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
BLADE NETWORK TECHNOLOGIES 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2006

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

SCOTT CAMPBELL

1 NORTH CASTLE DRIVE
ARMONK, NY 10504

2b Employer Identification Number (EIN)
20-3821887

2c Sponsor's telephone number
914-765-5509

2d Business code (see instructions)
541511

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.	10/04/2011	DEBBIE YANG
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

BLADE NETWORK TECHNOLOGIES, INC.
SCOTT CAMPBELL
1 NORTH CASTLE DRIVE
ARMONK, NY 10504

3b Administrator's EIN: 20-3821887

3c Administrator's telephone number: 914-765-5509

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**	182
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**	222
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	10
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	232
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	232
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	181
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
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:

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

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)** [X] 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)** [X] Trust
- **(4)** [ ] General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [X] 1 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **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
BLADE NETWORK TECHNOLOGIES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
20-3821887

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	939149-01	181	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
3641	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

LIBERTY GROUP LLC
900 N SHORELINE BLVD
MOUNTAIN VIEW, CA 94043-1933

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
3641			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	

(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	1628013
5	Current value of plan's interest under this contract in separate accounts at year end	5	0

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	871301
c	Additions: (1) Contributions deposited during the year	7c(1)	783875		
	(2) Dividends and credits	7c(2)	0		
	(3) Interest credited during the year	7c(3)	27505		
	(4) Transferred from separate account	7c(4)	235462		
	(5) Other (specify below)	7c(5)	18408		
	▶ LOAN PAYMENTS				
	(6) Total additions			7c(6)	1065250
d	Total of balance and additions (add **b** and **c(6)**)			7d	1936551
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	8931		
	(2) Administration charge made by carrier	7e(2)	324		
	(3) Transferred to separate account	7e(3)	299283		
	(4) Other (specify below)	7e(4)	0		
	▶				
	(5) Total deductions			7e(5)	308538
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	1628013

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	**B** Three-digit plan number (PN) ▶	
BLADE NETWORK TECHNOLOGIES 401(K) PLAN		001

C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
BLADE NETWORK TECHNOLOGIES, INC.	20-3821887

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

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

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

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

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

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

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

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

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

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

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

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

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)

ADVISED ASSET GROUP

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?
28	INVESTMENT MGMT	6447	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(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	400	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

LIBERTY GROUP LLC

3923 GRAND AVE
OAKLAND, CA 94610

(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?
55	BROKER/ADVISER	0	Yes [X] No [ ]	Yes [ ] No [X]	23746	Yes [ ] No [X]

(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
LIBERTY GROUP LLC	55	23746

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

(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 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
BLADE NETWORK TECHNOLOGIES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
20-3821887

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)	9753	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)	187687	219646
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(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)	6341156	10618362
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	871302	1628013
(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	7409898	12466021
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
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	7409898	12466021

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)	1186529	
(B) Participants	2a(1)(B)	2412656	
(C) Others (including rollovers)	2a(1)(C)	227204	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		3826389
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)	11531	
(F) Other	2b(1)(F)	27505	
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		39036
(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)		0
(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)		1416844
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		5282269
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	213588	
(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)		213588
f Corrective distributions (see instructions)	2f		5711
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	6847	
(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)		6847
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		226146
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		5056123
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: MILLER, KAPLAN, ARASE & CO., LLP **(2)** EIN: 95-2036255

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		110000000
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
BLADE NETWORK TECHNOLOGIES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
20-3821887

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):

BLADE NETWORK TECHNOLOGIES 401(k) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

BLADE NETWORK TECHNOLOGIES 401(k) PLAN

I N D E X

		Page No.
INDEPENDENT AUDITORS' REPORT		1
EXHIBIT "A"	- Statements of Net Assets Available for Benefits as of December 31, 2010 and 2009	2
EXHIBIT "B"	- Statement of Changes in Net Assets Available for Benefits - January 1, 2010 to December 31, 2010	3
NOTES TO FINANCIAL STATEMENTS		4 - 9
SUPPLEMENTAL SCHEDULE		
SCHEDULE 1	- Schedule of Assets (Acquired and Disposed of Within Year) - January 1, 2010 to December 31, 2010	10

