

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
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>BLAIR GROUP, INC 401(K) PLAN</u>	1b Three-digit plan number (PN) ►	<u>001</u>	
	1c Effective date of plan	<u>01/01/2009</u>	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>BLAIR GROUP, INC.</u> <u>1511 N WESTSHORE BLVD</u> <u>SUITE 300</u> <u>TAMPA, FL 33607</u>	2b Employer Identification Number (EIN) <u>65-0061439</u>	2c Sponsor's telephone number <u>727-577-5522</u>	2d Business code (see instructions) <u>531310</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/13/2011</u>	<u>KELLY NEWTON</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") BLAIR GROUP, INC. 1511 N WESTSHORE BLVD SUITE 300 TAMPA, FL 33607	3b Administrator's EIN 65-0061439 3c Administrator's telephone number 727-577-5522
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year	5	113
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	89
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	12
d Subtotal. Add lines 6a , 6b , and 6c	6d	101
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	101
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	55
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	3
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 3D 3H

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

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	(1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

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

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

A Name of plan BLAIR GROUP, INC 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 BLAIR GROUP, INC.	D Employer Identification Number (EIN) 65-0061439	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
DAVIS DISTRIBUTORS, LLC	
85-0360310	
(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation	
FRANKLIN TEMPLETON DISTRIBUTORS, IN	100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
INVESCO DISTRIBUTORS, INC.	
74-1894784	
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
MBSC SECURITIES CORPORATION, DISTRI	ONE BOSTON PLACE 24TH FLOOR BOSTON, MA 02108

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

OPPENHEIMER FUNDS INC.

13-2527171

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

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(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)

ADP

22-1467904

(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 50 64	RECORD KEEPER	4381	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

ADP BROKER-DEALER

22-3319984

(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?
60 59 99 49	RECORD KEEPER	0	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

GOLDMAN SACHS

71 SOUTH WACKER DRIVE
SUITE 500
CHICAGO, IL 60606

(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?
63	INVESTMENT MANAGER	0	Yes ☒ No ☐	Yes ☒ No ☐	0	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
ADP BROKER-DEALER	60 59 99 49	0
(d) Enter name and EIN (address) of source of indirect compensation		
DAVIS DISTRIBUTORS, LLC	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.0017 OF AVERAGE DAILY ASSETS	
85-0360310		
(a) Enter service provider name as it appears on line 2		
GOLDMAN SACHS	63	0
(d) Enter name and EIN (address) of source of indirect compensation		
DAVIS DISTRIBUTORS, LLC	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. ANNUAL RATE 0.00100 OF AVERAGE DAILY ASSETS	
85-0360310		
(a) Enter service provider name as it appears on line 2		
ADP BROKER-DEALER	60 59 99 49	0
(d) Enter name and EIN (address) of source of indirect compensation		
FRANKLIN TEMPLETON DISTRIBUTORS, IN 100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.0017 OF AVERAGE DAILY ASSETS	

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
GOLDMAN SACHS	63	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FRANKLIN TEMPLETON DISTRIBUTORS, IN 100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716		ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS
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(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
GOLDMAN SACHS	63	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
GOLDMAN SACHS 71 SOUTH WACKER DRIVE SUITE 500 CHICAGO, IL 60606		ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS
<hr/>		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	60 59 99 49	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
GOLDMAN SACHS 71 SOUTH WACKER DRIVE SUITE 500 CHICAGO, IL 60606		ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.0017 OF AVERAGE DAILY ASSETS

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
ADP BROKER-DEALER	60 59 99 49	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
INVESTCO DISTRIBUTORS, INC. 74-1894784	ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.0017 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
GOLDMAN SACHS	63	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
INVESTCO DISTRIBUTORS, INC. 74-1894784	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
GOLDMAN SACHS	63	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MBSC SECURITIES CORPORATION, DISTRI ONE BOSTON PLACE 24TH FLOOR BOSTON, MA 02108	ANNUAL RATE 0.00100 OF AVERAGE DAILY ASSETS

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
ADP BROKER-DEALER	60 59 99 49	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MBSC SECURITIES CORPORATION, DISTRI ONE BOSTON PLACE 24TH FLOOR BOSTON, MA 02108	ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.0017 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
GOLDMAN SACHS	63	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPENHEIMER FUNDS INC. 13-2527171	ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	60 59 99 49	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPENHEIMER FUNDS INC. 13-2527171	ANNUAL RATE 0.0015 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.0017 OF AVERAGE DAILY ASSETS	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection

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

A Name of plan BLAIR GROUP, INC 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 BLAIR GROUP, INC.	D Employer Identification Number (EIN) 65-0061439	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
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)	31995	20860
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	695236	733277
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	727231	754137

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	727231	754137
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	19598	
(B) Participants	2a(1)(B)	60905	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		80503

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)	1871	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1871
(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)	19857	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		19857
(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)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		65869
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		168100

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	134057	
(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)		134057
f Corrective distributions (see instructions)	2f		2755
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	4382	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		4382
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		141194

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		26906
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: CHERRY, BEKAERT & HOLLAND, LLP

(2) EIN: 56-0574444

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		73000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>BLAIR GROUP, INC 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BLAIR GROUP, INC.</u>	D Employer Identification Number (EIN) <u>65-0061439</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>57-1198022</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

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
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2010
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

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

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

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

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

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

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

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

BLAIR GROUP, INC. 401(K) PLAN

**Financial Statements and
Supplemental Schedule
December 31, 2010 and 2009**

BLAIR GROUP, INC. 401(K) PLAN

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NOTE: All other schedules required by Section 2520.130-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



Report of Independent Certified Public Accountants

To the Trustees of
Blair Group, Inc. 401(k) Plan
Chesapeake, Virginia

We were engaged to audit the accompanying statements of net assets available for benefits of Blair Group, Inc. 401(k) Plan (the "Plan") as of December 31, 2010 and 2009, and the related statement of changes in net assets available for benefits for the year ended December 31, 2010 and the supplemental Form 5500, Schedule H, Line 4i, Schedule of Assets (Held at End of Year) as of December 31, 2010. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), 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, which was certified by State Street Bank and Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2010 and 2009, and for the year ended December 31, 2010, that the information provided to the Plan administrator by the trustee 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 trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Cherry, Bekaert & Holland, L.L.P.

Tampa, Florida
October 6, 2011

BLAIR GROUP, INC. 401(k) PLAN**Statements of Net Assets Available for Benefits**

		December 31,	
		2010	2009
ASSETS			
Investments at fair value:			
Mutual funds		\$ 733,277	\$ 695,236
Total investments		<u>733,277</u>	<u>695,236</u>
Receivables:			
Employer contribution receivable		738	547
Employee contribution receivable		1,737	1,544
Notes receivable from participants		20,860	31,995
Total receivables		<u>23,335</u>	<u>34,086</u>
Total assets		756,612	729,322
LIABILITIES			
Excess contributions payable		<u>5,176</u>	<u>2,613</u>
Net assets available for benefits		<u>\$ 751,436</u>	<u>\$ 726,709</u>

BLAIR GROUP, INC. 401(k) PLAN

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

Additions to net assets attributed to:

Investment income	
Net appreciation in fair value of investments	\$ 65,755
Dividends	19,971
	<u>85,726</u>
 Interest earned on notes receivable from participants	 <u>1,871</u>
Contributions	
Employer contributions	16,875
Participant contributions	58,836
	<u>75,711</u>
 Total additions	 <u>163,308</u>

Deductions from net assets attributed to:

Benefits paid to participants	131,444
Corrective distributions	2,755
Administrative expenses	4,382
Total deductions	<u>138,581</u>

Net increase in net assets available for benefits	24,727
Net assets available for benefits, beginning of year	<u>726,709</u>
Net assets available for benefits, end of year	<u><u>\$ 751,436</u></u>

BLAIR GROUP, INC. 401(k) PLAN

Notes to Financial Statements December 31, 2010 and 2009

Note 1 – Description of the Plan

Blair Group, Inc. 401(k) Plan (the “Plan”) was established on January 1, 2009. The following brief description of the Plan is provided for general information purposes only. Reference should be made to the Plan agreement for a more complete description of the Plan’s provisions.

General – The Plan is a defined contribution plan that covers the employees of Blair Group, Inc. and Blaco Construction, Inc. (collectively, the “Company” or “Employer”) who have completed one year of service and have attained age 21.

