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
WALPOLE, INC. 401(K) PROFIT SHARING PLAN

1b Three-digit plan number (PN) ▶ 003

1c Effective date of plan 01/01/1995

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

P. O. BOX 1177
OKEECHOBEE, FL 34973

2b Employer Identification Number (EIN)
59-1305687

2c Sponsor's telephone number
863-763-5593

2d Business code (see instructions)
484120

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.	09/28/2011	JOSEPH J FORD
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/28/2011	JOSEPH J FORD
	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")
WALPOLE, INC.

P. O. BOX 1177
OKEECHOBEE, FL 34973

3b Administrator's EIN
59-1305687

3c Administrator's telephone number
863-763-5593

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**	242
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**	231
b	Retired or separated participants receiving benefits	**6b**	2
c	Other retired or separated participants entitled to future benefits	**6c**	20
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	253
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	253
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	74
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	34
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2G 2J 2K 3D 3H

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
WALPOLE, INC. 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 003

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

D Employer Identification Number (EIN)
59-1305687

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

1 Coverage Information:

(a) Name of insurance carrier
GREAT WEST LIFE AND ANNUITY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
84-0467907	68322	456098-01	74	01/01/2010	12/31/2010

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
9464	0

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

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

THOMAS WALSH
ENTERPRISE GEN INS AGENCY INC
250 S AUSTRALIAN AVE STE 1200
W PALM BEACH, FL 33401

(b) Amount of sales and base commissions paid	Fees and other commissions paid		
	(c) Amount	(d) Purpose	(e) Organization code
4732			3

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

CHARLES PARKER
ENTERPRISE GEN INS AGENCY INC
250 S AUSTRALIAN AVE STE 1200
W PALM BEACH, FL 33401

(b) Amount of sales and base commissions paid	Fees and other commissions paid		
	(c) Amount	(d) Purpose	(e) Organization code
4732			3

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end	4	711468
5	Current value of plan's interest under this contract in separate accounts at year end	5	1366644

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

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

Specify nature of costs ▶

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

(3) ☐ other (specify) ▶

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

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

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

(3) ☐ guaranteed investment (4) ☒ other ▶ GROUP ANNUITY CONTRACT

b	Balance at the end of the previous year			7b	616143
c	Additions: (1) Contributions deposited during the year	7c(1)	54146		
	(2) Dividends and credits	7c(2)	0		
	(3) Interest credited during the year	7c(3)	14355		
	(4) Transferred from separate account	7c(4)	148000		
	(5) Other (specify below)	7c(5)	24392		
	▶ LOAN REPAYMENT(S), CONTRIBUTIONS TO FORFEITURE ACCOUNT				
	(6) Total additions			7c(6)	240893
d	Total of balance and additions (add **b** and **c(6)**)			7d	857036
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	44434		
	(2) Administration charge made by carrier	7e(2)	41		
	(3) Transferred to separate account	7e(3)	101093		
	(4) Other (specify below)	7e(4)	0		
	▶				
	(5) Total deductions			7e(5)	145568
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	711468

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

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

Specify nature of costs ▶

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service 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
WALPOLE, INC. 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 003

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

D Employer Identification Number (EIN)
59-1305687

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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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)

GREAT-WEST LIFE & ANNUITY COMPANY
8515 EAST ORCHARD ROAD
GREENWOOD VILLAGE, CO 80111

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64	RECORDKEEPER	575	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(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
WALPOLE, INC. 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 003

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

D Employer Identification Number (EIN)
59-1305687

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: FUTURE FUNDS SERIES ACCT II OF GWL

b Name of sponsor of entity listed in (a): GREAT-WEST LIFE & ANNUITY INS. CO.

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)
84-0467907-003	P	1366644

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

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
WALPOLE, INC. 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 003

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

D Employer Identification Number (EIN)
59-1305687

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	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	67642	75403
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	1249502	1366644
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	0	0
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	616143	711468
(15) Other	1c(15)	0	0

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	0
	(2) Employer real property	1d(2)	0	0
e	Buildings and other property used in plan operation	1e	0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f	1933287	2153515
	Liabilities			
g	Benefit claims payable	1g	0	0
h	Operating payables	1h		
i	Acquisition indebtedness	1i	0	0
j	Other liabilities	1j	0	0
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	1933287	2153515

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)	48996	
	(B) Participants	2a(1)(B)	127975	
	(C) Others (including rollovers)	2a(1)(C)	0	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		176971
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	4053	
	(F) Other	2b(1)(F)	14355	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		18408
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(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)	0	
	(B) Other	2b(5)(B)	0	
	(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)		0
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		186121
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		0
c	Other income	2c		0
d	Total income. Add all **income** amounts in column (b) and enter total	2d		381500
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	151855	
	(2) To insurance carriers for the provision of benefits	2e(2)	0	
	(3) Other	2e(3)	0	
	(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		151855
f	Corrective distributions (see instructions)	2f		2267
g	Certain deemed distributions of participant loans (see instructions)	2g		6575
h	Interest expense	2h		0
i	Administrative expenses: (1) Professional fees	2i(1)	0	
	(2) Contract administrator fees	2i(2)	575	
	(3) Investment advisory and management fees	2i(3)	0	
	(4) Other	2i(4)	0	
	(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		575
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		161272
	Net Income and Reconciliation			
k	Net income (loss). Subtract line 2j from line 2d	2k		220228
l	Transfers of assets:			
	(1) To this plan	2l(1)		0
	(2) From this plan	2l(2)		0

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: HARRIS,COTHERMAN,JONES,PRICE& ASSOC **(2)** EIN: 65-0689902

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		175000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection.

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

A Name of plan
WALPOLE, INC. 401(K) PROFIT SHARING PLAN

B Three-digit plan number (PN) ▶ 003

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

D Employer Identification Number (EIN)
59-1305687

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): 20-3691708

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):

OKEECHOBEE
Post Office Box 1177
Okeechobee, Florida 34973

WALPOLE INC

Phone: (863) 763-5593
U.S. Watts: (800) 741-6500
Fax: (863) 763-7874

September 26, 2011

Harris, Cotherman, Jones, Price & Associates, CPAs – Chartered
5070 North Highway A1A, Suite 250
Vero Beach, Florida 32963

We are providing this letter in connection with your audit of the financial statements and supplemental schedule of Walpole, Inc. 401(k) Profit Sharing Plan (the "Plan") as of December 31, 2010 and 2009, and for the year ended December 31, 2010. As permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) *Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974* (ERISA), we have instructed you not to perform any auditing procedures with respect to information prepared and certified by Great-West Life & Annuity Insurance Company of First Great-West Life & Annuity Insurance Company and Orchard Trust Company, LLC, the insurance company and custodian of the Plan, in accordance with DOL Regulation 2520.103-5, except for comparing the information with the related information included in the financial statements and supplemental schedule. Because of the significance of the information which you did not audit, we understand that you will not express an opinion on the financial statements and schedule taken as a whole.

