Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
HYDRO, INC. 401(K) SALARY REDUCTION PLAN AND TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 11/01/1975

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

834 WEST MADISON
CHICAGO, IL 60607

2b Employer Identification Number (EIN)
36-2995778

2c Sponsor's telephone number
312-738-3000

2d Business code (see instructions)
811310

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.	10/13/2011	MICHELLE CARRERA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

HYDRO, INC.

834 WEST MADISON
CHICAGO, IL 60607

3b Administrator's EIN
36-2995778

3c Administrator's telephone number
312-738-3000

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**	281
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**	272
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	32
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	304
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	2
f	Total. Add lines **6d** and **6e**	**6f**	306
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	275
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	5
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 2S 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)	X	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)	X	Trust
(4)		General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection.**

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

A Name of plan	**B** Three-digit plan number (PN) ▶	
HYDRO, INC. 401(K) SALARY REDUCTION PLAN AND TRUST		001

C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
HYDRO, INC.	36-2995778

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

INVESCO AIM

76-0528004

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

ALLIANZ FUNDS

33-0457728

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

AMERICAN FUNDS

95-1411037

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

ARTISAN

39-1811840

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

COLUMBIA

93-0577450

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

DODGE & COX

94-1441976

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

T. ROWE PRICE

52-2264646

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

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

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

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

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

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

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

WELLS FARGO BANK, N.A.

94-1347393

(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?
15 19 21 37 38 50 59 60 63	SERVICE PROV	7330	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

SELDON FOX, LTD

36-2985770

(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?
10 50	SERVICE PROV	7772	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection.

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

A Name of plan
HYDRO, INC. 401(K) SALARY REDUCTION PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
36-2995778

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO STABLE RETURN N6

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.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)
52-2251407-001	C	3927814

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

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a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

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

A Name of plan
HYDRO, INC. 401(K) SALARY REDUCTION PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
36-2995778

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)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	3236	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(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)	367489	340829
(9) Value of interest in common/collective trusts	1c(9)	3459285	3927814
(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)	6249194	8052028
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	1033079	1315058
	(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	11112283	13635729
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h	14800	18080
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	14800	18080
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	11097483	13617649

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	409388	
	(B) Participants	2a(1)(B)	1087034	
	(C) Others (including rollovers)	2a(1)(C)	202653	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1699075
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(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)	20179	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		20179
	(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)	158629	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		158629
	(3) Rents	2b(3)		
	(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)	281979	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		281979
(6) Net investment gain (loss) from common/collective trusts	2b(6)		86629
(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)		827359
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		3073850
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	507976	
(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)		507976
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		1015
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	13977	
(2) Contract administrator fees	2i(2)	7716	
(3) Investment advisory and management fees	2i(3)	23000	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		44693
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		553684
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		2520166
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) [X] Disclaimer (4) [ ] Adverse

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

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

(1) Name: LEONARD & COMPANY (2) EIN: 36-3219111

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		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?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection.

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

A Name of plan
HYDRO, INC. 401(K) SALARY REDUCTION PLAN AND TRUST

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
36-2995778

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 41-6257133 56-1354495

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Hydro, Inc.
401(k) Salary Reduction Plan and Trust

AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2010

Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Audit Report
For the Year Ended December 31, 2010

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LEONARD & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL CONSULTANTS, LTD.

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ELMWOOD PARK, ILLINOIS 60707-4200
(708) 456-9122 • FAX (708) 456-9155
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INDEPENDENT AUDITOR'S REPORT

Plan Trustees and Administrators
Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Chicago, Illinois

We were engaged to audit the accompanying statement of net assets available for plan benefits of **Hydro, Inc. 401(k) Salary Reduction Plan and Trust (the Plan)** as of December 31, 2010 and 2009, and the related statement of changes in net assets available for plan benefits for the years then ended, and the supplemental schedule of assets held for investment purposes at the end of the year — Schedule H, Line 4i as of December 31, 2010. These financial statements and supplemental schedule are the responsibility of the Plan's administrator.

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 3 to the financial statements, which was certified by Wells Fargo Bank, N.A., the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. The Plan administrator has informed us that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of and for the year ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and 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 custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Leonard & Company

October 10, 2011

Thank you for using Leonard & Company, CPAs, "The Only Firm You Will Ever Need"

Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Statement of Net Assets Available for Plan Benefits
December 31, 2010

	2010	2009
Assets		
Assets:		
Investments, at fair value:		
Mutual funds	$8,052,028	$6,249,194
Common/collective fund	4,014,277	3,466,105
Investment in Hydro, Inc. common stock	1,315,058	1,033,079
Total investments	13,381,363	10,748,378
Receivables:		
Notes receivable from participants	340,829	367,489
Miscellaneous	-	3,236
Total receivables	340,829	370,725
Total assets	13,722,193	11,119,103
Liabilities & Accounts payable	18,080	14,800
Net assets available for Plan benefits at fair value	13,704,112	11,104,303
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(86,463)	(6,820)
Net assets available for Plan benefits	$13,617,649	$11,097,483

See accompanying notes and independent auditor's report.

Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Statement of Changes in Net Assets Available for Plan Benefits
For the Year Ended December 31, 2010

	2010	2009
Additions to net assets attributed to:		
Contributions and rollovers:		
Employer	$409,388	$352,323
Participants	1,087,034	928,972
Rollovers	202,653	-
Total contributions and rollovers	1,699,075	1,281,295
Net investment income - dividends and interest	158,629	126,996
Interest on participant notes receivable	20,179	25,742
Net appreciation in fair value of investments	1,195,967	1,809,761
Total additions	3,073,850	3,243,794
Deductions from net assets attributed to:		
Benefits paid to participants	507,976	184,365
Deemed distributions	1,015	41,710
Administrative expenses	44,693	37,024
Total deductions	553,684	263,099
Net change in net assets available for Plan benefits	2,520,166	2,980,695
Net assets available for Plan benefits:		
Beginning of the year	11,097,483	8,116,788
End of the year	$13,617,649	$11,097,483

See accompanying notes and independent auditor's report.

1. Description of the Plan

The following description of the Hydro, Inc. 401(k) Salary Reduction Plan and Trust (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General — The Plan is a defined contribution plan established to provide deferred compensation benefits to eligible employees. Under the Plan, all of the employees of Hydro, Inc. and subsidiaries (the "Company") who have met eligibility requirements are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Participation — Eligible employees may become Plan members on the first day of each month after an employee has fulfilled the eligibility requirements. Eligible employees must have three months of service and be age 21 or older.

Contributions — Pretax deferred savings contributions in the form of salary reductions by participants are allowed and remitted each pay period. Participants may make contributions up to 100% of their compensation, not to exceed statutory limitations, plus an additional catch-up for a participant over the age of 50. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Employer may make discretionary matching contributions. For the 2010 and 2009 Plan years, the Company allocated to each participant's account a matching contribution equal to 50% of the participant's contribution, not to exceed 6% of the participant's annual compensation. The catch-up contributions are not included in the participant elected deferrals for purposes of determining the matching contribution.

Investment Options — Participants may direct all their contributions among one or more funds subject to the allocation limitations set forth in the Plan. Changes in allocation of future contributions and transfers among funds of presently invested contributions are permitted pursuant to the Plan provisions.

Participant Accounts — Each participant's account is credited with the participant's contribution and allocations of the Company's matching contribution and Plan earnings. 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 contributions plus actual earnings thereon. Vesting in the Company's matching contributions and the earnings thereon are as follows:

1. Description of the Plan (cont'd)

Vesting (cont'd)

Number of Completed Years of Service	Portion of Balance of Account Vested
Less than two years	None
Two years but less than three years	20%
Three years but less than four years	40%
Four years but less than five years	60%
Five years but less than six years	80%
Six years or more	100%

Notes Receivable from Participants — Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loans. Loan terms range from one to five years or up to twenty years for the purchase of a primary residence. The loans are secured by the balance in the participant's account, and bear interest at a rate commensurate with local prevailing rates, as determined quarterly by the Plan administrator. Interest rates range from 4.25% to 9.25%. Principal and interest is paid ratably through monthly payroll deductions.

Payment of Benefits — On termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments. In-service distributions after age 59-1/2 and hardship distributions are also allowed by the Plan.

Administrative Expenses — Certain expenses of maintaining the Plan are paid by the Company. Loan administration fees are charged directly to the participant's account and are included in administrative expenses.

Forfeited Accounts — Forfeited balances of terminated participants' non-vested accounts are used to pay administrative expenses of the Plan. In 2010 and 2009, administrative expenses of the Plan in the amount of $16,063 and $6,376, respectively, were paid from the forfeited accounts. At December 31, 2010 and 2009, forfeited non-vested accounts totaled $10,807 and $18,022, respectively.

2. Summary of Significant Accounting Policies

Basis of Accounting — The Plan prepares its financial statements on the accrual method of accounting.

New Accounting Pronouncements — During 2010, the Plan adopted the Financial Accounting Standards Board (FASB) guidance on Reporting Loans to Participants by Defined Contribution Pension Plans, which requires that participant loans be classified as notes receivable and be measured at unpaid principal balance plus accrued but unpaid interest. Previously participant loans were classified as plan investments, and were subject to certain fair value measurement and disclosure requirements, now no longer required. Participant loans in the 2009 financial statements have been reclassified to conform to the 2010 presentation.

Use of Estimates in Preparing Financial Statements — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Investments 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 4 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Investment income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

The Plan invests in a common trust which holds fully benefit responsive investment contracts. The investment in the common collective trust is reported at fair value. However, contract value is the relevant measurement attribute for that investment because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for plan benefits presents the fair value of the common collective trust as well as the adjustment of the common collective trust from fair value to contract value. The statement of changes in net assets available for plan benefits is prepared on a contract value basis.

