

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____
B This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	<input type="checkbox"/>
D Check box if filing under:	<input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K) PLAN AND TRUST</u>	1b Three-digit plan number (PN) ▶ <u>002</u> 1c Effective date of plan <u>04/01/1972</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>THE PHYSICIANS CLINIC OF SPOKANE, P.S.</u> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <u>820 SOUTH MCCLELLAN</u> <u>SUITE LL10</u> <u>SPOKANE, WA 99204</u> </div> <div style="width: 45%;"> <u>820 SOUTH MCCLELLAN</u> <u>SUITE LL10</u> <u>SPOKANE, WA 99204</u> </div> </div>	2b Employer Identification Number (EIN) <u>91-1120031</u> 2c Sponsor's telephone number <u>509-353-4305</u> 2d Business code (see instructions) <u>621111</u>

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.	10/12/2011	KATHLEEN HOBBS
	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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)
v.092307.1

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

THE PHYSICIANS CLINIC OF SPOKANE, P.S.

820 SOUTH MCCLELLAN
SUITE LL10
SPOKANE, WA 99204**3b** Administrator's EIN

91-1120031

3c Administrator's telephone number

509-353-4305

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**

157

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**

124

b Retired or separated participants receiving benefits.....**6b**

1

c Other retired or separated participants entitled to future benefits.....**6c**

31

d Subtotal. Add lines **6a**, **6b**, and **6c**.....**6d**

156

e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....**6e**

0

f Total. Add lines **6d** and **6e**.....**6f**

156

g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....**6g**

140

h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....**6h**

1

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)**7****8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

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

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:**9a** Plan funding arrangement (check all that apply)(1) ☐

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

9b Plan benefit arrangement (check all that apply)(1) ☐

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider 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 THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K) PLAN AND TRUST	B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 THE PHYSICIANS CLINIC OF SPOKANE, P.S.	D Employer Identification Number (EIN) 91-1120031

Part I	Service Provider Information (see instructions)
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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 FID. INV. INST. OPS. CO. 04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65 71 60	RECORDKEEPER	2332	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	4585	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

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

DA DAVIDSON & COMPANY

81-0404469

(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?
61	ADVISOR	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>BLK RK EQUITY DIV A - BNY MELLON INV P.O. BOX 9819 PROVIDENCE, RI 02940</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p style="text-align: center;">0.25%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p>		
<p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">64</p>		
<p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">4585</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>DA DAVIDSON & COMPANY</p> <p>81-0404469</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p style="text-align: center;">---</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p>		
<p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">60</p>		
<p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>DREYFUS S&P 500 INDX - DREYFUS TRAN</p> <p>13-5673135</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p style="text-align: center;">0.15%</p>		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FA STK SEL ALL CAP T - FIDELITY INV 04-2882358	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
HEARTLAND SEL VAL IV - ALPS FUND SE 20-3247785	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
HEARTLAND VAL PLS IV - ALPS FUND SE 20-3247785	0.25%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
INVS CHARTER A - INVESCO AIM INVEST 98-0557567	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
JPM INTL VAL A - BOSTON FINANCIAL D 04-2526037	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
LOOMIS SM CAP VAL AD - BOSTON FINAN 04-2526037	0.35%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
NUVEEN REAL ESTATE A - US BANCORP F 39-0281260	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPHMR DEV MKTS A - OPPENHEIMERFUND P.O. BOX 5270 DENVER, CO 80217	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIM REAL RETURN A - BOSTON FINANCIA 04-2526037	0.25%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIM TOTAL RETURN A - BOSTON FINANCI 04-2526037	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
DA DAVIDSON & COMPANY	61	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
JPM INTL VAL A - JPMORGAN DISTRIBUT 74-2945358	$\$0 < \$4M = 1.00\%$ $\$4M < \$10M = 0.75\%$ $\$10M < \$50M = 0.50\%$ $\$50M + = 0.25\%$	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
DA DAVIDSON & COMPANY	61	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPHMR DEV MKTS A - OPPENHEIMERFUND 13-2953455	\$5M+ = 0.25%	

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

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: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone: <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>

Explanation:

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
THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K)
PLAN AND TRUST

B Three-digit plan number (PN)	002
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C Plan or DFE sponsor's name as shown on line 2a of Form 5500
THE PHYSICIANS CLINIC OF SPOKANE, P.S.