We are responsible for the fair presentation in the Plan's financial statements of net assets available for benefits and changes in net assets available for benefits in conformity with U.S. generally accepted accounting principles and for the fair presentation of the accompanying supplemental schedule in conformity with the DOL's *Rules and Regulations for Reporting and Disclosure under ERISA*. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of September 26, 2011, the following representations made to you during your audit:

1. The financial statements and related footnotes are fairly presented in conformity with U.S. generally accepted accounting principles, and the notes include all disclosures required by laws and regulations to which the Plan is subject, including the DOL's *Rules and Regulations for Reporting and Disclosure under ERISA*.
2. We have made available to you all -
    a) Financial records and related data.

b) All minutes of the meetings of the Board of Trustees for the period under audit through the date of this letter, or summaries of actions of recent meetings for which minutes have not yet been prepared.

c) Plan instruments, trust agreements, insurance contracts, or investment contracts and amendments to such documents entered into during the year, including amendments to comply with applicable laws.

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, that could have a material effect on the financial statements in the event of noncompliance.

4. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

5. We have no knowledge of any fraud or suspected fraud affecting the Plan involving -

   a) Management,
   b) Employees who have significant roles in internal control, or
   c) Others where the fraud could have a material effect on the financial statements.

6. We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.

7. We have no -

   a) Plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
   b) Intentions to terminate the Plan.

8. The following have been properly recorded or disclosed in the financial statements:

   a) Related party transactions, including transactions with parties-in-interest, as defined in ERISA Section 3(14) and regulations thereunder, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
   b) Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or other lending institution.
   c) All significant estimates and material concentrations known to management that are to be disclosed in accordance with FASB Accounting Standards Codification 275, *Risks and Uncertainties*. We understand that the significant estimates covered by this disclosure are estimates at the date of the statement of net assets that are reasonably possible of changing materially within the next year. Concentrations refer to the nature and type of investments held by the Plan, or markets for which events could occur which would significantly disrupt normal finances within the next year.
   d) Amendments to the Plan instrument, if any.

9. There are no -

   a) Violations or possible violations of laws or regulations (including ERISA, DOL, and IRS regulations) whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
   b) Pending or threatened litigation, claims, or assessments or unasserted claims or assessments of which we are aware that are required to be accrued or disclosed in the

financial statements in accordance with FASB Accounting Standards Codification 450, *Contingencies*, and the Plan has not consulted a lawyer concerning litigation, claims, or assessments.

c) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Accounting Standards Codification 450, *Contingencies*.

d) Material transactions that have not been properly recorded in the accounting records underlying the financial statements.

e) Other matters (e.g., breach of fiduciary responsibilities, nonexempt transactions, loans or leases in default, events reportable to the PBGC, or events that may jeopardize the tax status) that legal counsel have advised us that must be disclosed.

10. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

11. The methods and significant assumptions used to estimate fair values of financial instruments are as follows: Quoted market prices are used to value investments. The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes. For any nonreadily marketable securities, we are in agreement with the methods used by the appraiser to estimate fair value.

12. Financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.

13. All required filings of Plan documents with the appropriate agencies have been made.

14. The Plan is qualified under the appropriate section of the Internal Revenue Code and we intend to continue it as a qualified Plan. The Plan sponsor has operated the Plan in a manner that did not jeopardize this tax status. Required nondiscrimination testing related to Code Section 401(k) and 401(m) arrangements, as applicable, has been completed for the Plan, and any excess deferrals or contributions have been disposed of in accordance with regulations.

15. The Plan has complied with the DOL's regulations concerning the timely remittance of participant contributions to trusts containing assets for the Plan.

16. The Plan has complied with the fidelity bonding requirements of ERISA.

17. The Plan has satisfactory title to all owned assets which are recorded at fair value, and all liens, encumbrances, or security interest requiring disclosure in the financial statements have been properly disclosed.

18. There are no -

a) Non-exempt party-in-interest transactions (as defined in ERISA Section 3(14) and regulations under that section) that were not disclosed in the supplemental schedule or financial statements.

b) Investments or loans in default or considered to be uncollectible that were not disclosed in the supplemental schedule.

c) Reportable transactions (as defined in ERISA Section 103(b)(3)(H) and regulations under that section) that were not disclosed in the supplemental schedule.

19. We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.

20. No events have occurred subsequent to the date of the Plan's financial statements and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

21. We believe the Schedule H – Line 4i – Schedule of Assets (Held at End of Year), including its form and content, is fairly presented in conformity with the DOL's *Rules and Regulations for Reporting and Disclosure under ERISA*. The methods of measurement and presentation of this supplemental schedule have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of this supplemental schedule.

Walpole, Inc. 401(k) Profit Sharing Plan

CFO

By: Name, Title

OKEECHOBEE
Post Office Box 1177
Okeechobee, Florida 34973

WALPOLE INC

Phone: (863) 763-5593
U.S. Watts: (800) 741-6500
Fax: (863) 763-7874

September 26, 2011

Harris, Cotherman, Jones, Price & Associates, CPAs – Chartered
5070 North Highway A1A, Suite 250
Vero Beach, Florida 32963

We are providing this letter in connection with your audit of the financial statements and supplemental schedule of Walpole, Inc. 401(k) Profit Sharing Plan (the "Plan") as of December 31, 2010 and 2009, and for the year ended December 31, 2010. As permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) *Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974* (ERISA), we have instructed you not to perform any auditing procedures with respect to information prepared and certified by Great-West Life & Annuity Insurance Company of First Great-West Life & Annuity Insurance Company and Orchard Trust Company, LLC, the insurance company and custodian of the Plan, in accordance with DOL Regulation 2520.103-5, except for comparing the information with the related information included in the financial statements and supplemental schedule. Because of the significance of the information which you did not audit, we understand that you will not express an opinion on the financial statements and schedule taken as a whole.

