

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 01/01/2010 and ending 12/31/2010			
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 COAXIS, INC. 401(K) PLAN	1b Three-digit plan number (PN) ►	001	
	1c Effective date of plan	07/01/1990	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) COAXIS, INC. 1515 SE WATER AVE STE 300 PORTLAND, OR 97214	2b Employer Identification Number (EIN) 59-2993235	2c Sponsor's telephone number 971-255-4646	2d Business code (see instructions) 541990

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.	10/17/2011	CRAIG HUFFMAN
	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") COAXIS, INC. 1515 SE WATER AVE STE 300 PORTLAND, OR 97214	3b Administrator's EIN 59-2993235 3c Administrator's telephone number 971-255-4646
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	222
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	180
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	50
d Subtotal. Add lines 6a , 6b , and 6c	6d	230
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	1
f Total. Add lines 6d and 6e	6f	231
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	226
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	1

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K 2R 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) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

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

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 COAXIS, INC. 401(K) PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 COAXIS, INC.		D Employer Identification Number (EIN) 59-2993235

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FID.INV.INST.OPS.CO.
04-2647786

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 65 60	RECORDKEEPER	50	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 ☐

(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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
AM CENT GOVT BD INV - AMERICAN CENT	0.25%	
44-0619208		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
ASTON/O MID CAP N - PNC GLOBAL INVE	0.40%	
04-2871943		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
HARBOR INTL INV - HARBOR SERVICES G	0.35%	
34-1953399		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
HEARTLAND VAL PLS IV - ALPS FUND SE 20-3247785	0.50%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
INVS HIGH YLD INST - INVESCO CANADA 98-0557567	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MFS MA INV TRUST R3 - MFS SERVICE C 04-2865649	0.50%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MSIF MID CAP GRTH P - JPMORGAN INVE 22-2382028	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OAKMARK EQ & INC I - BOSTON FINANCI 04-2526037	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIMCO TOT RETURN ADM - BOSTON FINAN 04-2526037	0.25%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
RDGWTH MID CAP VAL I - CITI FUND SE	0.40%	
31-1249295		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TCW SM CAP GRTH N - US BANCORP FUND	0.50%	
39-0281260		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP EQUITY INC ADV - T ROWE PRICE I	0.40%	
52-1184650		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
WFA SM CAP VAL INV - BOSTON FINANCI 04-2526037	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUT	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
COHEN & STEERS REALTY SHARES 280 PARK AVENUE, 10TH FLOOR NEW YORK, NY 10017	.40%	
(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: PERKINS & CO	b EIN: 93-0928924
c Position: ACCOUNTANT	
d Address: 1211 SW FIFTH AVE SUITE 1000 PORTLAND, OR 97204	e Telephone: 503-221-0336

Explanation: CHANGED CORPORATE AUDITOR WANTED TO WORK WITH A SINGLE FIRM

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

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

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) 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 COAXIS, INC. 401(K) PLAN	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 COAXIS, INC.	D Employer Identification Number (EIN) 59-2993235	

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)	8294	9361
(2) Participant contributions	1b(2)	31421	28392
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	330	0
(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)	74510	78885
(9) Value of interest in common/collective trusts.....	1c(9)	1645205	0
(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)	8826924	12164900
(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)	1287	0
(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	10587971	12281538

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	10587971	12281538
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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)	247676	
(B) Participants	2a(1)(B)	890632	
(C) Others (including rollovers)	2a(1)(C)	3308	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1141616

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)	2884	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2884

(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)	236633	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		236633

(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)		

		(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)		
(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)		973203
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2354336

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	659925	
(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)		659925
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	760	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	84	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		844
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		660769

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1693567
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: KPMG LLP

(2) EIN: 13-5565207

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		

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

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

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan COAXIS, INC. 401(K) PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 COAXIS, INC.		D Employer Identification Number (EIN) 59-2993235
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): 13-5674085 04-6568107		
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	
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		
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): _____



COAXIS, INC.
401(k) PLAN

Financial Statements and Supplemental Schedule

December 31, 2010 and 2009

(With Independent Auditors' Report Thereon)

**COAXIS, INC.
401(k) PLAN**

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KPMG LLP
Suite 3800
1300 South West Fifth Avenue
Portland, OR 97201

