

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 <u>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ 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:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>PROGRESSIVE MEDICAL, INC. PROFIT SHARING & 401(K) PLAN</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>09/01/1998</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>PROGRESSIVE MEDICAL, INC.</u> <u>250 PROGRESSIVE WAY</u> <u>WESTERVILLE, OH 43082</u>	2b Employer Identification Number (EIN) <u>31-1192384</u> 2c Sponsor's telephone number <u>614-794-3300</u> 2d Business code (see instructions) <u>524290</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	<u>Filed with authorized/valid electronic signature.</u>	<u>10/13/2011</u>	<u>DANIEL C. GIFFORD</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/13/2011</u>	<u>DANIEL C. GIFFORD</u>
	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") PROGRESSIVE MEDICAL, INC. 250 PROGRESSIVE WAY WESTERVILLE, OH 43082	3b Administrator's EIN 31-1192384 3c Administrator's telephone number 614-794-3300
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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
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5 Total number of participants at the beginning of the plan year	5	536
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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	484
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	70
d Subtotal. Add lines 6a , 6b , and 6c	6d	554
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	554
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	477
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	28

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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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 2S 3D 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ 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
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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)
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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 PROGRESSIVE MEDICAL, INC. PROFIT SHARING & 401(K) PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 PROGRESSIVE MEDICAL, INC.		D Employer Identification Number (EIN) 31-1192384

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
NATIONWIDE INSURANCE
31-4156830

(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)

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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 PROGRESSIVE MEDICAL, INC. PROFIT SHARING & 401(K) PLAN	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 PROGRESSIVE MEDICAL, INC.	D Employer Identification Number (EIN) 31-1192384	

Part I	Asset and Liability Statement
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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	18025	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	13035	23404
(2) Participant contributions	1b(2)	28308	31856
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	64281	204855
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(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)	5619034	8042139
(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	5742683	8302254

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	5742683	8302254
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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)	753433	
(B) Participants	2a(1)(B)	1187564	
(C) Others (including rollovers)	2a(1)(C)	242363	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2183360

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	263	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		263

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	189327	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		189327

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(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)		779091
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		3152041

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	592470	
(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)		592470
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)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		592470

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2559571
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: MCGLADREY & PULLEN, LLP

(2) EIN: 42-0714325

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		1000000
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>PROGRESSIVE MEDICAL, INC. PROFIT SHARING & 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PROGRESSIVE MEDICAL, INC.</u>	D Employer Identification Number (EIN) <u>31-1192384</u>

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	<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>31-4156830</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	<u>0</u>

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)
----------------	--

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
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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?.....	☐ 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

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): _____

Progressive Medical, Inc.
Profit Sharing and 401(k) Plan

Financial Report
December 31, 2010

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Independent Auditor's Report

To the Plan Administrator
Progressive Medical, Inc.
Profit Sharing and 401(k) Plan
Westerville, Ohio

We were engaged to audit the accompanying statements of net assets available for benefits of the Progressive Medical, Inc. Profit Sharing and 401(k) Plan (the Plan) as of December 31, 2010 and 2009, and the related statement of changes in net assets available for benefits for the year ended December 31, 2010, and the supplemental schedule of assets (held at end of year) as of December 31, 2010. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States 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 or provided by Nationwide Trust Company, FSB, the custodian of the Plan, except for comparing this information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the custodian holds the Plan's investment assets and executes transactions. The Plan Administrator has obtained certifications from the custodian regarding the completeness and accuracy of the information summarized in Note 4 that was provided to the Plan Administrator by the custodian as of and for the year ended December 31, 2010, and as of December 31, 2009.