We are responsible for the fair presentation in the Plan's financial statements of net assets available for benefits and changes in net assets available for benefits in conformity with U.S. generally accepted accounting principles and for the fair presentation of the accompanying supplemental schedule in conformity with the DOL's *Rules and Regulations for Reporting and Disclosure under ERISA*. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of September 26, 2011, the following representations made to you during your audit:

1. The financial statements and related footnotes are fairly presented in conformity with U.S. generally accepted accounting principles, and the notes include all disclosures required by laws and regulations to which the Plan is subject, including the DOL's *Rules and Regulations for Reporting and Disclosure under ERISA*.
2. We have made available to you all -
    a) Financial records and related data.

b) All minutes of the meetings of the Board of Trustees for the period under audit through the date of this letter, or summaries of actions of recent meetings for which minutes have not yet been prepared.

c) Plan instruments, trust agreements, insurance contracts, or investment contracts and amendments to such documents entered into during the year, including amendments to comply with applicable laws.

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, that could have a material effect on the financial statements in the event of noncompliance.

4. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

5. We have no knowledge of any fraud or suspected fraud affecting the Plan involving -

   a) Management,
   b) Employees who have significant roles in internal control, or
   c) Others where the fraud could have a material effect on the financial statements.

6. We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.

7. We have no -

   a) Plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
   b) Intentions to terminate the Plan.

8. The following have been properly recorded or disclosed in the financial statements:

   a) Related party transactions, including transactions with parties-in-interest, as defined in ERISA Section 3(14) and regulations thereunder, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
   b) Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or other lending institution.
   c) All significant estimates and material concentrations known to management that are to be disclosed in accordance with FASB Accounting Standards Codification 275, *Risks and Uncertainties*. We understand that the significant estimates covered by this disclosure are estimates at the date of the statement of net assets that are reasonably possible of changing materially within the next year. Concentrations refer to the nature and type of investments held by the Plan, or markets for which events could occur which would significantly disrupt normal finances within the next year.
   d) Amendments to the Plan instrument, if any.

9. There are no -

   a) Violations or possible violations of laws or regulations (including ERISA, DOL, and IRS regulations) whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
   b) Pending or threatened litigation, claims, or assessments or unasserted claims or assessments of which we are aware that are required to be accrued or disclosed in the

financial statements in accordance with FASB Accounting Standards Codification 450, *Contingencies*, and the Plan has not consulted a lawyer concerning litigation, claims, or assessments.

c) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Accounting Standards Codification 450, *Contingencies*.

d) Material transactions that have not been properly recorded in the accounting records underlying the financial statements.

e) Other matters (e.g., breach of fiduciary responsibilities, nonexempt transactions, loans or leases in default, events reportable to the PBGC, or events that may jeopardize the tax status) that legal counsel have advised us that must be disclosed.

10. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

11. The methods and significant assumptions used to estimate fair values of financial instruments are as follows: Quoted market prices are used to value investments. The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes. For any nonreadily marketable securities, we are in agreement with the methods used by the appraiser to estimate fair value.

12. Financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.

13. All required filings of Plan documents with the appropriate agencies have been made.

14. The Plan is qualified under the appropriate section of the Internal Revenue Code and we intend to continue it as a qualified Plan. The Plan sponsor has operated the Plan in a manner that did not jeopardize this tax status. Required nondiscrimination testing related to Code Section 401(k) and 401(m) arrangements, as applicable, has been completed for the Plan, and any excess deferrals or contributions have been disposed of in accordance with regulations.

15. The Plan has complied with the DOL's regulations concerning the timely remittance of participant contributions to trusts containing assets for the Plan.

16. The Plan has complied with the fidelity bonding requirements of ERISA.

17. The Plan has satisfactory title to all owned assets which are recorded at fair value, and all liens, encumbrances, or security interest requiring disclosure in the financial statements have been properly disclosed.

18. There are no -

a) Non-exempt party-in-interest transactions (as defined in ERISA Section 3(14) and regulations under that section) that were not disclosed in the supplemental schedule or financial statements.

b) Investments or loans in default or considered to be uncollectible that were not disclosed in the supplemental schedule.

c) Reportable transactions (as defined in ERISA Section 103(b)(3)(H) and regulations under that section) that were not disclosed in the supplemental schedule.

19. We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.

20. No events have occurred subsequent to the date of the Plan's financial statements and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

21. We believe the Schedule H – Line 4i – Schedule of Assets (Held at End of Year), including its form and content, is fairly presented in conformity with the DOL's *Rules and Regulations for Reporting and Disclosure under ERISA*. The methods of measurement and presentation of this supplemental schedule have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of this supplemental schedule.

Walpole, Inc. 401(k) Profit Sharing Plan

CFO

By: Name, Title

WALPOLE, INC. 401(K) PROFIT SHARING PLAN

INDEPENDENT AUDITORS' REPORT,
FINANCIAL STATEMENTS,
AND
SUPPLEMENTAL SCHEDULE

DECEMBER 31, 2010 AND 2009

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Harris, Cotherman,
Jones, Price & Associates
Certified Public Accountants - Chartered

5070 North Highway A1A, Suite 250
Vero Beach, FL 32963
Tel 772-234-8484
Fax 772-234-8488

Independent Auditors' Report

The Trustees
Walpole, Inc. 401(k) Profit Sharing Plan
Okeechobee, Florida

We were engaged to audit the financial statements of Walpole, Inc. 401(k) Profit Sharing Plan (the "Plan") as of December 31, 2010 and 2009 and for the year ended December 31, 2010, and the supplemental schedule as of and for the year ended December 31, 2010 as listed in the accompanying table of contents. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's *Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974*, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Great-West Life & Annuity Insurance Company of First Great-West Life & Annuity Insurance Company and Orchard Trust Company, LLC, the insurance company and the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2010 and 2009 that the information provided to the Plan administrator by the custodian is complete and accurate.