MANNON KAPLAN, CPA
GEORGE NADEL RIVIN, CPA
EDWIN KANEMARU, CPA
KENNETH R. HOLMER, CPA
DOUGLAS S. WAITE, CPA
CHARLES SCHNAID, CPA
DONALD G. GARRETT, CPA
CATHERINE C. GARDNER, CPA
JEFFREY L. GOSS, CPA
RICHARD DEFRONZO, JD
JOANNA BOLSKY, CPA
RONALD D. CHANDLER, CPA
MICHAEL G. KAPLAN, CPA
MICHAEL J. QUACKENBUSH, CPA
EDMOND AVANESS, CPA
CRANE CURRAN, CPA
BRIAN J. HARRIS, CPA
GREGORY E. KLEIN, CPA
LINDA BECKER, MBA
ANDREW B. KOSKI, MBA
GRANT K. MILLER, CPA

STANLEY L. MILLER, CPA (1921-1995)
PAUL ARASE, CPA (RETIRED)

Miller, Kaplan, Arase & Co., LLP
CERTIFIED PUBLIC ACCOUNTANTS
SINCE 1941
180 MONTGOMERY STREET, SUITE 1840
SAN FRANCISCO, CALIFORNIA 94104-4233
(415) 956-3600
FAX (415) 402-5600

MEMBERS
THE AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
THE CALIFORNIA, NEVADA, OREGON
AND WASHINGTON SOCIETIES OF
CERTIFIED PUBLIC ACCOUNTANTS
BAKER TILLY INTERNATIONAL

OTHER OFFICES:
NORTH HOLLYWOOD
SEATTLE
LAS VEGAS

WWW.MILLERKAPLAN.COM

Independent Auditors' Report

Plan Administrator
Blade Network Technologies 401(k) Plan
1 North Castle Drive
Armonk, New York 10504-1725

We were engaged to audit the accompanying statement of net assets available for benefits and supplemental schedule of the Blade Network Technologies 401(k) Plan as of December 31, 2010 and the related statement of changes in net assets available for benefits for the year then ended. These financial statements and supplemental schedule are the responsibility of the Plan's management. The statement of net assets available for benefits of the Plan as of December 31, 2009 was audited by other auditors. 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 the other auditors not to perform, and they did not perform any auditing procedures with respect to the information certified by the custodians. Their report, dated September 24, 2010, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the custodians, were 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.

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 7, which was certified by Great-West Life & Annuity Insurance Company and Orchard Trust Company, LLC, the custodians of the Plan, except for comparing such information with the related information included in the 2010 financial statements and supplemental schedule. We have been informed by the Plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained a certification from the custodians as of December 31, 2010 and for the year then ended, that the information provided to the Plan administrator by the custodians is complete and accurate.

Because of the significance of the information in the Plan's 2010 financial statements and supplemental schedule that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2010 financial statements and supplemental schedule taken as a whole. The form and content of the information included in the 2010 financial statements and supplemental schedule, other than that derived from the information certified by the custodians, 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.

Miller, Kaplan, Arase & Co., LLP

MILLER, KAPLAN, ARASE & CO., LLP

September 1, 2011

EXHIBIT "A"

BLADE NETWORK TECHNOLOGIES 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2010	December 31, 2009
ASSETS		
INVESTMENTS, AT FAIR VALUE	$ 12,246,375	$ 7,212,458
RECEIVABLES		
Notes Receivable from Participants	219,646	187,687
Employer Contributions	-	9,753
TOTAL RECEIVABLES	219,646	197,440
TOTAL ASSETS	12,466,021	7,409,898
NET ASSETS AVAILABLE FOR BENEFITS	$ 12,466,021	$ 7,409,898

(Attached notes are an integral part of this statement)