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

McGladrey & Pullen, LLP

Columbus, Ohio
October 4, 2011

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

**Statements of Net Assets Available for Benefits
December 31, 2010 and 2009**

	2010	2009
Assets		
Cash	\$ -	\$ 18,025
Investments, at fair value:		
Registered investment companies	8,042,139	5,619,034
Money market fund	204,855	64,281
Total investments	8,246,994	5,683,315
Receivables:		
Participants contributions	31,856	28,308
Employer contributions	23,404	13,035
Total receivables	55,260	41,343
Net assets available for benefits	\$ 8,302,254	\$ 5,742,683

See Notes to Financial Statements.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

**Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2010**

Additions

Investment income:

Net appreciation in fair value of investments	\$ 779,091
Interest and dividends	<u>189,590</u>
Total investment income	<u>968,681</u>

Contributions:

Participant	1,187,564
Employer	753,433
Rollover	<u>242,363</u>
Total contributions	<u>2,183,360</u>

Total additions	3,152,041
------------------------	------------------

Deductions

Benefits paid to participants	<u>592,470</u>
Net increase	2,559,571

Net Assets Available for Benefits:

Beginning of year	<u>5,742,683</u>
End of year	<u><u>\$ 8,302,254</u></u>

See Notes to Financial Statements.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to the Financial Statements

Note 1. Description of Plan

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

General: The Plan is a defined contribution plan available to substantially all employees of Progressive Medical, Inc. (the Company), who have reached the age of 21 and attained half a year of service. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions: Participants can contribute a percentage of gross earnings not to exceed the limits established by the Internal Revenue Code (IRC). Employees who meet the Plan's eligibility requirements are automatically enrolled in the Plan with an elective deferral rate of 4% of gross earnings, unless the participant affirmatively elects out of the automatic deferral feature or elects a different deferral rate. The Company is required to match a portion of the employees' deferrals. During 2010 and 2009, the Company matching contribution equaled 100% of the first 4% of the participants' eligible compensation, which complies with the Qualified Automatic Contribution Arrangement (QACA) matching arrangement in the Plan agreement. Additional profit sharing amounts may be contributed at the option of the Company's management. The Plan also permits employees to transfer funds from other qualified plans. Such transfers must be approved by the Plan Administrator.

Participant accounts: Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's matching contribution and (b) Plan earnings, and charged with an allocation of administrative expenses. The Company's profit sharing contributions, if any, are allocated based on the participant's eligible compensation as a percentage of total compensation. The allocation of the Company's contributions follows the participant's directed investment options. Allocations of Plan earnings and administrative expenses are based on participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting: Participants are immediately vested in their voluntary contributions and earnings thereon. Company matching and profit sharing contributions and actual earnings thereon become fully vested after two years of service.

Benefits: At either age 65, upon total permanent disability, death or termination of service, participants or their beneficiaries may elect to receive either a lump-sum amount equal to the vested value of their account or installment payments as outlined by the Plan. Employees may also withdraw their vested interest in the Plan if they have attained age 59 ½ and under certain hardship conditions, as defined in the Plan agreement.

Forfeited accounts: At December 31, 2010 and 2009 forfeited nonvested accounts were not material to the financial statements. These accounts will be used to reduce future employer contributions. During 2010, employer contributions were reduced by \$45,092 from forfeited nonvested accounts.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The financial statements of the Plan are prepared on the accrual basis of accounting.

Investments and income recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. 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.

Contributions: Employee contributions and Company matching contributions are recognized when withheld.

Benefits: Benefits are recognized when paid.

Administrative expenses: A portion of the Plan's administrative costs could be paid by the Plan. Other administrative costs are paid by the Company at the Company's discretion.

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 certain estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

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

Subsequent events: The Plan Administrator has evaluated subsequent events for potential recognition and/or disclosure through October 4, 2011, the date the financial statements were available to be issued. On December 31, 2010, the Plan Sponsor was acquired by a subsidiary of StoneRiver Holdings, Inc., and it is the Plan Administrator's intent to merge the assets of the Progressive Medical, Inc. Profit Sharing and 401(k) Plan into the StoneRiver Holdings, Inc. 401(k) Profit Sharing Plan on December 31, 2011. Participant account balances will transfer to the new plan and their existing vesting schedules will continue to apply to the transferred assets.