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

Harris, Cotherman, Jones, Price & Associates
Certified Public Accountants - Chartered

Vero Beach, Florida
September 26, 2011

WALPOLE, INC. 401(K) PROFIT SHARING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2010 AND 2009

	2010	2009
ASSETS		
Investments, at fair value		
Guaranteed insurance contract	$ 711,468	$ 616,143
Pooled separate accounts	1,366,644	1,249,502
Total investments	2,078,112	1,865,645
Receivables		
Notes receivable from participants	75,403	67,642
Employer contributions	-	3,603
Participant contributions	-	9,224
Total receivables	75,403	80,469
Total assets	2,153,515	1,946,114
NET ASSETS AVAILABLE FOR BENEFITS	$ 2,153,515	$ 1,946,114

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

WALPOLE, INC. 401(K) PROFIT SHARING PLAN
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	$	186,121
Interest and dividends		18,408
		204,529
Contributions:		
Employer		45,393
Participant		118,751
		164,144
Total additions		368,673
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants		151,855
Administrative expenses		575
Other		8,842
Total deductions		161,272
NET INCREASE		207,401
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year		1,946,114
End of year	$	2,153,515

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

NOTE A - DESCRIPTION OF THE PLAN

The following description of the Walpole, Inc. 401(k) Profit Sharing Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Walpole, Inc. 401(k) Profit Sharing Plan was adopted on June 1, 1995 effective January 1, 1995. The Plan qualifies as a profit sharing plan permitting discretionary employer contributions but not requiring that such contributions be made from employer profits, and is subject to Section 401(a), 401(k) and Section 501(a) of the Internal Revenue Code (the "Code"). The Plan was amended October 1, 2010 with an effective date of January 1, 2011. All disclosures in these notes refer to the Plan prior to that amendment.

Plan Description

The Plan is a defined contribution plan established for the sole and exclusive benefit of and covering substantially all the Employer's eligible full-time employees. An eligible full-time employee has worked at least one year, has completed 1,000 hours of service, and must be at least age 21. Employees covered under a collective bargaining agreement may not participate. Leased employees, independent contractors, and nonresident aliens with no U.S. source of income are also not eligible. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

All contributions by the Employer and their employees, including rollover contributions, under the Plan shall be paid into, and all benefits provided for in the Plan shall be distributed from, a Trust Fund established by a Trust Agreement (the "Agreement") effective January 1, 1995 and as amended January 1, 2001, between the Employer and Edwin E. Walpole, III and Keith A. Walpole (the "Trustees"). The Trustees' duties and obligations under the Trust Agreement are limited to the receipt, investment, and accounting for all assets received under the Agreement.

Participant Contributions

Participants may contribute up to 15% of pre-tax annual compensation, up to the maximum amount permitted by the Internal Revenue Service. These limits were $16,500 for 2010 and 2009, with a "catch-up contribution" for participants over age 50 of $5,500 for 2010 and 2009. A participant may also defer all or any portion of a bonus payment as long as total annual contributions do not exceed the Internal Revenue Service maximum. Participants may also make a rollover transfer to the Plan in an amount which constitutes (1) an eligible rollover distribution (subject to Sections 402 (c)(4) or 403 (a)(4) of the Code) or (2) a rollover contribution (subject to Section 408 (d)(3) of the Code). Participants direct the investment of their contributions into various investment options offered by the Plan.

NOTE A - DESCRIPTION OF THE PLAN - (Continued)

Employer Contributions

The Employer contributes 50% of the first 6% of gross compensation that a participant contributes to the Plan. Contributions are made monthly. Forfeitures of terminated participants' non-vested accounts may be used to reduce the amount the Employer must contribute to participants' accounts.

Account Allocation

Each participant's account is credited with the participant's contribution and an allocation of (1) the Employer's contribution, (2) Plan earnings or losses, and (3) forfeitures of participants' non–vested accounts. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Vesting

Participants are immediately vested in their Rollover Account, before-tax savings contributions, and their actual earnings thereon.

Participants vest in any matching contributions, profit sharing contributions, and their earnings based on the number of years of service, as follows:

Year of Vesting Service	Vested Percentage
Less than 2	0%
2 but less than 3	20
3 but less than 4	40
4 but less than 5	60
5 but less than 6	80
6 or more	100

Participant Loans (Notes receivable from participants)

Participant loans are secured by the vested portion of the debtor participant's account. Loans to participants are limited to one personal and/or home loan per participant. The maximum amount of any loan cannot exceed the lesser of (1) 50% of the participant's vested accrued account or (2) $50,000 less the highest outstanding total loan balances during the previous twelve-month period. The minimum amount a participant can borrow is $1,000. Loan repayments are amortized over a period not to exceed five years except for the purchase of a primary residence, in which case the term may be fifteen years. The interest rate on the loan is 1% above the prime rate on the first day of the calendar quarter in which the loan is processed. Outstanding participant loans as of December 31, 2010 and 2009 were $75,403 and $67,642, respectively.

NOTE A - DESCRIPTION OF THE PLAN - (Continued)

Payment of Benefits

In the event of a participant's retirement, death, disability, or termination, the participant's vested benefits are distributed to the participant or the participant's beneficiary as a lump sum payment, in the form of an annuity, or over a specified installment period as soon as administratively possible or as statutorily required. Participants with vested benefits less than $5,000 (i.e., small accounts) are required by the Employer to be removed from the Plan and to take a lump sum payment.

Forfeited Accounts

Forfeitures of non-vested account balances were $13,710 and $28,639 in 2010 and 2009, respectively. These accounts will be used to reduce future employer (matching) contributions. During 2010 and 2009, none of the forfeiture amounts were used to reduce the Employer's required matching contributions.

Plan Administrative Expenses

Administrative expenses noted on the Statement of Changes in Net Assets Available for Benefits relate directly to participant loans and other member requested services. The Plan's administrative expenses are paid by the Plan sponsor, Walpole, Inc. Administrative expenses paid by the sponsor were approximately $3,779 and $3,644 for 2010 and 2009, respectively.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared using the modified accrual basis method of accounting. Assets are reflected on the cash basis except for contributions, which are reported on the accrual basis. Unrealized appreciation or deprecation in the value of securities and/or investments is recognized as income or loss, respectively, in the accounting period in which the change in market value occurs.

Estimates

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

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans become a distribution to the participant when payment of principal and interest due by the end of the calendar quarter is not made by the following calendar quarter in which payment is missed.