BLADE NETWORK TECHNOLOGIES 401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
JANUARY 1, 2010 TO DECEMBER 31, 2010

ADDITIONS	
INVESTMENT INCOME	
Dividends and Interest	$ 218,342
Net Appreciation in Fair Value of Investments	1,226,007
NET INVESTMENT INCOME	1,444,349
CONTRIBUTIONS AND OTHER ADDITIONS	
Employer Contributions	1,186,529
Participant Contributions	2,412,656
Rollovers	227,204
Interest from Participant Notes Receivable	11,531
TOTAL CONTRIBUTIONS AND OTHER ADDITIONS	3,837,920
TOTAL ADDITIONS	5,282,269
DEDUCTIONS	
Withdrawals and Distributions	219,699
Administrative Expenses	6,447
TOTAL DEDUCTIONS	226,146
NET INCREASE	5,056,123
NET ASSETS AVAILABLE FOR BENEFITS	
BEGINNING OF YEAR	7,409,898
END OF YEAR	$ 12,466,021

(Attached notes are an integral part of this statement)

NOTE 1 - DESCRIPTION OF THE PLAN

The following brief description of the Blade Network Technologies 401(k) Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more specific provisions.

A. General

The Plan is a defined contribution plan that was established on January 1, 2006 by Blade Network Technologies (the "Company") to provide benefits to eligible employees. The Plan was amended in 2010 and 2009 to revise provisions governing participant contributions (Note 1-D), to revise provisions governing eligibility (Note 1-C) and vesting (Note 1-F). The Plan was further amended in 2010 to comply with legislative changes. The Plan administrator believes the Plan is designed and operated in compliance with the applicable requirements of the Internal Revenue Code (the "Code") and provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

B. Administration and Expenses

The Company appointed an Administrative Committee to manage the operation and administration of the Plan. Assets and participant accounts are maintained under a group annuity contract with Great-West Life & Annuity Insurance Company (Great-West). Great-West and an affiliate, Orchard Trust Company, LLC, serve as custodians of Plan assets. Great-West serves as third-party administrator and maintains the records of participant data. Fund operating expenses, administrative and consulting fees are charged directly to the funds and are thereby factored into each fund as a reduction of investment return. The Company pays a majority of other costs incurred for administering the Plan.

C. Eligibility

Substantially all employees of the Company of age 21 or older are eligible for the salary deferral portion of the Plan on the first day of the month following commencement of employment. The Plan was amended effective May 1, 2009 to require a minimum of one year of service for a participant to be eligible for Company matching contributions.

D. Participant Contributions

Participants may elect to have the Company contribute their eligible pre-tax compensation to the Plan. Participants who make pre-tax contributions to the Plan receive an equivalent reduction in taxable compensation. Effective January 1, 2010, participants may also elect to make Roth after-tax contributions. Pre-tax deferrals and/or Roth contributions are subject to applicable Code limits. Participants of age 50 or older may make additional catch-up contributions of up to $5,500 annually for 2010.

Participants are also allowed to make rollover contributions of amounts received from other tax-qualified retirement plans. Such contributions are deposited in the appropriate investment funds in accordance with the participant investment directions.

NOTE 1 - DESCRIPTION OF THE PLAN (Continued)

E. Employer Contributions

The Company may make discretionary matching and/or non-elective contributions as provided by the Plan and approved by the Board of Directors. The Company matched 100% of the first six percent of eligible compensation contributed by participants during the 2010 Plan year subject to applicable Code limits.

F. Participant Accounts

Each participant's account is credited with the participant's contributions, rollover contributions, Company matching contributions and the participant's share of Plan earnings or losses. Plan investments are based solely on participant directions.

G. Vesting and Forfeitures

Participants are immediately 100% vested in their account accounts attributable to participant contributions and rollovers. Effective May 1, 2009 the Plan was amended to make Company contributions immediately 100% vested. Prior to this time accounts attributable to Company contributions vested over four years at the rate of 25% per year. Forfeitures of terminated participants' non-vested accounts may be used to reduce matching contributions, to pay Plan administrative expenses or may be allocated as additional matching contributions. Forfeitures of approximately $31,000 were used to reduce Company contributions in 2010.