The Plan entered into a fully benefit responsive investment contract with Wells Fargo. Wells Fargo 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. A fully benefit responsive investment contract is a contract between an insurance company, a bank, a financial institution, or any financially responsible entity, with a plan that provides for a stated return on principal invested over a specific period and that permits withdrawals at contract value for benefit payments, loans, or transfers to other investment options offered to the participant by the Plan. Participant withdrawals from the plan are required to be at contract value.

2. Summary of Significant Accounting Policies (Cont'd)

Investments and Income Recognition (cont'd)

Average yields:

	2010	2009
Based on actual earnings	2.38%	3.40%
Based on interest rate credited to participants	2.90%	3.32%

Payment of Benefits — Benefits are recorded when paid.

Subsequent Events — Subsequent events have been evaluated through October 10, 2011, which is the date the financial statements were available for issuance, and determined that there were no significant non-recognized subsequent events through that date.

3. Investments

The Plan administrator has elected the method of annual reporting permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodians have certified that the following data included in the accompanying financial statements and supplemental schedules is complete and accurate:

a. Total investments as shown in the accompanying statement of net assets available for plan benefits of $11,979,842 and $9,708,479 as of December 31, 2010 and 2009, respectively, which does not include the Hydro common stock investment of $1,315,058 and $1,033,079 as of December 31, 2010 and 2009, respectively.

b. Total notes receivable from participants as shown in the accompanying statement of net assets available for plan benefits of $340,829 and $367,489 as of December 31, 2010 and 2009, respectively.

c. Net investment income and interest on notes receivable from participants as shown in the accompanying statement of changes in net assets available for plan benefits of $1,092,796 and $1,369,224 as of December 31, 2010 and 2009 respectively, which does not include net investment income from the Hydro common stock investment of $281,979, and $593,275 as of December 31, 2010 and 2009, respectively.

The Plan's independent auditors did not perform auditing procedures with respect to the information certified by the custodians as accurate and complete, except for comparing such information to the related information included in the financial statements and supplemental

schedule.

4. **Investments** (cont'd)

The value of individual investments that represents 5% or more of the Plan's assets as of December 31, 2010 and 2009 is as follows:

	2010
Common/collective fund — Wells Fargo Stable Return Fund, at fair value	$4,014,277
Mutual Funds:	
Wells Fargo Advantage Total Return Bond	1,435,835
Allianz NFJ Dividend Value	855,275
American Funds Growth Fund of America	786,897
Columbia Acorn	1,390,837
Dodge & Cox International Stock	943,070
Hydro, Inc. common stock	1,315,058

	2009
Common/collective fund — Wells Fargo Stable Return Fund, at fair value	$3,466,105
Mutual Funds:	
Wells Fargo Advantage Total Return Bond	1,525,511
Allianz NFJ Dividend Value	691,179
American Funds Growth Fund of America	615,580
Columbia Acorn	950,767
Dodge & Cox International Stock	836,781
Hydro, Inc. common stock	1,033,079

During 2010 and 2009, the Plan's investments (including gains on investments bought and sold, as well as held during the year) appreciated in value as follows:

	2010	2009
Mutual funds	$827,359	$1,126,352
Common/collective funds	86,629	90,134
Hydro, Inc. common stock	281,979	593,275
	$1,195,967	$1,809,761

4. **Fair Value of Financial Instruments**

The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, "Fair Value Measurements and Disclosures," provides the framework for measuring 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. That framework provides a three level valuation hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 — Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.

Level 2 — Valuations are based on quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose significant inputs are observable.

Level 3 — Valuations are based on unobservable inputs for the asset or liability that reflect the reporting entity's own data and assumptions that market participants would use in pricing the asset or liability. These unobservable inputs are significant to the fair value measurement.

Following is a description of valuation methodologies used for investments measured at fair value on the statement of net assets available for plan benefits, and the classification of such investments pursuant to the valuation hierarchy.

Mutual funds are valued using unadjusted quoted market prices, which represent the net asset value of shares held by the Plan at year end. These assets are categorized in Level 1 of the fair value hierarchy.

The common/collective fund's market value is based on the asset value per unit as determined by the collective trust as of the valuation date. These assets are categorized in Level 2 of the fair value hierarchy.

The fair value of the common stock of Hydro, Inc., the Plan sponsor, is estimated based on a multiple of the average of the Company's earnings before interest and taxes (as shown on Company audit reports). This estimated fair value is the value at which Plan participants may sell the stock. As of December 31, 2005, participants are no longer permitted to acquire additional shares as Plan investments. The common stock of Hydro, Inc. is not readily marketable. The reported value was determined in good faith under the terms of the Plan by the Trustee (see Note 11). These assets are categorized in Level 3 of the fair value hierarchy.