Independent Auditors' Report

Coaxis and the Trustee of Coaxis 401(k) Plan
Portland, Oregon:

We were engaged to audit the accompanying statements of net assets available for benefits of the Coaxis 401(k) Plan as of December 31, 2010, and the related statements of changes in net assets available for benefits for the year ended December 31, 2010, and the supplemental schedule 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. The financial statements of the Plan as of and for the year ended December 31, 2009 were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed the other auditors not to perform and they did not perform any auditing procedures with respect to the information certified by the trustee. Their report, dated September 30, 2010, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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 5 to the financial statements, which was certified by Bank of America, N.A. (formerly known as Merrill Lynch & Co., Inc. prior to November 1, 2010) and Fidelity Management Trust Company, the trustees of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions from November 1, 2010 to December 31, 2010, and that Bank of America N.A. held the Plan's investment assets and executed investment transactions as of December 31, 2009 and for the period from January 1, 2010 to October 31, 2010. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2010 and 2009 that the information provided to the plan administrator by the trustees is complete and accurate.



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

KPMG LLP

October 14, 2011

COAXIS, INC.
401(k) PLAN

Statements of Net Assets Available for Benefits

December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Assets:		
Investments, at fair value:	\$ 12,164,900	10,473,416
Cash	—	330
Receivables:		
Employer's contributions	9,361	8,294
Participants' contributions	<u>28,392</u>	<u>31,421</u>
Total receivables	37,753	39,715
Notes receivable from participants	<u>78,885</u>	<u>74,510</u>
Total assets	12,281,538	10,587,971
Liabilities:		
Excess contributions payable	<u>195</u>	<u>—</u>
Net assets available for benefits at fair value	12,281,343	10,587,971
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>—</u>	<u>107,401</u>
Net assets available for benefits	<u><u>\$ 12,281,343</u></u>	<u><u>10,695,372</u></u>

See accompanying notes to financial statements.

COAXIS, INC.
401(k) PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Additions:		
Investment income:		
Net appreciation in fair value of investments	\$ 865,802	1,885,011
Interest and dividend income	236,633	20,614
Total investment income	<u>1,102,435</u>	<u>1,905,625</u>
Interest received on note receivable from participants	2,884	3,857
Contributions:		
Participant contributions	890,437	837,686
Employer contributions	247,676	210,054
Participant rollovers	3,308	264,536
Total contributions	<u>1,141,421</u>	<u>1,312,276</u>
Total additions	<u>2,246,740</u>	<u>3,221,758</u>
Deductions:		
Benefits paid to participants	659,925	1,233,611
Administrative expenses	844	1,110
Total deductions	<u>660,769</u>	<u>1,234,721</u>
Net increase in net assets available for benefits	1,585,971	1,987,037
Net assets available for benefits:		
Beginning of year	<u>10,695,372</u>	<u>8,708,335</u>
End of year	<u>\$ 12,281,343</u>	<u>10,695,372</u>

See accompanying notes to financial statements.

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

(1) Description of Plan

The following description of the Coaxis 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan maintained for the benefit of all eligible employees of Coaxis, Inc. (the Company or Coaxis). The Plan's investment committee manages the operation and administration of the Plan. Fidelity Management Trust Company (Fidelity) serves as the trustee of the Plan, effective November 1, 2010. Bank of America, N. A. (formerly known as Merrill Lynch & Co., Inc. prior to November 1, 2010) (Bank of America) served as the trustee prior to October 31, 2010. The plan sponsor and plan administrator is Coaxis, Inc. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) Eligibility

Employees who are 21 years of age are eligible to participate in the Plan following three months of service. Eligible employees exclude (1) union employees, (2) certain nonresident aliens, (3) leased employees, and (4) temporary employees.

(c) Contributions

Contributions consist of employee elective deferrals and discretionary employer matching and profit sharing contributions. Participants may voluntarily contribute up to 50% of their compensation to the Plan, limited to \$16,500 in 2010 and 2009, subject to limitation under the Internal Revenue Code (IRC). Participants age 50 and older may elect to make additional catch-up contributions up to the maximum annual amount of \$5,500 in 2010 and 2009. In 2010 and 2009, the Company made matching contributions in the amount of 50% of the first 6% of compensation contributed. In addition, the Company may make a profit sharing contribution determined annually at the Company's discretion. The Company did not make profit sharing contributions during 2010 or 2009. Contributions are subject to other limits under the IRC.