H. Payment of Benefits

Normal retirement age under the Plan is age 65. Upon termination of service, death, retirement or attainment of age 59½, a participant or beneficiary may choose to leave his or her account balance in the Plan, to receive benefits. The Plan provides for benefits to be paid in a lump sum or installments. Hardship distributions are permitted under limited circumstances as provided in the Plan and approved by the Plan administrator. Benefits are recorded when paid.

I. Notes Receivable from Participants

The Plan allows participants to borrow not less than $1,000 and up to the lesser of $50,000 or 50% of their vested account balance. A loan bears a fixed rate of interest based on available market financing rates determined at loan inception and are secured by the participant's vested account. A loan must be repaid to the Plan within a five-year period, unless the loan is used for the purchase of a principal residence in which case the maximum repayment period may be extended to 15 years. A participant may have a maximum of 2 loans outstanding at the same time. The specific terms and conditions of participant loans are established by the Plan administrator. Notes receivable from participants at December 31, 2010 carried interest rates ranging from 4.25% to 9.25%.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Benefit-responsive investment contracts held by a defined contribution plan are required to be reported at fair value. The Plan's investment in the Great-West Guaranteed Portfolio Fund meets the definition of a fully benefit-responsive contract (Note 9).

B. New Accounting Pronouncement

The Financial Accounting Standards Board (FASB) recently issued ASU 2010-25, Reporting Loans to Participants by Defined Contribution Pension Plans – a consensus of the FASB Emerging Issues Task Force, clarifying the classification and measurement guidance on participant loans of a defined contribution pension plan. The ASU requires participant loans to be classified as notes receivable from participants and measured at their unpaid principal balance plus accrued unpaid interest. This guidance is a change to the requirement to classify participant loans as investments recognized in accordance with ASC 820, Fair Value Measurements Disclosures. The new guidance is effective for fiscal years ending after December 15, 2010 and must be applied retroactively. The Plan adopted this new guidance for the Plan year ended December 31, 2010.

C. Estimates

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

D. Investment Valuation and Income Recognition

Plan investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (Note 8). Purchases and sales of investments are recorded on the trade-date basis. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Mutual fund capital gains distributions are included in dividend income. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

E. Risks and Uncertainties

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

NOTE 3 - INCOME TAX STATUS

The Company adopted a prototype plan that has received a favorable opinion letter from the Internal Revenue Service. The Company believes the Plan is operated in accordance with and qualifies under the applicable requirements of the Code and related state statutes, and the Plan is exempt from Federal income and state franchise taxes.

The Plan has adopted guidance on accounting for uncertainty in income taxes issued by the Financial Accounting Standards Board. The Plan administrator believes the Plan has taken no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this guidance. Information returns for all years for which the applicable statutes of limitations have not expired are subject to examination by authorities.

NOTE 4 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. The accounts of participants affected by a partial or complete termination of the Plan are non-forfeitable and will be determined as of the termination date, which will be treated as the valuation date.

NOTE 5 - RECLASSIFICATIONS

Certain information in the 2009 financial statements has been reclassified to conform to the 2010 presentation.

NOTE 6 - RELATED PARTY TRANSACTIONS

Certain investments offered under the Plan are issued by Great-West or an affiliate of Great-West. Though purchases and sales of these securities are considered party-in-interest transactions under ERISA regulations, such transactions are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA.