At December 31, 2010, the Plan's financial instruments measured on a recurring basis were categorized as follows:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Bonds	$ 1,435,835	$ -	$ -	$ 1,435,835
Domestic:				
Large-Cap	2,259,696	-		2,259,696
Mid-Cap	1,847,253	-	-	1,847,253
Small-Cap	578,410	-	-	578,410
Real estate	203,575	-		203,575
International	943,070	-	-	943,070
Lifecycle Funds	784,189	-	-	784,189
Common/collective fund	-	4,014,277	-	4,014,277
Hydro, Inc. common stock	-	-	1,315,058	1,315,058
Total	$ 8,052,028	$ 4,014,277	$ 1,315,058	$ 13,381,363

At December 31, 2009, the Plan's financial instruments measured on a recurring basis were categorized as follows:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Bonds	$ 1,525,511	$ -	$ -	$ 1,525,511
Domestic:				
Large-Cap	1,802,875	-		1,802,875
Mid-Cap	1,340,384	-	-	1,340,384
Small-Cap	265,170	-	-	265,170
Real estate	112,221	-		112,221
International	836,781	-	-	836,781
Lifecycle Funds	366,252	-	-	366,252
Common/collective fund	-	3,466,105	-	3,466,105
Hydro, Inc. common stock	-	-	1,033,079	1,033,079
Total	$ 6,249,194	$ 3,466,105	$ 1,033,079	$ 10,748,378

4. **Fair Value of Financial Instruments** (cont'd)

The summary of changes in the fair value of the Plan's Level 3 assets is as follows:

	Hydro, Inc. Common Stock
Balance, December 31, 2008	$439,804
Change in value	593,275
Balance, December 31, 2009	1,033,079
Change in value	281,979
Balance, December 31, 2010	$1,315,058

5. Net Assets Available for Benefits

At December 31, 2010 and 2009, net assets available for benefits allocated to participants who are no longer employed by the Company total $1,367,736 and $895,297, respectively.

6. Administration of Participant Balances

Participants' accounts are managed by Wells Fargo Bank, N.A. under a formal agreement. The custodian prepares summaries of participants' account balances. All of the necessary calculations performed for the Plan to properly comply with existing laws and regulations are the responsibility of the Plan trustee and administrator. This includes contribution requirements, necessary allocations to participant accounts, and the necessary completed tax forms for reporting to the Internal Revenue Service and Department of Labor.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their employer contributions. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such a manner as the company may determine.

8. Tax Status

Effective September 2009 the Plan adopted the Wells Fargo Defined Contribution Prototype Plan and Trust Agreement. Prior to September 2009 the Plan had adopted the Wells Fargo Defined Contribution Master Plan and Trust Agreement. The Internal Revenue Service has determined and informed Wells Fargo by a letter dated March 31, 2008, that the Defined Contribution Prototype Plan and Trust Agreement is designed in accordance with applicable sections of the Internal Revenue Code. 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 provisions of the Internal Revenue Code.

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 Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010 and 2009, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2007.

9. Related Parties

The Company is the Plan sponsor and administrator. The Company pays certain administrative and overhead costs of the Plan. Certain Plan investments are managed by Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest. Certain employees of the Company (a corporation) received Plan loans. These are considered party-in-interest, but not prohibited transactions.

10 Risks and Uncertainties

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

11. Contingency

The Plan's investments include common stock of Hydro. Inc., the Plan sponsor. As discussed in Note 4, the common stock of Hydro. Inc. is not readily marketable, and the reported current value was determined in good faith under the terms of the Plan by the Trustee. ERISA Section 408(e) states that the prohibited transaction rules do not apply to the acquisition or sale by a plan of qualifying employer securities if such acquisition or sale is for "adequate consideration." Section 3(18)(B) of ERISA defines the term "adequate consideration" to mean, in the case of an asset other than a security for which there is a generally recognized market, the fair market value of the asset as determined in good faith by the trustee or named fiduciary pursuant to the terms of the plan, and in accordance with regulations promulgated by the Secretary.

The Plan has not consulted with ERISA counsel as to whether or not the method used to determine the reported current value of the common stock of Hydro, Inc. meets the definition of "adequate consideration" under Section 3(18)(B) of ERISA. As such, it is uncertain as to weather or not the acquisition or sale by the Plan of the common stock of Hydro, Inc. would be considered a prohibited transaction.

Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Schedule of Assets Held for Investment Purposes at the End of the Year - Schedule H, Line 4i
December 31, 2010

(a)	(b) Identity of issuer, 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
	Mutual Funds			
*	Wells Fargo Advantage Total Return Bond	115,143.17 Shares	**	$ 1,435,835
	Allianz NFJ Dividend Value	75,354.61 Shares	**	855,275
*	Wells Fargo Advantage Index	13,811.37 Shares	**	608,391
	American Funds Growth	26,064.84 Shares	**	786,897
	Artisan Mid-Cap Value	22,729.87 Shares	**	456,416
*	Wells Fargo Advantage Small-Cap Value	7,826.87 Shares	**	108,089
	Columbia Acorn	46,069.47 Shares	**	1,390,837
*	Wells Fargo Advantage Small-Cap Growth	14,440.31 Shares	**	470,321
	Aim Real Estate	9,490.69 Shares	**	203,575
	Dodge & Cox International Stock Fund	26,409.13 Shares	**	943,070
	T. Rowee Price Retirement Income	696.10 Shares	**	9,133
	T. Rowe Price Retirement 2010	6,083.84 Shares	**	92,961
	T. Rowe Price Retirement 2010	13,408.05 Shares	**	219,222
	T. Rowe Price Retirement 2030	15,162.69 Shares	**	260,495
	T. Rowe Price Retirement 2040	7,088.13 Shares	**	122,696
	T. Rowe Price Retirement 2050	9,146.83 Shares	**	88,816
	Total Mutual Funds	408,925.96		8,052,028
	Common/collective fund:			
	Wells Fargo Collective Stable Return (S)	86,074.4300 Shares		4,014,277
	Common Stock			
	Hydro, Inc.	7,881.00 Shares		1,315,058
	Total investments per financial statements			
	Adjustment from Fair Value to Contract Value for fully benefit responsive investment contracts.			(86,463)
	Notes Receivable from participants	Interest rates ranging from 4.25% to 9.25%		340,829
	Total investments per 5500			**$ 13,635,729**

* Represents a party-in-interest investment.

** Cost information is not required for participant directed accounts.

See accompanying independent auditor's report.

Hydro, Inc.
401(k) Salary Reduction Plan and Trust

AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2010

Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Audit Report
For the Year Ended December 31, 2010

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LEONARD & COMPANY
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INDEPENDENT AUDITOR'S REPORT

Plan Trustees and Administrators
Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Chicago, Illinois

We were engaged to audit the accompanying statement of net assets available for plan benefits of **Hydro, Inc. 401(k) Salary Reduction Plan and Trust (the Plan)** as of December 31, 2010 and 2009, and the related statement of changes in net assets available for plan benefits for the years then ended, and the supplemental schedule of assets held for investment purposes at the end of the year — Schedule H, Line 4i as of December 31, 2010. These financial statements and supplemental schedule are the responsibility of the Plan's administrator.

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 3 to the financial statements, which was certified by Wells Fargo Bank, N.A., the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. The Plan administrator has informed us that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of and for the year ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and 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 custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Leonard & Company

October 10, 2011

Thank you for using Leonard & Company, CPAs, "The Only Firm You Will Ever Need"

Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Statement of Net Assets Available for Plan Benefits
December 31, 2010

	2010	2009
Assets		
Assets:		
Investments, at fair value:		
Mutual funds	$8,052,028	$6,249,194
Common/collective fund	4,014,277	3,466,105
Investment in Hydro, Inc. common stock	1,315,058	1,033,079
Total investments	13,381,363	10,748,378
Receivables:		
Notes receivable from participants	340,829	367,489
Miscellaneous	-	3,236
Total receivables	340,829	370,725
Total assets	13,722,193	11,119,103
Liabilities & Accounts payable	18,080	14,800
Net assets available for Plan benefits at fair value	13,704,112	11,104,303
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(86,463)	(6,820)
Net assets available for Plan benefits	$13,617,649	$11,097,483

See accompanying notes and independent auditor's report.

Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Statement of Changes in Net Assets Available for Plan Benefits
For the Year Ended December 31, 2010

	2010	2009
Additions to net assets attributed to:		
Contributions and rollovers:		
Employer	$409,388	$352,323
Participants	1,087,034	928,972
Rollovers	202,653	-
Total contributions and rollovers	1,699,075	1,281,295
Net investment income - dividends and interest	158,629	126,996
Interest on participant notes receivable	20,179	25,742
Net appreciation in fair value of investments	1,195,967	1,809,761
Total additions	3,073,850	3,243,794
Deductions from net assets attributed to:		
Benefits paid to participants	507,976	184,365
Deemed distributions	1,015	41,710
Administrative expenses	44,693	37,024
Total deductions	553,684	263,099
Net change in net assets available for Plan benefits	2,520,166	2,980,695
Net assets available for Plan benefits:		
Beginning of the year	11,097,483	8,116,788
End of the year	$13,617,649	$11,097,483

See accompanying notes and independent auditor's report.

1. Description of the Plan

The following description of the Hydro, Inc. 401(k) Salary Reduction Plan and Trust (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General — The Plan is a defined contribution plan established to provide deferred compensation benefits to eligible employees. Under the Plan, all of the employees of Hydro, Inc. and subsidiaries (the "Company") who have met eligibility requirements are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Participation — Eligible employees may become Plan members on the first day of each month after an employee has fulfilled the eligibility requirements. Eligible employees must have three months of service and be age 21 or older.