D Employer Identification Number (EIN)
91-1120031

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)
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a Name of MTIA, CCT, PSA, or 103-12 IE: **FA STABLE VALUE**

b Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

c EIN-PN 04-3022712-026	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 980252
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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)
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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)
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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)
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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)
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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)
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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)
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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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K) PLAN AND TRUST	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 THE PHYSICIANS CLINIC OF SPOKANE, P.S.	D Employer Identification Number (EIN) 91-1120031	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	404583	398307
(2) Participant contributions	1b(2)	1688	8771
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	248002	203997
(2) U.S. Government securities.....	1c(2)	239872	241297
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	510144	490710
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	223237	350891
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	35990	70260
(9) Value of interest in common/collective trusts.....	1c(9)	512965	980252
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	7318682	8670119
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	9495163	11414604

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	9495163	11414604
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	398307	
(B) Participants	2a(1)(B)	507265	
(C) Others (including rollovers)	2a(1)(C)	11020	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		916592

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	288	
(B) U.S. Government securities	2b(1)(B)	9363	
(C) Corporate debt instruments	2b(1)(C)	23810	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	4025	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		37486

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	10174	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	178209	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		188383

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	30042	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	29905	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		137

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	4625	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		4625
(6) Net investment gain (loss) from common/collective trusts	2b(6)		29641
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		1029832
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2206696

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	285074	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		285074
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	2181	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		2181
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		287255

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1919441
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ANASTASI & MOORE, PLLC

(2) EIN: 20-8149084

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.).....		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.).....		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.)		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.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?		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?		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.).....	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.).....		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?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		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.		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.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>THE PHYSICIANS CLINIC OF SPOKANE, P.S. AMENDED AND RESTATED EMPLOYEES' 401(K) PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE PHYSICIANS CLINIC OF SPOKANE, P.S.</u>	D Employer Identification Number (EIN) <u>91-1120031</u>

Part I	Distributions
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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	<u>0</u>
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): <u>04-6568107</u>		
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 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
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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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
11 a Does the ESOP hold any preferred stock?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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.)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2010
v.092308.1

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):

- 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): _____

**The Physicians Clinic of Spokane, P.S.
Amended and Restated
Employees' 401(k) Plan and Trust**

**Financial Statements and
Independent Auditors' Report**

December 31, 2010 and 2009

The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust

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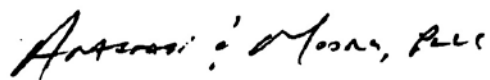
INDEPENDENT AUDITORS' REPORT

Trustees and Participants
The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust
Spokane, Washington

We were engaged to audit the accompanying statements of net assets available for benefits of The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust (the Plan) as of December 31, 2010 and 2009, the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of assets held for investment referred to as "supplemental information" as of December 31, 2010. 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 4, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information in the Plan's 2010 and 2009 financial statements that we did not audit, we are unable to, and do not express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Spokane, Washington
October 11, 2011

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Statements of Net Assets Available for Benefits

	December 31,	
	<u>2010</u>	<u>2009</u>
<i>ASSETS:</i>		
Investments, at fair value:		
Short-term funds	\$ 203,997	\$ 248,002
U.S. government securities	241,297	239,872
Corporate bonds	490,710	510,144
Common stock	350,891	223,237
Mutual funds	8,670,119	7,318,682
Common/collective trust	980,252	512,965
	<u>10,937,266</u>	<u>9,052,902</u>
Receivables:		
Employer contributions	398,307	404,583
Participant contributions	8,771	1,688
Notes receivable from participants	70,260	35,990
	<u>477,338</u>	<u>442,261</u>
<i>NET ASSETS AVAILABLE FOR BENEFITS REFLECTING INVESTMENTS AT FAIR VALUE</i>	11,414,604	9,495,163
<i>ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACTS</i>	<u>(18,331)</u>	<u>671</u>
<i>NET ASSETS AVAILABLE FOR BENEFITS</i>	<u>\$ 11,396,273</u>	<u>\$ 9,495,834</u>

See accompanying notes to financial statements.