NOTE 7 - FINANCIAL INFORMATION CERTIFIED BY THE CUSTODIANS

In accordance with CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, all of the information disclosed in the accompanying financial statements and supplemental schedule including investments held at December 31, 2010 and 2009, and net appreciation in fair value of investments and interest and dividends for the year ended December 31, 2010, were obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Plan custodians, Great-West Life & Annuity Insurance Company and Orchard Trust Company, LLC. The following table presents the fair value of investments and investment funds that include 5% or more of the Plan's net assets available for benefits at December 31:

NOTE 7 - FINANCIAL INFORMATION CERTIFIED BY THE CUSTODIANS (Continued)

	2010	2009
Fidelity Spartan 500 Index Fund	$ 905,643	$ 591,705
Oppenheimer Developing Markets Fund	2,146,531	1,303,174
Guaranteed Portfolio Fund	1,628,013	871,302
Other Investments Individually Less Than 5% of Net Assets Available for Benefits	7,566,188	4,446,277
	$ 12,246,375	$ 7,212,458

Certified dividends and interest for the year ended December 31, 2010 were $218,342. Certified appreciation in fair value of mutual fund investments including gains and losses on investments bought and sold as well as held during the year was $1,226,007 for the year ended December 31, 2010.

NOTE 8 - FAIR VALUE MEASUREMENTS

Accounting guidance establishes a hierarchy which prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Under the fair value hierarchy Level 1 inputs are based on quoted prices in an active market. Level 2 inputs are based on quoted prices for similar instruments and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data. Level 3 inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year end. The Great-West Guaranteed Portfolio Fund is valued at fair value as determined by Great-West by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer (Note 9). The following tables summarize the Plan's investments at December 31 based on the inputs used to value them:

	2010			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Large Cap	$ 3,212,688	$ -	$ -	$ 3,212,688
Small and Mid Cap	2,047,943	-	-	2,047,943
Balanced Asset Allocation	2,710,947	-	-	2,710,947
Fixed Income	1,144,328	-	-	1,144,328
International	1,292,746	-	-	1,292,746
Sector/Specialty	209,710		-	209,710
Guaranteed Portfolio Fund	-	1,628,013	-	1,628,013
	$ 10,618,362	$ 1,628,013	$ -	$ 12,246,375

NOTE 8 - FAIR VALUE MEASUREMENTS (Continued)

	2009			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Large Cap	$ 1,909,485	$ -	$ -	$ 1,909,485
Small and Mid Cap	1,000,032	-	-	1,000,032
Balanced Asset Allocation	1,950,065	-	-	1,950,065
Fixed Income	504,123	-	-	504,123
International	881,958	-	-	881,958
Sector/Specialty	95,493	-	-	95,493
Guaranteed Portfolio Fund	-	871,302	-	871,302
	$ 6,341,156	$ 871,302	$ -	$ 7,212,458

NOTE 9 - GREAT-WEST GUARANTEED PORTFOLIO FUND

Plan investments in the Great-West Guaranteed Portfolio Fund are maintained in a general account by Great-West. Great-West is contractually obligated to repay principal and a specified interest rate to the Plan. The crediting interest rate is based on a formula. The average yield of the fund was 2.43% and 2.96% for the 2010 and 2009 plan years, respectively.

Because the fund is fully benefit responsive, contract value is the relevant measurement attribute for that portion of net assets available for benefits attributable to this fund. Contract value represents contributions made to the fund, plus earnings, less participant withdrawals and administrative expenses. Participants may direct the withdrawal or transfer of all or a portion of their investment in the fund at contract value. Contract value and fair value of the fund, as reported by Great-West, were approximately equal at December 31, 2010 and 2009.

Certain restrictions may limit the Plan's ability to redeem its investment in the fund at contract value, and market value adjustments and/or redemption charges may apply. The Company liquidated the Plan's investment in the fund in April 2011 (Note 10) and Great-West assessed a market value adjustment of approximately $17,000. This charge was paid by the Company on behalf of the Plan.

NOTE 10 - SUBSEQUENT EVENTS

On October 29, 2010 the Company was acquired by International Business Machines Corporation ("IBM"). Eligible employees of the Company who became employees of IBM or a member of IBM's controlled group of companies became eligible to participate in the IBM 401(k) Plus Plan ("IBM Plan") on January 1, 2011. The Plan was frozen effective January 1, 2011 pending the merger of the Plan into the IBM Plan. A total of 179 participant accounts and assets valued at approximately $12,747,000 were transferred from the Plan to the IBM Plan on April 26, 2011.