Note 3. Plan Termination

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

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 4. Information Certified and Provided by Nationwide Trust Company, FSB

The following is a summary of the Plan's asset information as of December 31, 2010 and 2009, and for the year ended December 31, 2010, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the custodian and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the custodian that information provided to the Plan Administrator by the custodian related to the following assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditor not to perform any auditing procedures with respect to information which appears throughout the financial statements and supplemental schedules related to the following assets.

The following table presents the fair value of the Plan's assets as certified and provided by the custodian as of December 31. Assets representing more than 5% of the Plan's net assets are separately identified.

	2010	2009
Registered investment companies:		
Vanguard Target Retirement 2025	\$ 909,210 *	\$ 735,201 *
Vanguard Target Retirement 2035	661,828 *	611,096 *
Oppenheimer Value	613,799 *	388,266 *
MFS Massachusetts Investors Growth Stock	528,964 *	327,649 *
Vanguard Target Retirement 2040	445,260 *	-
Vanguard Target Retirement 2030	440,074 *	336,365 *
Vanguard Target Retirement 2045	438,909 *	290,765 *
Vanguard Target Retirement 2015	394,716	315,605 *
Oppenheimer Developing Markets	334,482	342,512 *
Other registered investment companies	3,274,897	2,271,575
Total registered investment companies	8,042,139	5,619,034
Money market funds:		
Dreyfus Institutional Preferred Money Market	204,855	64,281
Total investments	\$ 8,246,994	\$ 5,683,315

* Greater than 5% of Plan's net assets in the respective year.

Nationwide Trust Company, FSB also certified to the completeness and accuracy of net appreciation in the fair value of investments and of interest and dividend income for the year ended December 31, 2010, which included the following:

Net appreciation in fair value of investments:	
Registered investment companies	\$ 779,091
Interest and dividends	\$ 189,590

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 5. Fair Value Measurements

Financial Accounting Standards Board (FASB) guidance establishes a 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 the guidance are described below:

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.

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 measured at fair value. There have been no changes in the methodologies used at December 31, 2010 and 2009.

Shares of registered investment companies: Valued at the net asset value ("NAV") of shares held by the Plan at year-end.

Money market fund: Valued at the closing price reported on the active market on which the fund is traded, generally at \$1 per share.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

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

The following tables set forth by level, within the fair value hierarchy, the Plan's assets measured at fair value as of December 31:

	2010			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies:				
Large-cap funds	\$ 2,424,919	\$ -	\$ -	\$ 2,424,919
Mid-cap funds	353,576	-	-	353,576
Small-cap funds	441,280	-	-	441,280
Target date blended funds	3,895,191	-	-	3,895,191
Inflation-protected bond funds	369,908	-	-	369,908
Intermediate term bond funds	226,261	-	-	226,261
World bond funds	192,902	-	-	192,902
High yield bond funds	138,102	-	-	138,102
Money market fund	204,855	-	-	204,855
	<u>\$ 8,246,994</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,246,994</u>

	2009			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies:				
Large-cap funds	\$ 1,572,628	\$ -	\$ -	\$ 1,572,628
Mid-cap funds	212,861	-	-	212,861
Small-cap funds	262,157	-	-	262,157
Target date blended funds	2,980,123	-	-	2,980,123
Inflation-protected bond funds	235,539	-	-	235,539
Intermediate term bond funds	146,900	-	-	146,900
World bond funds	120,087	-	-	120,087
High yield bond funds	88,739	-	-	88,739
Money market fund	64,281	-	-	64,281
	<u>\$ 5,683,315</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,683,315</u>

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2010, there were no transfers in or out of levels 1, 2, or 3.