Statements of Changes in Net Assets Available for Benefits

	Years Ended December 31,	
	<u>2010</u>	<u>2009</u>
<i>ADDITIONS:</i>		
Investment income:		
Net appreciation in fair value of investments	\$ 1,045,233	\$ 1,692,004
Interest and dividends	<u>221,844</u>	<u>162,781</u>
	<u>1,267,077</u>	<u>1,854,785</u>
Contributions:		
Employer	398,307	397,666
Participants	507,265	498,243
Participant rollovers	<u>11,020</u>	<u>1,007</u>
	<u>916,592</u>	<u>896,916</u>
Interest income on notes receivable from participants	<u>4,025</u>	<u>3,601</u>
Total additions	<u>2,187,694</u>	<u>2,755,302</u>
<i>DEDUCTIONS:</i>		
Benefits paid to participants	285,074	44,250
Administrative expenses	<u>2,181</u>	<u>1,281</u>
	<u>287,255</u>	<u>45,531</u>
<i>NET INCREASE</i>	1,900,439	2,709,771
<i>NET ASSETS AVAILABLE FOR BENEFITS:</i>		
Beginning of year	<u>9,495,834</u>	<u>6,786,063</u>
End of year	<u>\$ 11,396,273</u>	<u>\$ 9,495,834</u>

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 1 — DESCRIPTION OF THE PLAN:

The following description of The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust (the Plan) provides only general information. Participants should refer to the official Plan document for important details not included in these notes.

- a. *General* – The Plan was established by The Physicians Clinic of Spokane, P.S. (the Clinic) effective March 1, 1972, and restated January 1, 1999, as a contributory defined contribution plan. Full-time and part-time employees who are not part of a collective bargaining agreement and who have attained age 21 may enter the Plan on the first entry date immediately following the completion of 90 days of service. Employees become eligible for the profit-sharing, matching, and safe-harbor contributions as soon as Plan eligible, no continuing eligibility requirements allowed. Entry dates occur on January 1, April 1, July 1, and October 1.
- b. *Contributions* – Participants make voluntary tax-deferred contributions to the Plan through payroll deductions of up to 60% of compensation, up to the Internal Revenue Service (IRS) maximum allowable. Upon enrollment in the Plan, a participant may direct contributions to any of the allowable investment options. Participants may change their investment options daily. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. The employer makes a matching contribution of 25% of a participant's deferral amount (not to exceed 10% of the participant's compensation) and may make additional discretionary contributions. Effective January 1, 2008, the Plan added a 3% nonelective Safe Harbor Employer Contribution and a 6% New Comparability (discretionary) Contribution. A participant who receives a distribution from another qualified plan may make a rollover contribution to the Plan provided that certain conditions are met, including the approval of the Plan administrator.
- c. *Participant accounts* – Each participant's account is credited with the participant's contributions and allocations of (a) the employer's contributions and (b) Plan earnings or losses. The Clinic pays for all physician and staff administrative expenses. Physician stockholders reimburse the Clinic for their administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.
- d. *Vesting* – Participant contributions and actual earnings thereon are 100% vested. The Employer Safe Harbor Contribution is 100% vested. All other employer matching contributions for each Plan year vest in accordance with the following schedule:

<u>Years of Service</u>	<u>Percentage</u>
Less than 2	0%
2	20
3	40
4	60
5	80
6	100

- e. *Notes receivable from participant* – Participants may borrow from their fund accounts up to a maximum equal to the lesser of \$50,000 or 50% of their account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined by the Plan administrator. Loan terms can range from one to five years or over a reasonable period of time that may be longer than five years for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 1 — DESCRIPTION OF THE PLAN (continued):

- f. *Payment of benefits* – Normal retirement under the Plan occurs at age 65. Upon retirement or termination of employment, participation in the Plan will cease and benefits will be distributed according to provisions set forth in the Plan document. All vested account balances may be distributed in a lump-sum payment or installment payments over a specified period of time. Hardship withdrawals are not permitted by the Plan.
- g. *Forfeited accounts* – During 2010 and 2009, forfeitures resulting from nonvested contributions of terminated employees totaling \$6,817 and \$16,729, respectively, were utilized to offset employer contributions.
- h. *Administration of the Plan* – The Plan is administered by Fidelity Management Trust Company (Fidelity) who also acts as trustee and custodian of Plan assets. Records of participant account activity are processed and maintained by Fidelity which also performs other administrative support services for the Plan. Certain costs and expenses with regard to the Plan are ordinarily borne by the employer although investment management fees are paid by Plan participants. Certain administrative functions are performed by officers or employees of the Clinic. No such officer or employee receives compensation from the Plan.
- i. *Reclassifications* – Certain amounts in the 2009 financial statements have been reclassified to conform with the 2010 presentation with no effect on previously reported net assets available for benefits.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- a. *Basis of accounting* – The financial statements of the Plan are prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.
- b. *Recent accounting pronouncements* – In January 2010, the Financial Accounting Standards Board (FASB) issued guidance regarding fair value measurements and disclosures adding new disclosure requirements for Level 1 and 2; separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements; and clarification of existing fair value disclosures. This guidance is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The adoption of this guidance that is effective for periods beginning after December 31, 2009, did not have a significant impact on the Plan's financial statements. The requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010, is not expected to have a significant impact on the Plan's financial statements.