Management has evaluated subsequent events through September 1, 2011, the date on which the financial statements were available to be issued. Other than the foregoing, there are no material subsequent events that require recognition or additional disclosure in the financial statements.

SUPPLEMENTAL SCHEDULE

SCHEDULE 1

BLADE NETWORK TECHNOLOGIES 401(K) PLAN
FORM 5500
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 20-3821887; PLAN NO. 001
DECEMBER 31, 2010

	Identity of Issuer	Description of Investment	Value
	American Funds 2010 Target Date Fund	Mutual Fund	$ 7,682
	American Funds 2020 Target Date Fund	Mutual Fund	118,008
	American Funds 2030 Target Date Fund	Mutual Fund	302,348
	American Funds 2040 Target Date Fund	Mutual Fund	156,883
	American Funds 2050 Target Date Fund	Mutual Fund	96,677
	American Funds Capital World Bond Fund	Mutual Fund	188,665
	American Funds EuroPacific Growth Fund	Mutual Fund	437,558
	American Funds Growth Fund of America	Mutual Fund	169,113
	American Funds Washington Mutual Fund	Mutual Fund	111,796
	Baron Small Cap Fund	Mutual Fund	173,148
	Columbia Small Cap Value Fund	Mutual Fund	159,812
	Columbia Diversified Equity Income Fund	Mutual Fund	25,641
	Davis New York Venture Fund	Mutual Fund	239,402
	Fidelity Spartan 500 Index Fund	Mutual Fund	905,643
	Goldman Sachs Mid Cap Value Fund	Mutual Fund	380,090
	Hotchkis & Wiley Large Cap Value Fund	Mutual Fund	130,070
	Invesco Real Estate Fund	Mutual Fund	209,710
	Lazard Emerging Markets Equity Fund	Mutual Fund	317,663
	Marsico Focus Fund	Mutual Fund	72,472
*	Maxim Aggressive Profile II Fund	Mutual Fund	173,050
*	Maxim Ariel Small Cap Value Fund	Mutual Fund	329,539
*	Maxim Conservative Profile II Fund	Mutual Fund	22,102
*	Maxim Moderate Profile II Fund	Mutual Fund	207,384
*	Maxim Moderately Aggressive Profile II Fund	Mutual Fund	298,941
*	Maxim Moderately Conservative Profile II Fund	Mutual Fund	130,164
*	Maxim T. Rowe Price Mid Cap Growth Fund	Mutual Fund	370,842
	Oakmark International Fund	Mutual Fund	280,259
	Oppenheimer Developing Markets Fund	Mutual Fund	2,146,531
	Oppenheimer Global Fund	Mutual Fund	227,732
	Oppenheimer Global Strategic Income Fund	Mutual Fund	187,914
	PIMCO Total Return Fund	Mutual Fund	568,743
	Thornburg International Value Fund	Mutual Fund	159,283
	Vanguard Developed Markets Index Fund	Mutual Fund	292,065
	Vanguard Intermediate Term Bond Index Fund	Mutual Fund	386,920
	Vanguard Mid Cap Index Fund	Mutual Fund	214,453
	Vanguard Small Cap Index Fund	Mutual Fund	420,059
*	Guranteed Portfolio Fund	Insurance Company General Account	1,628,013
*	Participant Loans	Interest Rates of 4.25% to 9.25%	219,646
			$ 12,466,021