Contributions — Pretax deferred savings contributions in the form of salary reductions by participants are allowed and remitted each pay period. Participants may make contributions up to 100% of their compensation, not to exceed statutory limitations, plus an additional catch-up for a participant over the age of 50. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Employer may make discretionary matching contributions. For the 2010 and 2009 Plan years, the Company allocated to each participant's account a matching contribution equal to 50% of the participant's contribution, not to exceed 6% of the participant's annual compensation. The catch-up contributions are not included in the participant elected deferrals for purposes of determining the matching contribution.

Investment Options — Participants may direct all their contributions among one or more funds subject to the allocation limitations set forth in the Plan. Changes in allocation of future contributions and transfers among funds of presently invested contributions are permitted pursuant to the Plan provisions.

Participant Accounts — Each participant's account is credited with the participant's contribution and allocations of the Company's matching contribution and Plan earnings. 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 contributions plus actual earnings thereon. Vesting in the Company's matching contributions and the earnings thereon are as follows:

1. Description of the Plan (cont'd)

Vesting (cont'd)

Number of Completed Years of Service	Portion of Balance of Account Vested
Less than two years	None
Two years but less than three years	20%
Three years but less than four years	40%
Four years but less than five years	60%
Five years but less than six years	80%
Six years or more	100%

Notes Receivable from Participants — Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loans. Loan terms range from one to five years or up to twenty years for the purchase of a primary residence. The loans are secured by the balance in the participant's account, and bear interest at a rate commensurate with local prevailing rates, as determined quarterly by the Plan administrator. Interest rates range from 4.25% to 9.25%. Principal and interest is paid ratably through monthly payroll deductions.

Payment of Benefits — On termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments. In-service distributions after age 59-1/2 and hardship distributions are also allowed by the Plan.

Administrative Expenses — Certain expenses of maintaining the Plan are paid by the Company. Loan administration fees are charged directly to the participant's account and are included in administrative expenses.

Forfeited Accounts — Forfeited balances of terminated participants' non-vested accounts are used to pay administrative expenses of the Plan. In 2010 and 2009, administrative expenses of the Plan in the amount of $16,063 and $6,376, respectively, were paid from the forfeited accounts. At December 31, 2010 and 2009, forfeited non-vested accounts totaled $10,807 and $18,022, respectively.

2. Summary of Significant Accounting Policies

Basis of Accounting — The Plan prepares its financial statements on the accrual method of accounting.

New Accounting Pronouncements — During 2010, the Plan adopted the Financial Accounting Standards Board (FASB) guidance on Reporting Loans to Participants by Defined Contribution Pension Plans, which requires that participant loans be classified as notes receivable and be measured at unpaid principal balance plus accrued but unpaid interest. Previously participant loans were classified as plan investments, and were subject to certain fair value measurement and disclosure requirements, now no longer required. Participant loans in the 2009 financial statements have been reclassified to conform to the 2010 presentation.

Use of Estimates in Preparing Financial Statements — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Investments 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 4 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Investment income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

The Plan invests in a common trust which holds fully benefit responsive investment contracts. The investment in the common collective trust is reported at fair value. However, contract value is the relevant measurement attribute for that investment because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for plan benefits presents the fair value of the common collective trust as well as the adjustment of the common collective trust from fair value to contract value. The statement of changes in net assets available for plan benefits is prepared on a contract value basis.

The Plan entered into a fully benefit responsive investment contract with Wells Fargo. Wells Fargo 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. A fully benefit responsive investment contract is a contract between an insurance company, a bank, a financial institution, or any financially responsible entity, with a plan that provides for a stated return on principal invested over a specific period and that permits withdrawals at contract value for benefit payments, loans, or transfers to other investment options offered to the participant by the Plan. Participant withdrawals from the plan are required to be at contract value.

2. Summary of Significant Accounting Policies (Cont'd)

Investments and Income Recognition (cont'd)

Average yields:

	2010	2009
Based on actual earnings	2.38%	3.40%
Based on interest rate credited to participants	2.90%	3.32%

Payment of Benefits — Benefits are recorded when paid.

Subsequent Events — Subsequent events have been evaluated through October 10, 2011, which is the date the financial statements were available for issuance, and determined that there were no significant non-recognized subsequent events through that date.

3. Investments

The Plan administrator has elected the method of annual reporting permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodians have certified that the following data included in the accompanying financial statements and supplemental schedules is complete and accurate:

a. Total investments as shown in the accompanying statement of net assets available for plan benefits of $11,979,842 and $9,708,479 as of December 31, 2010 and 2009, respectively, which does not include the Hydro common stock investment of $1,315,058 and $1,033,079 as of December 31, 2010 and 2009, respectively.

b. Total notes receivable from participants as shown in the accompanying statement of net assets available for plan benefits of $340,829 and $367,489 as of December 31, 2010 and 2009, respectively.

c. Net investment income and interest on notes receivable from participants as shown in the accompanying statement of changes in net assets available for plan benefits of $1,092,796 and $1,369,224 as of December 31, 2010 and 2009 respectively, which does not include net investment income from the Hydro common stock investment of $281,979, and $593,275 as of December 31, 2010 and 2009, respectively.