The Plan has adopted the Automatic Data Processing (“ADP”) Prototype 401(k) and Profit Sharing Plan as the basic Plan document. Administrative fees and all other expenses of the Plan are paid directly by the Company or by the Plan as provided in the Plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Administration – The Company is the Plan sponsor and Plan administrator. Assets of the Plan are held by State Street Bank and Trust Company. Employees of the Company perform certain administrative functions. These employees do not receive compensation from the Plan.

Contributions – Contributions to provide benefits under the Plan are made by Plan participants and the Company. Participants may contribute the maximum allowed under Section 402(g) of the Internal Revenue Code (“IRC”). The maximum contribution limitation for 2010 was \$16,500. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. The Company may contribute a discretionary percentage of the amount of the participants’ deferrals, which the Company determines each year. For the year ended December 31, 2010, the Company made matching contributions equal to 50% of the first 6% deferred by the participants. The Company may also make a discretionary profit sharing contribution each year, determined by the Company. There was no profit sharing contribution made during the year ended December 31, 2010. Participants are subject to certain eligibility requirements to receive the Company’s discretionary matching contributions and profit sharing contributions.

Participant Accounts – Each participant’s account is adjusted for distributions to the participant, participant’s contributions, employer matching and profit sharing contributions, Plan earnings, and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account. All participant accounts are maintained by the trustee of the Plan.

Notes Receivable from Participants – Participants are eligible to borrow up to 50% of their vested balance or \$50,000, whichever is less, but not less than \$500 from the Plan, for any purpose. Note terms range from one to five years unless the note is to be used for the purchase of a principal residence for which the time period is not to exceed thirty years. The notes are secured by the balance in the participant’s account and bear interest at prime rate plus two percentage points. The interest rate range for outstanding notes receivable from participants was 5.25% - 9.25% at December 31, 2010 and 2009. Principal and interest are paid ratably through payroll deductions.

Notes receivable from participants are recorded at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant notes are reclassified as distributions based upon the terms of the Plan document.

BLAIR GROUP, INC. 401(k) PLAN

Notes to Financial Statements December 31, 2010 and 2009

Note 1 – Description of the Plan (continued)

Vesting – Each participant is 100% vested at all times in his or her salary reduction and rollover contributions plus actual earnings thereon. Amounts contributed by the Company for the benefit of each participant plus actual earnings thereon become 100% vested after six years of credited service. Each participant's vesting schedule is as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 2 years	0%
2 years, but less than 3 years	20%
3 years, but less than 4 years	40%
4 years, but less than 5 years	60%
5 years, but less than 6 years	80%
6 years or more	100%

Payment of Benefits – Upon termination of service due to death, disability, or retirement 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, periodic installments over a period not to exceed the participant's life expectancy, or an annuity. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeitures – At December 31, 2010 and 2009, forfeited non-vested accounts totaled \$3,616 and \$4,926, respectively. These accounts may be used to reduce future Employer matching contributions. During the year ended December 31, 2010, Employer contributions were reduced by \$3,770 from forfeited non-vested accounts.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting – The financial statements of the Plan are prepared using the accrual basis of accounting.

Investment Valuation and Income Recognition – Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value determinations are made based upon a hierarchy that prioritizes the inputs to valuation techniques. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Three levels of inputs may be used to measure fair value:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date;

Level 2 – Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies; and,

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

BLAIR GROUP, INC. 401(k) PLAN

Notes to Financial Statements December 31, 2010 and 2009

Note 2 – Summary of Significant Accounting Policies (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

Mutual Funds – These investments are public investment vehicles valued using the Net Asset Value ("NAV") provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and classified within level 1 of the valuation hierarchy.

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

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

New Accounting Pronouncements – In January 2010, the Financial Accounting Standards Board ("FASB") updated financial reporting standards ("the Update") to improve disclosures regarding fair value measurements. This Update requires entities to (i) disclose separately the amounts of significant transfers in and out of investments valued using Level 1 and Level 2 fair value measurements and describe the reasons for the transfers and (ii) present separately (i.e., on a gross basis rather than as one net number) information about purchases, sales, issuances, and settlements in the roll forward disclosure of changes in investments valued using Level 3 fair value measurements. The Update also requires fair value disclosures on a more detailed basis (by class of assets and liabilities rather than by major category or line item in the statement of net assets available for benefits). Finally, the Update requires additional disclosures regarding the valuation techniques and inputs used to measure fair value for investments valued using Level 2 and Level 3 inputs. For all portions of the Update except for changes required in the Level 3 investment roll forward information, this Update is effective for interim and annual reporting periods beginning after December 15, 2009 (the 2010 Plan year). For the changes required in the Level 3 investment roll forward information, the Update is effective for fiscal years beginning after December 15, 2010 (the 2011 Plan year). As all of the requirements of this Update are only disclosure related, the adoption of the required portions of this Update in 2010 did not have any effect on any amounts in the accompanying basic financial statements.