In September 2010, the FASB issued guidance which requires participant loans to be measured at their unpaid principal balance plus any accrued but unpaid interest and to be classified as notes receivable from participants. Previously, loans were measured at fair value and classified as investments. This guidance is effective for fiscal years ending after December 15, 2010, and is required to be applied retrospectively. The adoption of this guidance did not have a material effect on the Plan's net assets available for benefits or the changes in net assets available for benefits. Participant loans have been reclassified to notes receivable from participants as of December 31, 2009.

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

c. Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amounts participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract-value basis.

d. *Investment valuation and income recognition* – 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. See note 5 for discussion of fair value measurements.

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

e. *Payment of benefits* – Benefits are recorded when paid.

f. *Use of 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 could differ from those estimates.

g. *Cash and cash equivalents* – The Plan considers funds in checking accounts and highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

h. *Subsequent events* – Subsequent events have been evaluated through October 11, 2011, which is the date the financial statements were available to be issued.

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 3 — INVESTMENTS:

The Plan's investments are held in a trust fund established with Fidelity. The fair value of investments was as follows (investments that represent 5% or more of the Plan's net assets are separately identified):

	December 31,	
	<u>2010</u>	<u>2009</u>
Short-term funds	\$ 203,997	\$ 248,002
U.S. government securities	241,297	239,872
Corporate bonds	490,710	510,144
Common stock	350,891	223,237
Common/collective trust:		
Fidelity Advisor Stable Value	980,252	512,965
Mutual funds:		
Blackrock Equity Dividend A	930,944	443,211
PIMCO Total Return	769,693	583,223
Oppenheimer Dev Markets	710,550	460,941
Heartland Select Value	561,764	478,743
Fidelity Advisor Strategic Income	985,509	1,079,480
Fidelity Advisor New Insights	1,311,890	901,743
Fidelity Advisor Mid Cap II	1,170,937	735,114
Other mutual funds	2,228,832	2,636,227
	<u>8,670,119</u>	<u>7,318,682</u>
	<u>\$ 10,937,266</u>	<u>\$ 9,052,902</u>

Net appreciation (depreciation) in fair value of the Plan's investments (including investments bought, sold, and held during the year) was as follows:

	Years Ended December 31,	
	<u>2010</u>	<u>2009</u>
U.S. government securities	\$ (3,332)	\$ (3,061)
Corporate bonds	(6,931)	(7,779)
Common stock	(3,977)	40,974
Common/collective trust	29,641	15,080
Mutual funds	1,029,832	1,646,790
	<u>\$ 1,045,233</u>	<u>\$ 1,692,004</u>

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 4 — INFORMATION CERTIFIED BY THE PLAN TRUSTEE:

As permitted by Section 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 (ERISA), the Plan administrator has elected that information certified by Fidelity not be subject to any auditing procedures except for comparing such information to the related information contained in the accompanying financial statements and supplemental schedule. The following information has been certified by Fidelity as complete and accurate:

- (a) Investments as indicated on the statements of net assets available for benefits;
- (b) Net appreciation in fair value of investments as indicated on the statements of changes in net assets available for benefits; and
- (c) Supplemental schedule – assets held for investment.

NOTE 5 — FAIR VALUE MEASUREMENTS:

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

Level 1

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

Level 2

Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

Level 3

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

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

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

Level 1 – The fair value of short-term funds, common stock, and mutual funds are based on quoted net asset values of the shares held by the Plan at year end. The value of units in mutual funds is determined by dividing the market value of the fund by the total number of units in the fund. The fair value of U.S. government securities and corporate bonds are valued at the closing price reported on the active market on which the individual securities are traded.