The Plan's independent auditors did not perform auditing procedures with respect to the information certified by the custodians as accurate and complete, except for comparing such information to the related information included in the financial statements and supplemental

schedule.

4. **Investments** (cont'd)

The value of individual investments that represents 5% or more of the Plan's assets as of December 31, 2010 and 2009 is as follows:

	2010
Common/collective fund — Wells Fargo Stable Return Fund, at fair value	$4,014,277
Mutual Funds:	
Wells Fargo Advantage Total Return Bond	1,435,835
Allianz NFJ Dividend Value	855,275
American Funds Growth Fund of America	786,897
Columbia Acorn	1,390,837
Dodge & Cox International Stock	943,070
Hydro, Inc. common stock	1,315,058

	2009
Common/collective fund — Wells Fargo Stable Return Fund, at fair value	$3,466,105
Mutual Funds:	
Wells Fargo Advantage Total Return Bond	1,525,511
Allianz NFJ Dividend Value	691,179
American Funds Growth Fund of America	615,580
Columbia Acorn	950,767
Dodge & Cox International Stock	836,781
Hydro, Inc. common stock	1,033,079

During 2010 and 2009, the Plan's investments (including gains on investments bought and sold, as well as held during the year) appreciated in value as follows:

	2010	2009
Mutual funds	$827,359	$1,126,352
Common/collective funds	86,629	90,134
Hydro, Inc. common stock	281,979	593,275
	$1,195,967	$1,809,761

4. **Fair Value of Financial Instruments**

The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, "Fair Value Measurements and Disclosures," provides the framework for measuring 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. That framework provides a three level valuation hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 — Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.

Level 2 — Valuations are based on quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose significant inputs are observable.

Level 3 — Valuations are based on unobservable inputs for the asset or liability that reflect the reporting entity's own data and assumptions that market participants would use in pricing the asset or liability. These unobservable inputs are significant to the fair value measurement.

Following is a description of valuation methodologies used for investments measured at fair value on the statement of net assets available for plan benefits, and the classification of such investments pursuant to the valuation hierarchy.

Mutual funds are valued using unadjusted quoted market prices, which represent the net asset value of shares held by the Plan at year end. These assets are categorized in Level 1 of the fair value hierarchy.

The common/collective fund's market value is based on the asset value per unit as determined by the collective trust as of the valuation date. These assets are categorized in Level 2 of the fair value hierarchy.

The fair value of the common stock of Hydro, Inc., the Plan sponsor, is estimated based on a multiple of the average of the Company's earnings before interest and taxes (as shown on Company audit reports). This estimated fair value is the value at which Plan participants may sell the stock. As of December 31, 2005, participants are no longer permitted to acquire additional shares as Plan investments. The common stock of Hydro, Inc. is not readily marketable. The reported value was determined in good faith under the terms of the Plan by the Trustee (see Note 11). These assets are categorized in Level 3 of the fair value hierarchy.

At December 31, 2010, the Plan's financial instruments measured on a recurring basis were categorized as follows:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Bonds	$ 1,435,835	$ -	$ -	$ 1,435,835
Domestic:				
Large-Cap	2,259,696	-		2,259,696
Mid-Cap	1,847,253	-	-	1,847,253
Small-Cap	578,410	-	-	578,410
Real estate	203,575	-		203,575
International	943,070	-	-	943,070
Lifecycle Funds	784,189	-	-	784,189
Common/collective fund	-	4,014,277	-	4,014,277
Hydro, Inc. common stock	-	-	1,315,058	1,315,058
Total	$ 8,052,028	$ 4,014,277	$ 1,315,058	$ 13,381,363

At December 31, 2009, the Plan's financial instruments measured on a recurring basis were categorized as follows:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Bonds	$ 1,525,511	$ -	$ -	$ 1,525,511
Domestic:				
Large-Cap	1,802,875	-		1,802,875
Mid-Cap	1,340,384	-	-	1,340,384
Small-Cap	265,170	-	-	265,170
Real estate	112,221	-		112,221
International	836,781	-	-	836,781
Lifecycle Funds	366,252	-	-	366,252
Common/collective fund	-	3,466,105	-	3,466,105
Hydro, Inc. common stock	-	-	1,033,079	1,033,079
Total	$ 6,249,194	$ 3,466,105	$ 1,033,079	$ 10,748,378

4. **Fair Value of Financial Instruments** (cont'd)

The summary of changes in the fair value of the Plan's Level 3 assets is as follows:

	Hydro, Inc. Common Stock
Balance, December 31, 2008	$439,804
Change in value	593,275
Balance, December 31, 2009	1,033,079
Change in value	281,979
Balance, December 31, 2010	$1,315,058

5. Net Assets Available for Benefits

At December 31, 2010 and 2009, net assets available for benefits allocated to participants who are no longer employed by the Company total $1,367,736 and $895,297, respectively.