Recent Accounting Pronouncements

In September 2010, FASB issued an amendment to ASC 962, *Plan Accounting-Defined Contribution Pension Plans* (ASU 2010-25). This amendment requires that participant loans be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest.

This amendment was adopted for the year ended December 31, 2010 and retrospectively applied to December 31, 2009. Prior year amounts and disclosures have been revised to reflect the retrospective application of adopting this new amendment. The adoption resulted in a reclassification of participant loans totaling $67,642 from investments to notes receivable as of December 31, 2009. There was no impact to net assets as of December 31, 2009 as a result of this adoption.

Investments

The Plan reports its investments in accordance with Financial Accounting Standards Codification (FASC) 820, *Fair Value Measurements and Disclosures* (formerly SFAS No. 157) which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair-value measurements. *Fair Value Measurements and Disclosures* defines fair value as 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. This codified standard establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy consists of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Unobservable inputs are those that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing the asset, based on the best information available in the circumstances.

NOTE C - INVESTMENTS - (Unaudited)

The Plan's investments are held in a trust fund at Great-West Life and Annuity Company for the plan years ending December 31, 2010 and 2009, respectively. Investments that represent five percent or more of the Plan's net assets available for benefits at December 31, 2010 and 2009 are separately identified as follows:

Description of Investment	2010	2009
Key Guaranteed Portfolio Fund	$ 711,468	$ 616,143
Fidelity Advisor Leveraged Co Stk - T	235,603	238,197
Pimco Total Return Admin	229,441	167,726
Maxim T. Rowe Price Equity Income	227,370	205,942
Maxim Moderate Profile II	173,027	192,980
Nuveen Small Cap Select A	117,215	-
American Funds – Growth Fund of America Fund R3	107,836	-
Davis NY Venture A	-	110,727
First American Small Cap Select A	-	110,203

NOTE D - FAIR VALUE MEASUREMENTS

Assets measured at fair value on a recurring basis are all of the Plan's investments. Fair value was determined as follows:

		Fair Value Measurements at Reporting Date Using		
	12/31/10	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Investments	$ 2,064,402	$ -	$ 2,064,402	$ -

NOTE D - FAIR VALUE MEASUREMENTS - (Continued)

Fair value of the investments is determined by reference to quoted market prices for identical assets that the Plan has the ability to access at the measurement date (e.g., prices derived from the New York Stock Exchange, NASDAQ or Chicago Board of Trade). If quoted market prices are not observable, quoted market prices for similar assets in active or non-active markets are used. These values may also include insignificant adjustments to market observable inputs. Level 3 inputs are unobservable inputs used for valuing assets that use the Plan's own assumptions, based on the best information available.

NOTE E - UNAUDITED FINANCIAL INFORMATION

Unaudited financial information in the financial statements and in the supplemental schedule regarding investments and investment income was furnished to the Plan administrator by Great-West Life & Annuity Insurance Company of First Great-West Life & Annuity Insurance Company and Orchard Trust Company, LLC, the insurance company and the custodian of the Plan, for the Plan years ending December 31, 2010 and 2009. The Plan administrator has obtained certifications from Great-West that such information is complete and accurate.

NOTE F - PLAN TERMINATION

Although it has not expressed any intent to do so, the Sponsor 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 will become fully vested in their accounts.

NOTE G - PARTY-IN-INTEREST TRANSACTIONS

There were no party-in-interest transactions, which are prohibited by ERISA Section 406 and for which no statutory or administrative exemption applies during Plan years ended December 31, 2010 and 2009.

NOTE H - RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500:

	2010	2009
Net assets available for benefits per the financial statements	$ 2,153,515	$ 1,946,114
Difference in:		
Investments	75,403	67,642
Notes receivable from participants	(75,403)	(67,642)
Net assets available for benefits per the Form 5500	$ 2,153,515	$ 1,946,114

Per generally accepted accounting principles, amounts that are allocated, but not dispersed, to participants who have withdrawn from the Plan as of year-end are not considered liabilities for financial reporting purposes; however, these balances should be reported as a liability on the IRS Form 5500. For 2010 and 2009, this liability was zero.

NOTE I - TAX STATUS

The Internal Revenue Service has determined and informed the Employer by letter dated July 28, 2003 that the Plan and related trust are designed in accordance with applicable sections of the Code. The Plan is qualified and the trust established under the Plan is tax-exempt, under the appropriate sections of the Code.

NOTE J - 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 K - DATE THROUGH WHICH SUBSEQUENT EVENTS EVALUATED

The date through which events occurring after December 31, 2010, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is September 26, 2011, which is the date on which the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

WALPOLE, INC. 401(K) PROFIT SHARING PLAN
SCHEDULE H - LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
*	Great-West Life & Annuity	Key Guaranteed Portfolio Fund	$ 672,708	$ 711,468
*	Great-West Life & Annuity	AllianceBernstein International Value R	5,112	5,185
*	Great-West Life & Annuity	American Funds – Growth Fund of America Fund R3	96,229	107,836
*	Great-West Life & Annuity	American Funds Europacific Growth R3	10,195	11,834
*	Great-West Life & Annuity	Columbia Diversified Equity Income R3	1,433	1,595
*	Great-West Life & Annuity	Columbia Mid Cap Value R	212	216
*	Great-West Life & Annuity	Davis NY Venture A	77,469	86,999
*	Great-West Life & Annuity	Fidelity Advisor Leveraged Co Stk - T	189,694	235,603
*	Great-West Life & Annuity	Investco Van Kampen Comstock A	10,314	10,974
*	Great-West Life & Annuity	Maxim Aggressive Profile II	742	830
*	Great-West Life & Annuity	Maxim Ariel Small-Cap Value	24,989	29,238
*	Great-West Life & Annuity	Maxim Conservative Profile II	118	118
*	Great-West Life & Annuity	Maxim Index 600	260	296
*	Great-West Life & Annuity	Maxim Loomis Sayles Bond Portfolio	392	406
*	Great-West Life & Annuity	Maxim Moderate Profile II	155,441	173,027
*	Great-West Life & Annuity	Maxim S&P 500 Index	1,873	2,111
*	Great-West Life & Annuity	Maxim T. Rowe Price Equity Income	198,775	227,370
*	Great-West Life & Annuity	Munder Mid-cap Core Growth A	5,372	6,565
*	Great-West Life & Annuity	Nuveen Small Cap Select A	90,730	117,215
*	Great-West Life & Annuity	Oppenheimer Capital Appreciation A	744	824
*	Great-West Life & Annuity	Oppenheimer Global A	91,707	104,867
*	Great-West Life & Annuity	Pimco Total Return Admin	216,087	229,441
*	Great-West Life & Annuity	Putnam Int'l Capital Opportunities R	10,107	11,821
*	Great-West Life & Annuity	Ridgeworth Small Cap Growth Fund I	522	532
*	Great-West Life & Annuity	Royce Total Return K	405	412
*	Great-West Life & Annuity	Russell Lifepoints 2020 Strategy R3	1,278	1,329
			1,190,200	1,366,644
	Participant Loans	Various rates - 4.00% to 9.25%	$ -	$ 75,403
			$ 1,862,908	$ 2,153,515