Level 2 – The Plan had no investments that are classified as Level 2 for either year ended December 31, 2010 or 2009.

Level 3 – The fully benefit-responsive investment contract (common/collective trust) is not actively traded and significant other observable inputs are not available. Thus, the fair value of the fully benefit-responsive investment contract is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations.

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

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value:

Assets at Fair Value as of December 31, 2010				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Short-term funds	\$ 203,997	\$ -	\$ -	\$ 203,997
U.S. government securities	241,297	-	-	241,297
Corporate bonds	490,710	-	-	490,710
Common stock	350,891	-	-	350,891
Fixed income funds	1,776,707	-	-	1,776,707
Growth funds	3,984,530	-	-	3,984,530
Index funds	323,530	-	-	323,530
Value funds	2,585,352	-	-	2,585,352
Common/collective trust	-	-	980,252	980,252
	<u>\$ 9,957,014</u>	<u>\$ -</u>	<u>\$ 980,252</u>	<u>\$ 10,937,266</u>

Assets at Fair Value as of December 31, 2009				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Short-term funds	\$ 248,002	\$ -	\$ -	\$ 248,002
U.S. government securities	239,872	-	-	239,872
Corporate bonds	510,144	-	-	510,144
Common stock	223,237	-	-	223,237
Fixed income funds	1,708,409	-	-	1,708,409
Growth funds	3,034,439	-	-	3,034,439
Index funds	305,332	-	-	305,332
Value funds	2,270,502	-	-	2,270,502
Common/collective trust	-	-	512,965	512,965
	<u>\$ 8,539,937</u>	<u>\$ -</u>	<u>\$ 512,965</u>	<u>\$ 9,052,902</u>

The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 5 — FAIR VALUE MEASUREMENTS (continued):

Level 3 Gains and Losses

The following tables set forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31, 2010 and 2009.

	<u>Common/ Collective Trust</u>
December 31, 2010:	
Beginning balance	\$ 512,965
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	29,641
Purchases, sales, issuances, and settlements, net	<u>437,646</u>
Ending balance	<u><u>\$ 980,252</u></u>
December 31, 2009:	
Beginning balance	\$ 296,886
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	15,080
Purchases, sales, issuances, and settlements, net	<u>200,999</u>
Ending balance	<u><u>\$ 512,965</u></u>

NOTE 6 — RELATED-PARTY TRANSACTIONS:

Certain Plan assets are units in investment funds managed by Fidelity. Fidelity is the Plan's investment advisor and custodian; therefore, these transactions qualify as party-in-interest transactions.

NOTE 7 — PLAN TERMINATION:

Although it has not expressed intent to do so, the Clinic has the right to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participant accounts become fully vested.

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 8 — TAX STATUS:

The Plan obtained its latest determination letter in December 2003 in which the IRS stated that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of the liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions and the Plan could be subject to income tax if certain issues were found by the IRS that could result in the disqualification of the Plan's tax-exempt status; however, there are currently no audits for any tax periods in progress.

NOTE 9 — RISKS AND UNCERTAINTIES:

The Plan provides for various investment options in any combination of bonds, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

NOTE 10 — INVESTMENT CONTRACT WITH INSURANCE COMPANY:

The Plan is invested in a benefit-responsive investment contract with Fidelity. Fidelity maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by Fidelity, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 10 — INVESTMENT CONTRACT WITH INSURANCE COMPANY (continued):

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The key factors that could influence future crediting rates are changes to market interest rates, changes in the market value of securities, changes in the duration or weighted average life of securities, and deposits or withdrawals to investment contracts. All investments have a zero percent minimum interest crediting rate. All investment contracts are reset at least quarterly, although under certain circumstances, they may be reset more frequently.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption under ERISA. The Plan administrator does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

The guaranteed investment contract does not permit Fidelity to terminate the agreement prior to the scheduled maturity date.