On September 16, 2010, the FASB updated financial reporting standards on reporting loans to participants by defined contribution pension plans whereby participant loans are to be reclassified from plan investments to notes receivable and measured at the unpaid principal balance plus accrued but unpaid interest. This change is effective for the 2010 Plan year. The Plan adopted this change in accounting method as of December 31, 2010, and the comparative Statement of Net Assets Available for Benefits as of December 31, 2009 has been adjusted to apply the new method retrospectively. The Plan's Net Assets Available for Benefits was not affected by this change in accounting principle.

BLAIR GROUP, INC. 401(k) PLAN

Notes to Financial Statements December 31, 2010 and 2009

Note 2 – Summary of Significant Accounting Policies (continued)

Excess Contributions Payable – Contributions received from participants during 2010 and 2009 are net of liabilities of \$5,176 and \$2,613 to certain active participants to return to them excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. Those amounts are included in the Plan's statement of net assets available for benefits as excess contributions payable as of December 31, 2010 and 2009.

Benefits Paid to Participants – Benefits are recorded when paid.

Administrative Expenses – Plan administrative expenses and professional fees are typically paid by the Plan and are reflected in the Plan's financial statements.

Use of Estimates – 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, liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Subsequent Events – The Plan has evaluated subsequent events through October 6, 2011 in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Note 3 – Information Certified by the Plan's Trustee (Unaudited)

The Plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by State Street Bank and Trust Company, the trustee, as of December 31, 2010 and 2009 and for the year ended December 31, 2010, except for comparing such information certified by the trustee to information included in the Plan's financial statements and supplemental schedule of assets held at end of year.

	December 31,	
	2010	2009
Mutual funds	\$ 733,277	\$ 695,236
Notes receivable from participants	\$ 20,860	\$ 31,995
	Year Ended December 31, 2010	
Net appreciation in fair value of investments	\$ 65,755	
Dividends	\$ 19,971	
Interest earned on notes receivable from participants	\$ 1,871	

BLAIR GROUP, INC. 401(k) PLAN

Notes to Financial Statements December 31, 2010 and 2009

Note 3 – Information Certified by the Plan’s Trustee (Unaudited) (continued)

The following table presents the fair value of the Plan’s investments that represent 5% or more of the Plan’s net assets as of December 31, 2010 and 2009:

	December 31,	
	2010	2009
GS Government Income Fund - A	\$ 86,507	\$ 66,314
Goldman Sachs Income Strategies	72,666	60,317
GS Mid Cap Value Fund - A	65,861	49,120
Oppenheimer Strategic Income - N	63,624	128,114
Goldman Sachs Ret Strat 2050	61,188	40,604
Invesco International Growth - R	54,714	44,531
Oppenheimer Quest International Value	42,457	46,923
Goldman Sachs Ret Strat 2020	37,764	44,648
Goldman Sachs Ret Strat 2015	38,889	N/A*
Goldman Sachs Ret Strat 2030	49,688	N/A*

* Investment does not represent 5% of the Plan’s net assets as of December 31, 2009.

Note 4 – Fair Value Measurements

The following summarizes the Plan’s investments based upon the fair value hierarchy described in Note 2:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
As of December 31, 2010				
Mutual funds*				
U.S. small cap equities	\$ 19,666	\$ -	\$ -	\$ 19,666
U.S. mid cap equities	78,320	-	-	78,320
U.S. large cap equities	160,581	-	-	160,581
Asset allocation/balanced	201,217	-	-	201,217
Bond funds	63,624	-	-	63,624
U.S. securities	86,507	-	-	86,507
International growth	123,362	-	-	123,362
	<u>\$ 733,277</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 733,277</u>
As of December 31, 2009				
Mutual funds*	\$ 695,236	\$ -	\$ -	\$ 695,236

* Amounts not audited, see Note 3.