* = party-in-interest

WALPOLE, INC. 401(K) PROFIT SHARING PLAN

INDEPENDENT AUDITORS' REPORT,
FINANCIAL STATEMENTS,
AND
SUPPLEMENTAL SCHEDULE

DECEMBER 31, 2010 AND 2009

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Harris, Cotherman,
Jones, Price & Associates
Certified Public Accountants - Chartered

5070 North Highway A1A, Suite 250
Vero Beach, FL 32963
Tel 772-234-8484
Fax 772-234-8488

Independent Auditors' Report

The Trustees
Walpole, Inc. 401(k) Profit Sharing Plan
Okeechobee, Florida

We were engaged to audit the financial statements of Walpole, Inc. 401(k) Profit Sharing Plan (the "Plan") as of December 31, 2010 and 2009 and for the year ended December 31, 2010, and the supplemental schedule as of and for the year ended December 31, 2010 as listed in the accompanying table of contents. These financial statements and schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's *Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974*, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Great-West Life & Annuity Insurance Company of First Great-West Life & Annuity Insurance Company and Orchard Trust Company, LLC, the insurance company and the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2010 and 2009 that the information provided to the Plan administrator by the custodian is complete and accurate.

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

Harris, Cotherman, Jones, Price & Associates
Certified Public Accountants - Chartered

Vero Beach, Florida
September 26, 2011

WALPOLE, INC. 401(K) PROFIT SHARING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2010 AND 2009

	2010	2009
ASSETS		
Investments, at fair value		
Guaranteed insurance contract	$ 711,468	$ 616,143
Pooled separate accounts	1,366,644	1,249,502
Total investments	2,078,112	1,865,645
Receivables		
Notes receivable from participants	75,403	67,642
Employer contributions	-	3,603
Participant contributions	-	9,224
Total receivables	75,403	80,469
Total assets	2,153,515	1,946,114
NET ASSETS AVAILABLE FOR BENEFITS	$ 2,153,515	$ 1,946,114

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

WALPOLE, INC. 401(K) PROFIT SHARING PLAN
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	$	186,121
Interest and dividends		18,408
		204,529
Contributions:		
Employer		45,393
Participant		118,751
		164,144
Total additions		368,673
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants		151,855
Administrative expenses		575
Other		8,842
Total deductions		161,272
NET INCREASE		207,401
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year		1,946,114
End of year	$	2,153,515

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

NOTE A - DESCRIPTION OF THE PLAN

The following description of the Walpole, Inc. 401(k) Profit Sharing Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Walpole, Inc. 401(k) Profit Sharing Plan was adopted on June 1, 1995 effective January 1, 1995. The Plan qualifies as a profit sharing plan permitting discretionary employer contributions but not requiring that such contributions be made from employer profits, and is subject to Section 401(a), 401(k) and Section 501(a) of the Internal Revenue Code (the "Code"). The Plan was amended October 1, 2010 with an effective date of January 1, 2011. All disclosures in these notes refer to the Plan prior to that amendment.

Plan Description

The Plan is a defined contribution plan established for the sole and exclusive benefit of and covering substantially all the Employer's eligible full-time employees. An eligible full-time employee has worked at least one year, has completed 1,000 hours of service, and must be at least age 21. Employees covered under a collective bargaining agreement may not participate. Leased employees, independent contractors, and nonresident aliens with no U.S. source of income are also not eligible. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

All contributions by the Employer and their employees, including rollover contributions, under the Plan shall be paid into, and all benefits provided for in the Plan shall be distributed from, a Trust Fund established by a Trust Agreement (the "Agreement") effective January 1, 1995 and as amended January 1, 2001, between the Employer and Edwin E. Walpole, III and Keith A. Walpole (the "Trustees"). The Trustees' duties and obligations under the Trust Agreement are limited to the receipt, investment, and accounting for all assets received under the Agreement.

Participant Contributions

Participants may contribute up to 15% of pre-tax annual compensation, up to the maximum amount permitted by the Internal Revenue Service. These limits were $16,500 for 2010 and 2009, with a "catch-up contribution" for participants over age 50 of $5,500 for 2010 and 2009. A participant may also defer all or any portion of a bonus payment as long as total annual contributions do not exceed the Internal Revenue Service maximum. Participants may also make a rollover transfer to the Plan in an amount which constitutes (1) an eligible rollover distribution (subject to Sections 402 (c)(4) or 403 (a)(4) of the Code) or (2) a rollover contribution (subject to Section 408 (d)(3) of the Code). Participants direct the investment of their contributions into various investment options offered by the Plan.

NOTE A - DESCRIPTION OF THE PLAN - (Continued)

Employer Contributions

The Employer contributes 50% of the first 6% of gross compensation that a participant contributes to the Plan. Contributions are made monthly. Forfeitures of terminated participants' non-vested accounts may be used to reduce the amount the Employer must contribute to participants' accounts.

Account Allocation

Each participant's account is credited with the participant's contribution and an allocation of (1) the Employer's contribution, (2) Plan earnings or losses, and (3) forfeitures of participants' non–vested accounts. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Vesting

Participants are immediately vested in their Rollover Account, before-tax savings contributions, and their actual earnings thereon.