**Progressive Medical, Inc.
Profit Sharing and 401(k) Plan**

Notes to Financial Statements

Note 6. Tax Status

Effective December 1, 2009, the Plan adopted a non-standardized form of a prototype plan sponsored by Nationwide Financial Services, Inc. The prototype plan has received an opinion letter from the Internal Revenue Service as to the prototype plan's qualified status. The prototype plan opinion letter has been relied upon by this Plan. The Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan. As of December 31, 2010 and 2009, management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax exempt status and had taken no uncertain income tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. Generally, the statute of limitations restricts federal and state examinations by tax authorities to three to five years from the date of filing. When and if applicable, potential interest and penalty costs are accrued as incurred, with expenses recognized in income taxes in the statement of changes in net assets available for benefits.

SUPPLEMENTAL SCHEDULE

Progressive Medical, Inc.
Profit Sharing and 401(k) Plan
Employer Identification Number 31-1192384, Plan 001
Schedule H, Item 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2010

(a)	(b)	(c)	(e)
	Identity of Party	Description of Investments	Current Value
		Registered investment companies:	
	Invesco Aim	Invesco Mid Cap Core Equity Institutional	\$ 321,258
	American Century Investments	American Century Inflation-Adjusted Bond Institutional	41,712
	American Funds	American Funds American Mutual	34,925
	American Funds	American Funds Capital World Bond	15,665
	American Funds	American Funds Growth Fund of America	68,798
	American Funds	American Funds New World	4,196
	BlackRock	BlackRock Small Cap Growth Equity Institutional	124,465
	DWS Investments	DWS RREEF Global Real Estate Securities Institutional	6,433
	Dodge & Cox	Dodge & Cox International Stock	71,519
	Federated	Federated Total Return Bond Institutional	2,571
	Hansberger Funds	Hansberger International Growth Institutional	11,486
	Harbor	Harbor International Institutional	384,690
	JPMorgan Chase	JPMorgan Chase Mid Cap Value Institutional	11,863
	Legg Mason/Western	Western Asset Inflation Indexed Plus Bond	27,126
	MFS	MFS Massachusetts Investors Growth Stock	528,964
	MFS	MFS Research Fund	27,385
	Oppenheimer Funds	Oppenheimer Developing Markets	334,482
	Oppenheimer Funds	Oppenheimer International Bond	177,237
	Oppenheimer Funds	Oppenheimer International Growth	207,187
	Oppenheimer Funds	Oppenheimer Value	613,799
	PIMCO	PIMCO Real Return	292,660
	Principal Funds	Principal High Yield Institutional	138,102
	Principal Funds	Principal Capital Appreciation Institutional	38,574
	Principal Funds	Principal Equity Income Institutional	80,445
	Principal Funds	Principal Inflation Protection Institutional	8,410
	RidgeWorth	RidgeWorth Intermediate Bond	3,305
	TCW	TCW Total Return Bond	220,385
	Morgan Stanley Institutional Funds	Morgan Stanley Institutional Mid Cap Growth	20,455
	Vanguard	Vanguard Growth Index Fund	12,036
	Vanguard	Vanguard Small Cap Value Index	301,135
	Vanguard	Vanguard Small Cap Growth Index	15,680
	Vanguard	Vanguard Target Retirement Income	71,163

Progressive Medical, Inc.
Profit Sharing and 401(k) Plan
Employer Identification Number 31-1192384, Plan 001
Schedule H, Item 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2010

(a)	(b)	(c)	(e)
	Identity of Party	Description of Investments	Current Value
	Vanguard	Vanguard Target Retirement 2010	25,383
	Vanguard	Vanguard Target Retirement 2015	394,716
	Vanguard	Vanguard Target Retirement 2020	276,487
	Vanguard	Vanguard Target Retirement 2025	909,210
	Vanguard	Vanguard Target Retirement 2030	440,074
	Vanguard	Vanguard Target Retirement 2035	661,828
	Vanguard	Vanguard Target Retirement 2040	445,260
	Vanguard	Vanguard Target Retirement 2045	438,909
	Vanguard	Vanguard Target Retirement 2050	232,161
			<u>8,042,139</u>
		Money market fund:	
	Dreyfus	Dreyfus Institutional Preferred Money Market	204,855
			<u>\$ 8,246,994</u>

* Represents a party-in-interest.