<u>Average Yields</u>	<u>2010</u>	<u>2009</u>
Based on actual earnings	2.37%	2.70%
Based on interest rate credited to participants	1.48%	1.35%

NOTE 11 — RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500:

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

	<u>December 31,</u>	
	<u>2010</u>	<u>2009</u>
Net assets available for benefits per the financial statements	\$ 11,396,273	\$ 9,495,834
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>18,331</u>	<u>(671)</u>
Net assets available for benefits per Form 5500	<u>\$ 11,414,604</u>	<u>\$ 9,495,163</u>

The Physicians Clinic of Spokane, P.S. Amended and Restated Employees' 401(k) Plan and Trust

Notes to Financial Statements

NOTE 11 — RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (continued):

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

	Years Ended December 31,	
	<u>2010</u>	<u>2009</u>
Net increase in net assets available for benefits per the financial statements	\$ 1,900,439	\$ 2,709,771
Net increase (decrease) during the year:		
Adjustment from fair value to contract value for fully benefit-responsive investment contracts current year	18,331	(671)
Adjustment from fair value to contract value for fully benefit-responsive investment contracts prior year	<u>671</u>	<u>8,419</u>
Net increase in net assets available for benefits per Form 5500	<u>\$ 1,919,441</u>	<u>\$ 2,717,519</u>

NOTE 12 — BENEFITS PAYABLE:

There were no benefits payable to persons who have withdrawn from participation in the earnings and operations of the Plan at December 31, 2010 and 2009.

SUPPLEMENTAL INFORMATON

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Form 5500, Schedule H - Part IV, Line 4i

EIN: 91-1120031 PN: 002

Assets Held for Investment

December 31, 2010

(a)	(b)	(c)	(e)
	<u>Identity of Issue</u>	<u>Description of Investment, Including Par Value, Maturity Date, Rate of Interest</u>	<u>Current Value</u>
<i>SHORT-TERM FUNDS:</i>			
	* Fidelity Prime Fund	125,973 shares	\$ 125,974
	Cash and cash equivalents	Various	78,023
			<u>203,997</u>
	<i>U.S. GOVERNMENT SECURITIES</i>	Various	<u>241,297</u>
	<i>CORPORATE BONDS</i>	Various	<u>490,710</u>
	<i>COMMON STOCK</i>	Various	<u>350,891</u>
<i>MUTUAL FUNDS:</i>			
	Dreyfus S&P 500 Index	9,356 shares	323,530
	JPM International Value A	4,140 shares	54,934
	Nuveen Real Estate A	25,037 shares	450,417
	Blackrock Equity Dividend A	53,136 shares	930,944
	PIMCO Total Return A	70,939 shares	769,693
	Oppenheimer Dev Markets	19,483 shares	710,550
	Heartland Select Value IV	19,252 shares	561,764
	Heartland Value Plus IV	3,149 shares	93,894
	* Fidelity Advisor Lev Co Stock T	10,258 shares	346,923
	* Fidelity Advisor Energy T	7,086 shares	259,919
	* Fidelity Advisor Small Cap T	625 shares	15,228
	* Fidelity Advisor Strategic Income T	79,605 shares	985,509
	* Fidelity Advisor Freedom 2010 T	278 shares	3,198
	* Fidelity Advisor Freedom 2020 T	1,473 shares	17,673
	* Fidelity Advisor Freedom 2030 T	51 shares	614
	* Fidelity Advisor Freedom 2040 T	700 shares	8,640
	* Fidelity Advisor Income T	40 shares	424
	* Fidelity Advisor New Insights T	66,458 shares	1,311,890
	* Fidelity Advisor Freedom 2015 T	870 shares	9,983
	* Fidelity Advisor Freedom 2025 T	2,551 shares	29,672
	* Fidelity Advisor Freedom 2035 T	4,409 shares	50,792

See accompanying independent auditors' report.

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Form 5500, Schedule H - Part IV, Line 4i

EIN: 91-1120031 PN: 002

Assets Held for Investment (Continued)

December 31, 2010

(a)	(b)	(c)	(e)
	<u>Identity of Issue</u>	<u>Description of Investment, Including Par Value, Maturity Date, Rate of Interest</u>	<u>Current Value</u>
<i>MUTUAL FUNDS (continued):</i>			
	* Fidelity Advisor Total Bond T	2,008 shares	\$ 21,505
	* Fidelity Advisor Mid Cap II T	65,820 shares	1,170,937
	* Fidelity Advisor Small Cap Value T	20,920 shares	321,746
	* Fidelity Advisor Freedom 2045 T	490 shares	4,694
	* Fidelity Advisor Freedom 2050 T	1,905 shares	17,968
	* Fidelity Advisor Materials A	2,907 shares	197,078
			<u>8,670,119</u>
<i>COMMON/COLLECTIVE TRUST:</i>			
	* Fidelity Advisor Stable Value	961,921 units	<u>980,252</u>
			10,937,266
<i>PARTICIPANT LOANS</i>			
		15 loans, interest rates from based at prime plus 1.0%, terms from one to five years	<u>70,260</u>
			<u>\$ 11,007,526</u>

*Party-in-interest transaction, not a prohibited transaction.