Participants are automatically enrolled at a 3% deferral rate unless they elect otherwise.

(d) Participant Accounts

A separate account is valued daily and maintained for each participant, which is credited with the participant's contributions, the Company's contributions, and an allocation of plan earnings and expenses. Allocation of plan earnings is based upon participant account balances. Allocation of matching contributions is based on a percentage of each employee's elective deferral. Allocation of profit sharing contributions is based on the ratio the participant's compensation bears to the total compensation of eligible participants. The benefit to which a participant is entitled is the vested amount in their individual account.

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

(e) Vesting

Participants are immediately vested in their voluntary contributions and actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 25% vested after two years of credited service and each year thereafter until fully vested.

(f) Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$500 up to a maximum of \$50,000 not to exceed 50% of the participant's account balance. 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 by the plan administrator. Interest rates range from 4.25% to 9.25% as of December 31, 2010 and the loans mature through 2015. Principal and interest are paid ratably through payroll deductions. Loan terms range from 1 to 5 years or up to 10 years for the purchase of a primary residence.

(g) Expenses

The majority of the Plan's expenses are paid by Coaxis, at its discretion, as provided by the plan document. Administrative expenses were paid to Bank of America and Fidelity for record keeping, reporting and compliance testing for the year ended December 31, 2010.

(h) Payment of Benefits

A participant with an account balance greater than \$5,000 may elect to receive a lump-sum distribution or installments, following termination or attainment of age 59^{1/2}. On termination of service, a participant with an account balance of \$5,000 or less will receive a lump-sum amount equal to the value of the participant's vested interest in his or her account following termination.

If the vested account balance exceeds \$1,000 but is no more than \$5,000, the participant's account will be automatically transferred to a qualified IRA account selected by the plan administrator, unless directed by participant. If the vested account balance is no more than \$1,000, unless elected by the participant, the entire account will be paid to the participant in a single lump-sum payment as soon as administratively possible following retirement or other termination of employment.

In addition, hardship withdrawals are permitted if certain criteria are met. Participants with hardship withdrawals are prohibited from making contributions to the Plan for 6 months after receipt of the hardship distribution.

(i) Forfeited Accounts

The balances of terminated participants' nonvested accounts are used to reduce future employer contributions. Forfeited nonvested accounts amounted to \$19,345 and \$6,334 at December 31, 2010 and 2009, respectively. During 2010 and 2009, \$10,336 and \$21,972 of forfeitures were used to reduce employer contributions, respectively.

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

(j) Excess Contributions Payable

Excess contributions represent amounts refunded to participants subsequent to year-end as required under the IRC.

(2) Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The statement of net assets available for benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

(b) Investment Valuation and Income Recognition

Investments are reported at fair value except for benefit-responsive investment contracts, which are carried at contract 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. 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 gains and losses on investments bought and sold during the year as well as the change in the unrealized appreciation or depreciation on those investments from one period to the next.

(c) Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(d) Benefits Payments

Benefits are recorded when paid.

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

(e) Risk and Uncertainties

The Plan provides for investments that are exposed to various 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 the amounts reported in the statement of net assets available for benefits, and therefore participants' account balances.

(f) Recent Accounting Pronouncements

In September 2010, the FASB issued Accounting Standards Update (ASU) No. 2010 - 25, *Plan Accounting – Defined Contribution Pension Plans (Topic 962): Reporting Loans to Participants by Defined Contribution Pension Plans, a consensus of the FASB Emerging Issues Task Force* (Update). This Update requires that participant loans be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. The amendments in the Update are to be applied retrospectively to all prior periods presented, effective for fiscal years ending after December 15, 2010. The Form 5500 will continue to present notes receivable from participants as an investment.

(g) Reclassifications

Certain reclassifications have been made to prior year balances to conform to the current year presentation. These reclassifications have no impact on statements of changes in net assets available for benefits.

(h) Subsequent Events

The Plan evaluated subsequent events after the balance sheet date of December 31, 2010 through October 14, 2011, which was the date the financial statements were available to be issued.