Note: This schedule is based on information which has been certified as complete and accurate by Nationwide Trust Company, FSB, the custodian of the Plan. Column (d) (Cost) has been omitted as it is not required under ERISA for participant-directed accounts.

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan
Plan Sponsor's Name Progressive Medical, Inc.

EIN: 31-1192384
PN: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	American Funds	Infl Adj Bond Inst	36,341	41,712
	American Funds	Am Mut R6	35,056	34,925
	American Funds	Cap World Bond R6	14,955	15,665
	American Funds	Growth Fund Am R6	63,044	68,798
	American Funds	New World R6	1,342	4,196
	BlackRock	Small Cap Gr Eq Inst	67,249	124,465
	DWS	Rfeef Real Estate	7,323	6,433

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan **EIN:** 31-1192384
Plan Sponsor's Name Progressive Medical, Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	DWS Investmetns	DWS RREEF Global Real Estate Securities Institutional	7,323	6,433
	Dodge & Cox	Dodge & Cox International Stock	61,551	71,519
	Federated	Federated Total Return Bond Institutional	2,175	2,571
	Hansberger Funds	Hansberger International Growth Institutional	13,050	11,486
	Harbor	Harbor International Institutional	252,494	384,690
	Legg Mason	Mwstraisinfindpl	26,239	27,126
	MFS	Mass InvGr Stk R4	304,989	528,964

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan
Plan Sponsor's Name Progressive Medical, Inc.

EIN: 31-1192384
PN: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	MFS	Rsrch R4	27,385	27,385
	Msif	Mdcap Gr I	16,964	20,455
	Oppenheimer Funds	Devl Mkt Y	35,905	334,482
	Oppenheimer Funds	Intl Bond Y	124,063	177,237
	Oppenheimer Funds	Intl Gr Y	101,406	207,187
	Oppenheimer	Val Y	390,074	613,799
	Pimco	Real Rtn Inst	269,039	292,660

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Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan **EIN:** 31-1192384
Plan Sponsor's Name Progressive Medical, Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Principal Funds	Principal Capital Appreciation Institutional	28,435	38,574
	Principal Funds	Principal Equity Income Institutional	66,794	80,445
	Principal Funds	Hi Yld Inst	95,853	138,102
	Principal Funds	Infl Prtct Inst	7,668	8,410
	Ridgeworth	Intmd Bd I	4,219	3,305
	TCW	Ttl Rtn Bd I	181,838	220,385
	Vanguard	Vanguard Growth Index Fund	7,640	12,036

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Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan **EIN:** 31-1192384
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(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Small cap Gr Indx Inv	7,489	15,680
	Vanguard	Small cap Val Indx Inv	197,821	301,135
	Vanguard	Target Retirement 2010	30,741	25,383
	Vanguard	Target Retirement 2015	360,372	394,716
	Vanguard	Target Retirement 2020	280,015	276,487
	Vanguard	Target Retirement 2025	1,005,020	909,210
	Vanguard	Target Retirement 2030	588,609	440,074

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

Plan Name Progressive Medical, Inc. Profit Sharing & 401(k) Plan **EIN:** 31-1192384
Plan Sponsor's Name Progressive Medical, Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Target Retirement 2035	663,919	661,828
	Vanguard	Target Retirement 2040	500,979	445,260
	Vanguard	Target Retirement 2045	431,009	438,909
	Vanguard	Target Retirement 2050	195,159	232,161
	Vanguard	Target Retirement Inc	66,104	71,163
	Vanguard	Invesco Mid Cap Core Equity Institutional	194,188	321,258
	Vanguard	Dreyfus Institutional Pref Money Market Fund	204,855	204,855