BLAIR GROUP, INC. 401(k) PLAN

Notes to Financial Statements December 31, 2010 and 2009

Note 5 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right to discontinue its contribution to the Plan at any time and terminate the Plan subject to the provision set forth in ERISA. In the event of termination of the Plan, participants will become 100% vested in their accounts.

Note 6 – Federal Income Tax Status

The Plan is a Non-Standardized Prototype Plan ("Prototype Plan") sponsored by ADP and adopted by the Company. ADP received an opinion letter from the Internal Revenue Service (the "IRS"), dated March 31, 2008, which states the Prototype Plan satisfies the applicable provisions of the Internal Revenue Code. The Plan has not requested its own determination letter from the IRS. The Company and the Plan administrator believe the Plan is designed and operated in compliance with the applicable requirements of the Internal Revenue Code, the Plan and related trust continue to be tax-exempt, and the Plan has no income subject to unrelated business income tax. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Plan Management 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 audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Plan Management believes it is not subject to income tax examinations for years prior to 2009, as that is the year the Plan was formed.

Note 7 – Party-in-Interest Transactions

Administrative fees paid by the Plan during the year ended December 31, 2010 were based on customary and reasonable rates. Notes receivable from participants are considered party-in-interest transactions because they are transactions entered into between the Plan and participants of the Plan. While these transactions qualify as party-in-interest activity, they are expressly exempted from the prohibited transaction rules (ERISA, Title I, Section 408(b)).

Note 8 – Risk 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 participant account balances and the amounts reported in the statements of net assets available for benefits.

BLAIR GROUP, INC. 401(k) PLAN

**Notes to Financial Statements
December 31, 2010 and 2009**

Note 9 – Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available per the financial statements to Form 5500 as of December 31, 2010 and 2009:

	December 31,	
	2010	2009
Net assets available for benefits per the Form 5500	\$ 754,137	\$ 727,231
Add: Employee and employer receivables	2,475	2,091
Less: Excess contributions payable	(5,176)	(2,613)
Total net assets available per the financial statements	<u>\$ 751,436</u>	<u>\$ 726,709</u>

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to Form 5500 for the year ended December 31, 2010:

Net increase in net assets available for benefits per the Form 5500	\$ 26,906
Add: Current year employee and employer receivables	2,475
Add: Prior year excess contributions payable	2,613
Less: Prior year employee and employer receivables	(2,091)
Less: Current year excess contributions payable	(5,176)
Net increase in net assets available for benefits per the financial statements	<u>\$ 24,727</u>

Supplemental Schedule

BLAIR GROUP, INC. 401(k) PLAN

Form 5500, Schedule H, Line 4i, Schedule of Assets (Held at End of Year)

EIN: 65-0061439, PN: 001

December 31, 2010

(a)	(b)	(c)	(d)	(e)
	Identity of Issuer, Borrower, Lessor or Similar Party	Description of Investment including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
		Mutual Funds:		
	Goldman Sachs Asset Management, L.P.	Goldman Sachs Income Strategies	**	\$ 72,666
	Invesco Advisers, Inc.	Invesco International Growth - R	**	54,714
	Invesco Advisers, Inc.	Invesco Small Cap Growth - R	**	19,666
	Oppenheimer Funds, Inc.	Oppenheimer Strategic Income - N	**	63,624
	Goldman Sachs Asset Management, L.P.	GS Struct Large Cap Growth	**	31,865
	Goldman Sachs Asset Management, L.P.	GS Government Income Fund - A	**	86,507
	Goldman Sachs Asset Management, L.P.	Goldman Sachs Ret Strat 2010	**	3,942
	Goldman Sachs Asset Management, L.P.	Goldman Sachs Ret Strat 2015	**	38,889
	Goldman Sachs Asset Management, L.P.	Goldman Sachs Ret Strat 2020	**	37,764
	Goldman Sachs Asset Management, L.P.	Goldman Sachs Ret Strat 2030	**	49,688
	Goldman Sachs Asset Management, L.P.	Goldman Sachs Ret Strat 2040	**	226
	Goldman Sachs Asset Management, L.P.	Goldman Sachs Ret Strat 2050	**	61,188
	Goldman Sachs Asset Management, L.P.	Goldman Small/Mid Cap Growth - A	**	12,459
	Goldman Sachs Asset Management, L.P.	GS Financial Square Prime - FST	**	9,520
	Franklin Advisers, Inc.	Franklin Growth Fund - R	**	16,956
	Oppenheimer Funds, Inc.	Oppenheimer Equity Income - N	**	27,596
	Oppenheimer Funds, Inc.	Oppenheimer Global Fund - N	**	8,233
	Oppenheimer Funds, Inc.	Oppenheimer Quest International Value	**	42,457
	Goldman Sachs Asset Management, L.P.	GS Mid Cap Value Fund - A	**	65,861
	Davis Selected Advisers, L.P.	Davis NY Venture Fund - R	**	13,199
	Dreyfus Corp.	Dreyfus S&P 500 Index Fund	**	16,257
				<u>733,277</u>
		Notes Receivable from Participants:		
*	Plan Participants	Interest rates ranging from 5.25% to 9.25%, with maturities through 2013	-0-	<u>20,860</u>
				<u><u>\$ 754,137</u></u>