(3) Investments

The Plan's investments were held by Fidelity for the period between November 1, 2010 and December 31, 2010. From January 1, 2010 to October 31, 2010, the Plan's investments were held by Bank of America. Upon enrollment in the Plan, participants may direct investment of contributions among a selection of available funds. Participants may change their investment options daily.

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

The following presents investments that represent 5% or more of the Plan's net assets at December 31:

	<u>2010</u>
Mutual funds:	
American Century Government Bond Fund – Investor	\$ 714,124
Harbor International Fund	804,041
Fidelity Contrafund	1,474,468
Fidelity Freedom 2020	878,827
Fidelity Money Market Trust Retirement	1,836,212
Fidelity Freedom 2015	1,061,593
Fidelity Freedom 2025	767,390
	<u>2009</u>
Common/collective trust fund:	
Merrill Lynch Ret Preservation Trust, at contract value	\$ 1,576,423
Mutual funds:	
Janus Advisor Forty Fund A	1,376,037
Davis NY Venture Fund Class A	606,612
JP Morgan Government Bond	1,763,391
American Europacific Growth Fund	1,042,955

Net appreciation in fair value of investments for the years ended December 31, 2010 and 2009 is as follows:

	<u>2010</u>	<u>2009</u>
Mutual funds	\$ 865,802	1,864,400
Common/collective trust fund	—	20,611
	<u>\$ 865,802</u>	<u>1,885,011</u>

(4) Fair Value Measurements

ASC No. 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the plan has the ability to access at the measurement date.

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

Level 2 – Inputs to the valuation methodology include:

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

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

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

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

Mutual funds: Valued at the net asset value as reported on national securities exchanges at the end of each business day.

Common collective trust funds: Units in the CCTs are valued based on the underlying investments, the majority of which are based on quoted prices. However, units in CCTs are not publically traded, but rather, are redeemable only by the issuer. The fair value of the Plan's investment in CCTs represents the value of the Plan's interests in the overall value of the CCT and the present value of discounted cash flows. Investments in CCTs can generally be redeemed without restriction; however, in certain cases, redemption or purchase may be limited to prevent excess and/or short-term trading. In addition, if a fund experiences periods of insufficient liquidity then the fund may defer honoring any payment request until liquidity is sufficient.

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

COAXIS, INC.
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Notes to Financial Statements

December 31, 2010 and 2009

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Government bonds	\$ 955,949	—	—	955,949
Emerging markets	247,307	—	—	247,307
Domestic large cap	7,282,728	—	—	7,282,728
Domestic mid cap	661,233	—	—	661,233
Domestic small cap	349,635	—	—	349,635
Foreign large cap	831,836	—	—	831,836
Money market	1,836,212	—	—	1,836,212
Total investments at fair value	\$ <u>12,164,900</u>	<u>—</u>	<u>—</u>	<u>12,164,900</u>

The following table sets for by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Government bonds	\$ 2,110,780	—	—	2,110,780
Emerging markets	143,674	—	—	143,674
Domestic large cap	4,230,641	—	—	4,230,641
Domestic mid cap	465,773	—	—	465,773
Domestic small cap	480,708	—	—	480,708
Foreign large cap	1,395,348	—	—	1,395,348
Common stock	1,287	—	—	1,287
Common/collective trust funds	—	1,645,205	—	1,645,205
Total investments at fair value	\$ <u>8,828,211</u>	<u>1,645,205</u>	<u>—</u>	<u>10,473,416</u>

(5) Information Certified by the Trustees of the Plan

The plan administrator has elected the method of annual reporting and compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. The following information included in the financial statements and supplemental schedule was provided and certified by the Plan's trustees, Bank of America and Fidelity, as complete and accurate:

- Investments, at fair value
- Notes receivable from participants
- Interest received on notes receivable from participants

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

- Investment income
- Investments (note 3)
- Fair value measurements (note 4)
- Schedule of assets (held at end of year) – (schedule)