Participants vest in any matching contributions, profit sharing contributions, and their earnings based on the number of years of service, as follows:

Year of Vesting Service	Vested Percentage
Less than 2	0%
2 but less than 3	20
3 but less than 4	40
4 but less than 5	60
5 but less than 6	80
6 or more	100

Participant Loans (Notes receivable from participants)

Participant loans are secured by the vested portion of the debtor participant's account. Loans to participants are limited to one personal and/or home loan per participant. The maximum amount of any loan cannot exceed the lesser of (1) 50% of the participant's vested accrued account or (2) $50,000 less the highest outstanding total loan balances during the previous twelve-month period. The minimum amount a participant can borrow is $1,000. Loan repayments are amortized over a period not to exceed five years except for the purchase of a primary residence, in which case the term may be fifteen years. The interest rate on the loan is 1% above the prime rate on the first day of the calendar quarter in which the loan is processed. Outstanding participant loans as of December 31, 2010 and 2009 were $75,403 and $67,642, respectively.

NOTE A - DESCRIPTION OF THE PLAN - (Continued)

Payment of Benefits

In the event of a participant's retirement, death, disability, or termination, the participant's vested benefits are distributed to the participant or the participant's beneficiary as a lump sum payment, in the form of an annuity, or over a specified installment period as soon as administratively possible or as statutorily required. Participants with vested benefits less than $5,000 (i.e., small accounts) are required by the Employer to be removed from the Plan and to take a lump sum payment.

Forfeited Accounts

Forfeitures of non-vested account balances were $13,710 and $28,639 in 2010 and 2009, respectively. These accounts will be used to reduce future employer (matching) contributions. During 2010 and 2009, none of the forfeiture amounts were used to reduce the Employer's required matching contributions.

Plan Administrative Expenses

Administrative expenses noted on the Statement of Changes in Net Assets Available for Benefits relate directly to participant loans and other member requested services. The Plan's administrative expenses are paid by the Plan sponsor, Walpole, Inc. Administrative expenses paid by the sponsor were approximately $3,779 and $3,644 for 2010 and 2009, respectively.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared using the modified accrual basis method of accounting. Assets are reflected on the cash basis except for contributions, which are reported on the accrual basis. Unrealized appreciation or deprecation in the value of securities and/or investments is recognized as income or loss, respectively, in the accounting period in which the change in market value occurs.

Estimates

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

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans become a distribution to the participant when payment of principal and interest due by the end of the calendar quarter is not made by the following calendar quarter in which payment is missed.

Recent Accounting Pronouncements

In September 2010, FASB issued an amendment to ASC 962, *Plan Accounting-Defined Contribution Pension Plans* (ASU 2010-25). This amendment requires that participant loans be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest.

This amendment was adopted for the year ended December 31, 2010 and retrospectively applied to December 31, 2009. Prior year amounts and disclosures have been revised to reflect the retrospective application of adopting this new amendment. The adoption resulted in a reclassification of participant loans totaling $67,642 from investments to notes receivable as of December 31, 2009. There was no impact to net assets as of December 31, 2009 as a result of this adoption.

Investments

The Plan reports its investments in accordance with Financial Accounting Standards Codification (FASC) 820, *Fair Value Measurements and Disclosures* (formerly SFAS No. 157) which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair-value measurements. *Fair Value Measurements and Disclosures* defines fair value as 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. This codified standard establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy consists of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Unobservable inputs are those that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing the asset, based on the best information available in the circumstances.

NOTE C - INVESTMENTS - (Unaudited)

The Plan's investments are held in a trust fund at Great-West Life and Annuity Company for the plan years ending December 31, 2010 and 2009, respectively. Investments that represent five percent or more of the Plan's net assets available for benefits at December 31, 2010 and 2009 are separately identified as follows:

Description of Investment	2010	2009
Key Guaranteed Portfolio Fund	$ 711,468	$ 616,143
Fidelity Advisor Leveraged Co Stk - T	235,603	238,197
Pimco Total Return Admin	229,441	167,726
Maxim T. Rowe Price Equity Income	227,370	205,942
Maxim Moderate Profile II	173,027	192,980
Nuveen Small Cap Select A	117,215	-
American Funds – Growth Fund of America Fund R3	107,836	-
Davis NY Venture A	-	110,727
First American Small Cap Select A	-	110,203

NOTE D - FAIR VALUE MEASUREMENTS

Assets measured at fair value on a recurring basis are all of the Plan's investments. Fair value was determined as follows:

		Fair Value Measurements at Reporting Date Using		
	12/31/10	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Investments	$ 2,064,402	$ -	$ 2,064,402	$ -

NOTE D - FAIR VALUE MEASUREMENTS - (Continued)

Fair value of the investments is determined by reference to quoted market prices for identical assets that the Plan has the ability to access at the measurement date (e.g., prices derived from the New York Stock Exchange, NASDAQ or Chicago Board of Trade). If quoted market prices are not observable, quoted market prices for similar assets in active or non-active markets are used. These values may also include insignificant adjustments to market observable inputs. Level 3 inputs are unobservable inputs used for valuing assets that use the Plan's own assumptions, based on the best information available.

NOTE E - UNAUDITED FINANCIAL INFORMATION

Unaudited financial information in the financial statements and in the supplemental schedule regarding investments and investment income was furnished to the Plan administrator by Great-West Life & Annuity Insurance Company of First Great-West Life & Annuity Insurance Company and Orchard Trust Company, LLC, the insurance company and the custodian of the Plan, for the Plan years ending December 31, 2010 and 2009. The Plan administrator has obtained certifications from Great-West that such information is complete and accurate.

NOTE F - PLAN TERMINATION

Although it has not expressed any intent to do so, the Sponsor 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 will become fully vested in their accounts.

NOTE G - PARTY-IN-INTEREST TRANSACTIONS

There were no party-in-interest transactions, which are prohibited by ERISA Section 406 and for which no statutory or administrative exemption applies during Plan years ended December 31, 2010 and 2009.

NOTE H - RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500:

	2010	2009
Net assets available for benefits per the financial statements	$ 2,153,515	$ 1,946,114
Difference in:		
Investments	75,403	67,642
Notes receivable from participants	(75,403)	(67,642)
Net assets available for benefits per the Form 5500	$ 2,153,515	$ 1,946,114

Per generally accepted accounting principles, amounts that are allocated, but not dispersed, to participants who have withdrawn from the Plan as of year-end are not considered liabilities for financial reporting purposes; however, these balances should be reported as a liability on the IRS Form 5500. For 2010 and 2009, this liability was zero.

