.....

If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to

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

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

Yes X

Yes X No

## Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| SIGN | Filed with authorized/valid electronic signature. | 09/23/2011 | TODD HUGHES  |
|------|---|------------|--|
| HERE | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| SIGN |   |            |  |
| HERE | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |

|              | Form 5500-SF 2010 Page <b>2-</b>   |              |         |        |               |        |        |
|--------------|--|--------------|---------|--------|---------------|--------|--------|
| Par          | t IV Plan Characteristics  |              |         |        |               |        |        |
| 9a<br>b      | If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Char<br>2A 2E 2F 2G 2J 2K 2S 2T 3B 3D<br>If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characterists |              |         |        |               |        |        |
| Par          | Compliance Questions   |              |         |        |               |        |        |
| 10           | During the plan year:  |              | Yes     | No     |               | Amount |        |
| а            | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)   | 10a          |         | Х      |               |        |        |
| b            | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)  | 10b          |         | Х      |               |        |        |
| C            | Was the plan covered by a fidelity bond?   | 10c          | х       |        |               | 20     | 00,000 |
| d            | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?   | 10d          |         | х      |               |        |        |
| е            | Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)  | 10e          |         | X      |               |        |        |
| f            | Has the plan failed to provide any benefit when due under the plan?  | 10f          |         | х      |               |        |        |
| g            | Did the plan have any participant loans? (If "Yes," enter amount as of year end.)  | 10g          | х       |        |               |        | 32,707 |
| h            | 100000   | 10h          |         | х      |               |        |        |
| i            | If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3   | 10i          |         |        |               |        |        |
| Part         | VI Pension Funding Compliance  |              |         |        |               |        |        |
| 11           | Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and con 5500))   |              |         |        |               | Yes    | X No   |
| 12           | Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code   | e or se      | ction 3 | 302 of | ERISA?        | Yes    | X No   |
| а            | (If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)  If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instrugranting the waiver   |              |         |        | ne date of th |        |        |
| lf           | you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.   |              | _       | 12b    |               |        |        |
| b            | Enter the minimum required contribution for this plan year   |              |         |        | :             |        |        |
| C            | Enter the amount contributed by the employer to the plan for this plan year  |              |         | 12c    |               |        |        |
|              | d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)  |              |         |        |               | 1 a. F | 7      |
| 6542474583v3 | Will the minimum funding amount reported on line 12d be met by the funding deadline?   |              |         |        | Yes           | No     | N/A    |
| Part         | VII Plan Terminations and Transfers of Assets  |              |         |        |               | _      |        |
| 13a          | Has a resolution to terminate the plan been adopted during the plan year or any prior year?  |              | г       |        | I             | Yes    | X No   |
|              | If "Yes," enter the amount of any plan assets that reverted to the employer this year  |              |         | 13a    |               |        |        |
| b            | Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought of the PBGC?  | •••••        |         | ••••   |               | Yes    | X No   |
| С            | If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify t which assets or liabilities were transferred. (See instructions.)   | ne pia       | n(s) to |        |               | T      |        |
| 1            | I3c(1) Name of plan(s):  | <del> </del> | 130     | (2) E  | N(s)          | 13c(3) | PN(s)  |
|              |  |              |         |        |               |        |        |

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| SIGN         | May M Gente                        | 9/21/2011 | Mark M. Gantar   |
|--------------|------------------------------------|-----------|--|
|              | Signature of plan administrator    | Date      | Enter name of individual signing as plan administrator       |
| SIGN         |                                    |           |  |
| SIGN<br>HERE | Signature of employer/plan sponsor | Date      | Enter name of individual signing as employer or plan sponsor |