The Physicians Clinic of Spokane, P.S.

Amended and Restated Employees' 401(k) Plan and Trust

Form 5500, Schedule H - Part IV, Line 4i

EIN: 91-1120031 PN: 002

Assets Held for Investment

December 31, 2010

(a)	(b)	(c)	(e)
	<u>Identity of Issue</u>	<u>Description of Investment, Including Par Value, Maturity Date, Rate of Interest</u>	<u>Current Value</u>
<i>SHORT-TERM FUNDS:</i>			
	* Fidelity Prime Fund	125,973 shares	\$ 125,974
	Cash and cash equivalents	Various	78,023
			<u>203,997</u>
	<i>U.S. GOVERNMENT SECURITIES</i>	Various	<u>241,297</u>
	<i>CORPORATE BONDS</i>	Various	<u>490,710</u>
	<i>COMMON STOCK</i>	Various	<u>350,891</u>
<i>MUTUAL FUNDS:</i>			
	Dreyfus S&P 500 Index	9,356 shares	323,530
	JPM International Value A	4,140 shares	54,934
	Nuveen Real Estate A	25,037 shares	450,417
	Blackrock Equity Dividend A	53,136 shares	930,944
	PIMCO Total Return A	70,939 shares	769,693
	Oppenheimer Dev Markets	19,483 shares	710,550
	Heartland Select Value IV	19,252 shares	561,764
	Heartland Value Plus IV	3,149 shares	93,894
	* Fidelity Advisor Lev Co Stock T	10,258 shares	346,923
	* Fidelity Advisor Energy T	7,086 shares	259,919
	* Fidelity Advisor Small Cap T	625 shares	15,228
	* Fidelity Advisor Strategic Income T	79,605 shares	985,509
	* Fidelity Advisor Freedom 2010 T	278 shares	3,198
	* Fidelity Advisor Freedom 2020 T	1,473 shares	17,673
	* Fidelity Advisor Freedom 2030 T	51 shares	614
	* Fidelity Advisor Freedom 2040 T	700 shares	8,640
	* Fidelity Advisor Income T	40 shares	424
	* Fidelity Advisor New Insights T	66,458 shares	1,311,890
	* Fidelity Advisor Freedom 2015 T	870 shares	9,983
	* Fidelity Advisor Freedom 2025 T	2,551 shares	29,672
	* Fidelity Advisor Freedom 2035 T	4,409 shares	50,792

See accompanying independent auditors' report.

The Physicians Clinic of Spokane, P.S.
Amended and Restated Employees' 401(k) Plan and Trust

Form 5500, Schedule H - Part IV, Line 4i

EIN: 91-1120031 PN: 002

Assets Held for Investment (Continued)

December 31, 2010

(a)	(b)	(c)	(e)
	<u>Identity of Issue</u>	<u>Description of Investment, Including Par Value, Maturity Date, Rate of Interest</u>	<u>Current Value</u>
	<i>MUTUAL FUNDS (continued):</i>		
	* Fidelity Advisor Total Bond T	2,008 shares	\$ 21,505
	* Fidelity Advisor Mid Cap II T	65,820 shares	1,170,937
	* Fidelity Advisor Small Cap Value T	20,920 shares	321,746
	* Fidelity Advisor Freedom 2045 T	490 shares	4,694
	* Fidelity Advisor Freedom 2050 T	1,905 shares	17,968
	* Fidelity Advisor Materials A	2,907 shares	197,078
			<u>8,670,119</u>
	<i>COMMON/COLLECTIVE TRUST:</i>		
	* Fidelity Advisor Stable Value	961,921 units	<u>980,252</u>
			10,937,266
	<i>PARTICIPANT LOANS</i>		
		15 loans, interest rates from based at prime plus 1.0%, terms from one to five years	<u>70,260</u>
			<u>\$ 11,007,526</u>

*Party-in-interest transaction, not a prohibited transaction.

See accompanying independent auditors' report.