(6) Common/Collective Trust Funds

The Plan held investments in the Merrill Lynch Equity Index Trust II and Merrill Lynch Retirement Preservation Trust, common/collective trust funds (the CCTs) prior to November 1 2010. The investments were disposed of as part of the switch to Fidelity. Bank of America was the trustee of the CCTs. The Merrill Lynch Equity Index Trust II CCT invested in equity securities that are traded on stock exchanges and portfolio securities that are traded both in the OTC markets and on a stock exchange. The Merrill Lynch Retirement Preservation Trust CCT invested in a portfolio of securities, primarily traditional guaranteed investment contracts and a benefit-responsive, contract value wrap contract purchased for the portfolio. The wrap contracts amortized gains and losses of the underlying securities over the portfolio duration, and assured that contract value, benefit-responsive payments were made for participant directed withdrawals. Wrap contracts were issued by third parties, typically banks and insurance companies and were designed to allow a stable asset fund to maintain a constant net asset value and to protect a fund in extreme circumstances. In a typical wrap contract, the wrap issuer agrees to pay a fund the difference between the contract value and the market value of the underlying assets for participant directed redemptions once the market value has been totally exhausted.

The Merrill Lynch Retirement Preservation Trust CCT was fully benefit responsive. Contract value was the relevant measurement attributable for that portion of the net assets available for the benefits attributable to the CCT. Contract value, as reported to the Plan by Bank of America, represented contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants ordinarily directed the withdrawal or transfer of all or a portion of the investment at contract value.

There were no reserves against contract value for credit risk of a contract issuer or otherwise. The fair value recorded in the Plan's financial statements for such fund was \$1,645,205 at December 31, 2009. Effective November 1, 2010, the Plan no longer invests in CCTs.

The wrap contracts accrued interest using a formula called the "crediting rate." The crediting rate was primarily based on the current yield-to-maturity of the covered investments, plus or minus amortization of the difference between the market value and contract value of the covered investments over the duration of the covered investments at the time of computation. The crediting rate can be adjusted periodically and is usually adjusted either monthly or quarterly. The wrap contracts provided a guarantee that the crediting rate will not fall below zero. The average interest crediting rate at December 31, 2009 was 2.35%.

The wrap contracts limited the Plan's ability to transact at contract value upon the occurrence of certain events. Such events include, but are not limited to layoffs, plan termination, business closings, reorganizations, liquidations, and the failure of the Plan to qualify under Section 401(a) or Section 401(k) of the IRC. The Plan administrator does not believe that any events that would limit the Plan's ability to transact at contract value with participants are probable of occurring.

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401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

The wrap contract issuers may terminate a wrap contract at any time. In the event that the fair value of the CCT's portfolio of securities is below its contract value at the time of such termination and terms of the wrap contract have otherwise been met, Bank of America may elect to keep the wrap contract in place until such time as the market value of the securities is equal to its contract value.

The average yield earned by the CCT calculated based on the change in the net asset value between the beginning and the end of the year was 2.35% for the year ended December 31, 2009. The average yield earned with an adjustment to reflect the actual interest rate credited to participants was 2.57% for the year ended December 31, 2009. For the period between January 1, 2010 and October 31, 2010, the average yield earned by the CCT calculated based on the change in the net asset value between the beginning and the end of the period was 1.45%.

(7) Exempt Party-in-Interest Transactions

Prior to October 31, 2010, certain plan investments were shares of common/collective funds and mutual funds managed by Bank of America. Effective November 1, 2010, plan investments were mutual funds managed by Fidelity. Fidelity is and Bank of America was the trustee as defined by the Plan and, therefore, these investments represented exempt party-in-interest transactions. Fees for investment management services charged by the trustees are netted against plan earnings.

(8) 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 will become fully vested in their employer contributions.

(9) Income Tax Status

The Plan uses a prototype plan document sponsored by Fidelity. Fidelity received an opinion letter from the Internal Revenue Service (IRS), which states that the prototype document satisfies the applicable provisions of the IRC. The Plan itself has not received a determination letter from the IRS. However, the Plan's management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan's financial statements.

The plan document in effect until October 31, 2010 was a nonstandardized prototype profit sharing plan sponsored by Merrill Lynch, a subsidiary of Bank of America. The plan document obtained an opinion letter on January 1, 2006 in which the IRS stated that the Plan, as they designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America requires 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

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

concluded that as of December 31, 2010, 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 2008.