NOTE I - TAX STATUS

The Internal Revenue Service has determined and informed the Employer by letter dated July 28, 2003 that the Plan and related trust are designed in accordance with applicable sections of the Code. The Plan is qualified and the trust established under the Plan is tax-exempt, under the appropriate sections of the Code.

NOTE J - 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 K - DATE THROUGH WHICH SUBSEQUENT EVENTS EVALUATED

The date through which events occurring after December 31, 2010, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is September 26, 2011, which is the date on which the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

WALPOLE, INC. 401(K) PROFIT SHARING PLAN
SCHEDULE H - LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2010

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
*	Great-West Life & Annuity	Key Guaranteed Portfolio Fund	$ 672,708	$ 711,468
*	Great-West Life & Annuity	AllianceBernstein International Value R	5,112	5,185
*	Great-West Life & Annuity	American Funds – Growth Fund of America Fund R3	96,229	107,836
*	Great-West Life & Annuity	American Funds Europacific Growth R3	10,195	11,834
*	Great-West Life & Annuity	Columbia Diversified Equity Income R3	1,433	1,595
*	Great-West Life & Annuity	Columbia Mid Cap Value R	212	216
*	Great-West Life & Annuity	Davis NY Venture A	77,469	86,999
*	Great-West Life & Annuity	Fidelity Advisor Leveraged Co Stk - T	189,694	235,603
*	Great-West Life & Annuity	Investco Van Kampen Comstock A	10,314	10,974
*	Great-West Life & Annuity	Maxim Aggressive Profile II	742	830
*	Great-West Life & Annuity	Maxim Ariel Small-Cap Value	24,989	29,238
*	Great-West Life & Annuity	Maxim Conservative Profile II	118	118
*	Great-West Life & Annuity	Maxim Index 600	260	296
*	Great-West Life & Annuity	Maxim Loomis Sayles Bond Portfolio	392	406
*	Great-West Life & Annuity	Maxim Moderate Profile II	155,441	173,027
*	Great-West Life & Annuity	Maxim S&P 500 Index	1,873	2,111
*	Great-West Life & Annuity	Maxim T. Rowe Price Equity Income	198,775	227,370
*	Great-West Life & Annuity	Munder Mid-cap Core Growth A	5,372	6,565
*	Great-West Life & Annuity	Nuveen Small Cap Select A	90,730	117,215
*	Great-West Life & Annuity	Oppenheimer Capital Appreciation A	744	824
*	Great-West Life & Annuity	Oppenheimer Global A	91,707	104,867
*	Great-West Life & Annuity	Pimco Total Return Admin	216,087	229,441
*	Great-West Life & Annuity	Putnam Int'l Capital Opportunities R	10,107	11,821
*	Great-West Life & Annuity	Ridgeworth Small Cap Growth Fund I	522	532
*	Great-West Life & Annuity	Royce Total Return K	405	412
*	Great-West Life & Annuity	Russell Lifepoints 2020 Strategy R3	1,278	1,329
			1,190,200	1,366,644
	Participant Loans	Various rates - 4.00% to 9.25%	$ -	$ 75,403
			$ 1,862,908	$ 2,153,515

* = party-in-interest

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name WALPOLE, INC. 401(K) PROFIT SHARING PLAN **EIN:** 59-1305687
Plan Sponsor's Name WALPOLE, INC. **PN:** 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	MAXIM CONSERVATIVE PROFILE II	N/A	118	118
	MAXIM MODERATE PROFILE II	N/A	155,441	173,027
	MAXIM AGGRESSIVE PROFILE II	N/A	742	830
	RUSSELL LIFEPOINTS 2020 STRATEGY R3	N/A	1,278	1,329
	ALLIANCEBERNSTEIN INTERNATIONAL VAL	N/A	5,112	5,185
	AMERICAN FUNDS EUROPACIFIC GROWTH R	N/A	10,195	11,834
	OPPENHEIMER GLOBAL A	N/A	91,707	104,867

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name WALPOLE, INC. 401(K) PROFIT SHARING PLAN **EIN:** 59-1305687
Plan Sponsor's Name WALPOLE, INC. **PN:** 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	PUTNAM INT'L CAPITAL OPPORTUNITIES	N/A	10,107	11,821
	MAXIM ARIEL SMALL-CAP VALUE	N/A	24,989	29,238
	MAXIM INDEX 600	N/A	260	296
	NUVEEN SMALL CAP SELECT A	N/A	90,730	117,215
	ROYCE TOTAL RETURN K	N/A	405	412
	RIDGEWORTH SMALL CAP GROWTH FUND I	N/A	522	532
	COLUMBIA MID CAP VALUE R	N/A	212	216

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name WALPOLE, INC. 401(K) PROFIT SHARING PLAN **EIN:** 59-1305687
Plan Sponsor's Name WALPOLE, INC. **PN:** 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	FIDELITY ADVISOR LEVERAGED CO STK	N/A -	189,694	235,603
	MUNDER MID-CAP CORE GROWTH A	N/A	5,372	6,565
	AMERICAN FUNDS GROWTH FUND OF AMER	N/A	96,229	107,836
	DAVIS NY VENTURE A	N/A	77,469	86,999
	INVESCO VAN KAMPEN COMSTOCK A	N/A	10,314	10,974
	MAXIM S AND P 500 INDEX	N/A	1,873	2,111
	MAXIM T. ROWE PRICE EQUITY INCOME	N/A	198,775	227,370

Attachment to 2010 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name WALPOLE, INC. 401(K) PROFIT SHARING PLAN **EIN:** 59-1305687
Plan Sponsor's Name WALPOLE, INC. **PN:** 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	OPPENHEIMER CAPITAL APPRECIATION A	N/A	744	824
	COLUMBIA DIVERSIFIED EQUITY INCOME	N/A	1,433	1,595
	MAXIM LOOMIS SAYLES BOND PORTFOLIO	N/A	392	406
	PIMCO TOTAL RETURN ADMIN	N/A	216,087	229,441
	KEY GUARANTEED PORTFOLIO FUND	N/A	672,708	697,759
	PARTICIPANT LOANS	Interest Rate - 3.250-9.250 Maturity Date - VARIOUS	75,393	75,403
	FORFEITURES	N/A	12,702	13,710