* Party-in-interest to Plan

** Column (d) cost information is not required for participant directed accounts

Schedule C, Line 2(h) Formula Description

For those service providers listed on Line 2 for which Line 2(h) has been checked “yes”:

For a description of indirect compensation received by service providers listed on Line 2 that was disclosed as a formula, please see Line 3(e). Please note: If indirect compensation disclosed as a formula was received by a service provider from more than one source, there will be multiple Lines 3(e) for that service provider.

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

Plan Name BLAIR GROUP, INC 401(K) PLAN

EIN: 65-0061439

Plan Sponsor's Name BLAIR GROUP, INC.

PN: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	GOLDMAN SACHS INCOME STRAT - A	REGISTERED INVESTMENT COMPANY		72,666
	INVESCO INTL GROWTH - R	REGISTERED INVESTMENT COMPANY		54,709
	INVESCO SMALL CAP GROWTH - R	REGISTERED INVESTMENT COMPANY		19,666
	OPPENHEIMER GLBL STRAT INC N	REGISTERED INVESTMENT COMPANY		63,624
	GS STRUCT LARGE CAP GROWTH - A	REGISTERED INVESTMENT COMPANY		31,865
	GS GOVERNMENT INCOME FUND - A	REGISTERED INVESTMENT COMPANY		86,513
	GOLDMAN SACHS RET STRAT 2010 A	REGISTERED INVESTMENT COMPANY		3,942

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

Plan Name _____
Plan Sponsor's Name _____

EIN: _____
PN: _____

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	GOLDMAN SACHS RET STRAT 2015 A	REGISTERED INVESTMENT COMPANY		38,889
	GOLDMAN SACHS RET STRAT 2030 A	REGISTERED INVESTMENT COMPANY		49,688
	GOLDMAN SACHS RET STRAT 2020 A	REGISTERED INVESTMENT COMPANY		37,764
	GOLDMAN SMALL/MID CAP GRO - A	REGISTERED INVESTMENT COMPANY		12,459
	GOLDMAN SACHS RET STRAT 2040 A	REGISTERED INVESTMENT COMPANY		226
	FRANKLIN GROWTH FUND - R	REGISTERED INVESTMENT COMPANY		16,956
	OPPENHEIMER EQUITY INCOME -N	REGISTERED INVESTMENT COMPANY		27,596

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

Plan Name _____
Plan Sponsor's Name _____

EIN: _____
PN: _____

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	OPPENHEIMER GLOBAL FUND - N	REGISTERED INVESTMENT COMPANY		8,233
	OPPENHEIMER QUEST INTL VAL - N	REGISTERED INVESTMENT COMPANY		42,457
	GS MID CAP VALUE FUND - A	REGISTERED INVESTMENT COMPANY		65,861
	GS FIN SQUARE PRIME OBLIG SERV	REGISTERED INVESTMENT COMPANY		9,520
	GOLDMAN SACHS RET STRAT 2050 A	REGISTERED INVESTMENT COMPANY		61,188
	DAVIS NY VENTURE FUND - R	REGISTERED INVESTMENT COMPANY		13,199
	DREYFUS S&P 500 INDEX FUND	REGISTERED INVESTMENT COMPANY		16,257

Plan Name _____ EIN: _____
Plan Sponsor's Name _____ PN: _____

[illegible]