* Party-in-interest

ASSETS HELD FOR INVESTMENT PURPOSES

Blade Network Technologies 401(k) Plan
01-JAN-10 to 31-DEC-10

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
1RDATX			7,252.58	7,681.86
1RDCTX			111,848.71	118,007.63
1RDETX			274,310.22	302,348.33
1RDGTX			142,609.46	156,882.51
1RDITX			88,953.69	96,676.67
1PBAXCP			21,755.68	22,102.15
1PBAXMC			128,620.09	130,163.58
1PBAXMP			199,126.11	207,383.62
1PBAXMA			284,565.34	298,941.20
1PBAXAP			166,567.23	173,050.02
1AFEP4			404,013.05	437,558.05
1LZEMX			279,486.22	317,663.32
1OAKIX			248,509.43	280,259.14
1ODMAX			1,800,615.90	2,146,531.38
1OPPAX			214,781.07	227,731.47
1THVRX			139,619.17	159,283.15
1VDMIX			275,534.03	292,065.29
1IARAX			192,177.75	209,710.35
1BSCFX			140,306.94	173,148.17
1CSCZX			135,115.55	159,812.24
1SVAXAS			263,991.37	329,539.36
1NAESX			349,898.48	420,059.38
1GCMAX			325,861.39	380,090.03
1MGRXTM			314,297.12	370,842.15
1VIMSX			183,697.41	214,452.76
1AFGF4			150,227.99	169,112.58
1AFWM4			101,931.19	111,796.47
1NYVTX			216,410.38	239,401.60
1FUSEX			803,252.06	905,643.39
1HWLAX			117,339.72	130,069.78
1MFOCX			65,978.42	72,471.67
1IDQYX			24,175.48	25,640.44
1RCWEX			189,460.04	188,664.59
1OPSIX			181,042.28	187,914.40
1PTRAX			577,886.93	568,742.82
1VBIIX			385,246.04	386,920.11
1PORT		2.400	1,582,039.77	1,627,985.22
			11,088,504.29	**12,246,346.88**
PARTICIPANT LOANS	VARIOUS	4.250-9.250	219,641.54	219,646.40
FORFEITURES			25.15	28.19

ASSETS HELD FOR INVESTMENT PURPOSES

Blade Network Technologies 401(k) Plan
01-JAN-10 to 31-DEC-10

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE

LEGEND

INVESTMENT OPTION:

1RDATX	American Funds 2010 Target Date Fund R4
1RDETX	American Funds 2030 Target Date Fund R4
1RDITX	American Funds 2050 Target Date Fund R4
1PBAXMC	Maxim Moderately Conservative Profile II
1PBAXMA	Maxim Moderately Aggressive Profile II
1AFEP4	American Funds EuroPacific Growth R4
1OAKIX	Oakmark International Fund
1OPPAX	Oppenheimer Global Fund A
1VDMIX	Vanguard Developed Markets Index
1BSCFX	Baron Small Cap Fund
1SVAXAS	Maxim Ariel Small-Cap Value
1GCMAX	Goldman Sachs Mid Cap Value Fund A
1VIMSX	Vanguard Mid Capitalization Index
1AFWM4	American Funds Wash Mutual R4
1FUSEX	Fidelity Spartan 500 Index Inv
1MFOCX	Marsico Focus
1RCWEX	American Funds Capital World Bond R4
1PTRAX	PIMCO Total Return Admin
1PORT	Guaranteed Portfolio Fund
1RDCTX	American Funds 2020 Target Date Fund R4
1RDGTX	American Funds 2040 Target Date Fund R4
1PBAXCP	Maxim Conservative Profile II
1PBAXMP	Maxim Moderate Profile II
1PBAXAP	Maxim Aggressive Profile II
1LZEMX	Lazard Emerging Markets Equity Instl
1ODMAX	Oppenheimer Developing Markets A
1THVRX	Thornburg International Value R4
1IARAX	INVESCO Real Estate A
1CSCZX	Columbia Small Cap Value I Fund - Z
1NAESX	Vanguard Small Cap Index Fund
1MGRXTM	Maxim T. Rowe Price Mid-Cap Growth
1AFGF4	American Funds Growth Fund R4
1NYVTX	Davis NY Venture A
1HWLAX	Hotchkis & Wiley Large Cap Value A
1IDQYX	Columbia Diversified Equity Income R4
1OPSIX	Oppenheimer Global Strategic Income A
1VBIIX	Vanguard Interm-Term Bond Index

COST OF ASSETS: The original cost of the assets in each investment option as of the last day of the plan year
CURRENT VALUE: The value of all assets in each investment option as of the last day of the plan year