6. Administration of Participant Balances

Participants' accounts are managed by Wells Fargo Bank, N.A. under a formal agreement. The custodian prepares summaries of participants' account balances. All of the necessary calculations performed for the Plan to properly comply with existing laws and regulations are the responsibility of the Plan trustee and administrator. This includes contribution requirements, necessary allocations to participant accounts, and the necessary completed tax forms for reporting to the Internal Revenue Service and Department of Labor.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their employer contributions. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such a manner as the company may determine.

8. Tax Status

Effective September 2009 the Plan adopted the Wells Fargo Defined Contribution Prototype Plan and Trust Agreement. Prior to September 2009 the Plan had adopted the Wells Fargo Defined Contribution Master Plan and Trust Agreement. The Internal Revenue Service has determined and informed Wells Fargo by a letter dated March 31, 2008, that the Defined Contribution Prototype Plan and Trust Agreement is designed in accordance with applicable sections of the Internal Revenue Code. 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 provisions of the Internal Revenue Code.

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 Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010 and 2009, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2007.

9. Related Parties

The Company is the Plan sponsor and administrator. The Company pays certain administrative and overhead costs of the Plan. Certain Plan investments are managed by Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest. Certain employees of the Company (a corporation) received Plan loans. These are considered party-in-interest, but not prohibited transactions.

10 Risks and Uncertainties

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

11. Contingency

The Plan's investments include common stock of Hydro. Inc., the Plan sponsor. As discussed in Note 4, the common stock of Hydro. Inc. is not readily marketable, and the reported current value was determined in good faith under the terms of the Plan by the Trustee. ERISA Section 408(e) states that the prohibited transaction rules do not apply to the acquisition or sale by a plan of qualifying employer securities if such acquisition or sale is for "adequate consideration." Section 3(18)(B) of ERISA defines the term "adequate consideration" to mean, in the case of an asset other than a security for which there is a generally recognized market, the fair market value of the asset as determined in good faith by the trustee or named fiduciary pursuant to the terms of the plan, and in accordance with regulations promulgated by the Secretary.

The Plan has not consulted with ERISA counsel as to whether or not the method used to determine the reported current value of the common stock of Hydro, Inc. meets the definition of "adequate consideration" under Section 3(18)(B) of ERISA. As such, it is uncertain as to weather or not the acquisition or sale by the Plan of the common stock of Hydro, Inc. would be considered a prohibited transaction.

Hydro, Inc. 401(k) Salary Reduction Plan and Trust
Schedule of Assets Held for Investment Purposes at the End of the Year - Schedule H, Line 4i
December 31, 2010

(a)	(b) Identity of issuer, 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
	Mutual Funds			
*	Wells Fargo Advantage Total Return Bond	115,143.17 Shares	**	$ 1,435,835
	Allianz NFJ Dividend Value	75,354.61 Shares	**	855,275
*	Wells Fargo Advantage Index	13,811.37 Shares	**	608,391
	American Funds Growth	26,064.84 Shares	**	786,897
	Artisan Mid-Cap Value	22,729.87 Shares	**	456,416
*	Wells Fargo Advantage Small-Cap Value	7,826.87 Shares	**	108,089
	Columbia Acorn	46,069.47 Shares	**	1,390,837
*	Wells Fargo Advantage Small-Cap Growth	14,440.31 Shares	**	470,321
	Aim Real Estate	9,490.69 Shares	**	203,575
	Dodge & Cox International Stock Fund	26,409.13 Shares	**	943,070
	T. Rowee Price Retirement Income	696.10 Shares	**	9,133
	T. Rowe Price Retirement 2010	6,083.84 Shares	**	92,961
	T. Rowe Price Retirement 2010	13,408.05 Shares	**	219,222
	T. Rowe Price Retirement 2030	15,162.69 Shares	**	260,495
	T. Rowe Price Retirement 2040	7,088.13 Shares	**	122,696
	T. Rowe Price Retirement 2050	9,146.83 Shares	**	88,816
	Total Mutual Funds	408,925.96		8,052,028
	Common/collective fund:			
	Wells Fargo Collective Stable Return (S)	86,074.4300 Shares		4,014,277
	Common Stock			
	Hydro, Inc.	7,881.00 Shares		1,315,058
	Total investments per financial statements			
	Adjustment from Fair Value to Contract Value for fully benefit responsive investment contracts.			(86,463)
	Notes Receivable from participants	Interest rates ranging from 4.25% to 9.25%		340,829
	Total investments per 5500			**$ 13,635,729**

* Represents a party-in-interest investment.

** Cost information is not required for participant directed accounts.

See accompanying independent auditor's report.