(10) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits reported on the financial statements to the Form 5500 at December 31:

	<u>2010</u>	<u>2009</u>
Net assets available for benefits reported on the financial statements	\$ 12,281,343	10,695,372
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	—	(107,401)
Excess contributions payable	<u>195</u>	<u>—</u>
Net assets available for benefits reported on the Form 5500	<u>\$ 12,281,538</u>	<u>10,587,971</u>

The following is a reconciliation of the net increase in net assets available for benefits reported on the financial statements to the Form 5500 for the years ended December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Net increase in net assets available for benefits reported on the financial statements	\$ 1,585,971	1,987,037
Adjustment from contract value to fair value for fully benefit-responsive investment contracts – prior year	107,401	232,744
Adjustment from contract value to fair value for fully benefit-responsive investment contracts – current year	—	(107,401)
Excess contributions payable	<u>195</u>	<u>—</u>
Total contributions reported on the Form 5500	<u>\$ 1,693,567</u>	<u>2,112,380</u>

COAXIS, INC.

401 (k) Plan

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

December 31, 2010

Identity of issuer, borrower, lessor, or similar party	Description of investment, including maturity date, interest rate, collateral, par, or maturity value	Current value
	Mutual funds:	
Brokerage Link	Brokerage Link	\$ 25,743
PIMCO	PIMCO Total Return Fund	217
Morgan Stanley	Morgan Stanley Institutional Mid Cap Growth Portfolio	349,789
Invesco	Invesco Developing Markets Fund A	247,307
Invesco	Invesco High Yield Fund	60,415
T Rowe Price	T Rowe Price Equity Income Fund	319,382
RidgeWorth	RidgeWorth Mid-Cap Value Equity Fund I	262,403
American Century	American Century Government Bond Fund	714,124
Harbor	Harbor International Fund	804,041
TCW	TCW Small Cap Growth Fund N	1,781
Oakmark	Oakmark Equity and Income Fund I	464,975
Wells Fargo Advantage	Wells Fargo Advantage Small Cap Value Fund	313,323
Aston/Optimum	Aston/Optimum Mid Cap Fund	38,516
Heartland	Heartland Value Plus Fund	34,531
MFS	MFS Massachusetts Investors Trust Fund R3	420,583
* Fidelity	Fidelity Contrafund	1,474,468
* Fidelity	Fidelity Freedom Income Fund	21
* Fidelity	Fidelity Freedom 2010 Fund	198,006
* Fidelity	Fidelity Freedom 2020 Fund	878,827
* Fidelity	Fidelity Freedom 2030 Fund	305,699
* Fidelity	Fidelity Spartan International Index Fund	27,795
* Fidelity	Fidelity Money Market Trust Retirement	1,836,212
* Fidelity	Fidelity Spartan 500 Index Fund	281,935
* Fidelity	Fidelity Institutional Short-Intermediate Government Fund	181,193
* Fidelity	Fidelity Freedom 2040 Fund	287,793
* Fidelity	Fidelity Freedom 2015 Fund	1,061,593
* Fidelity	Fidelity Freedom 2025 Fund	767,390
* Fidelity	Fidelity Freedom 2035 Fund	564,705
* Fidelity	Fidelity Freedom 2045 Fund	226,354
* Fidelity	Fidelity Freedom 2050 Fund	15,779
	Total mutual funds	12,164,900
* Various participants	Notes receivable from participants at interest rates ranging from 4.25% to 9.25% maturing through 2015	78,885
	Total	\$ 12,243,785

* Represents a party-in-interest transaction as of December 31, 2010

See accompanying independent auditors' report.



COAXIS, INC.
401(k) PLAN

Financial Statements and Supplemental Schedule

December 31, 2010 and 2009

(With Independent Auditors' Report Thereon)

**COAXIS, INC.
401(k) PLAN**

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KPMG LLP
Suite 3800
1300 South West Fifth Avenue
Portland, OR 97201

Independent Auditors' Report

Coaxis and the Trustee of Coaxis 401(k) Plan
Portland, Oregon:

We were engaged to audit the accompanying statements of net assets available for benefits of the Coaxis 401(k) Plan as of December 31, 2010, and the related statements of changes in net assets available for benefits for the year ended December 31, 2010, and the supplemental schedule 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. The financial statements of the Plan as of and for the year ended December 31, 2009 were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed the other auditors not to perform and they did not perform any auditing procedures with respect to the information certified by the trustee. Their report, dated September 30, 2010, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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 5 to the financial statements, which was certified by Bank of America, N.A. (formerly known as Merrill Lynch & Co., Inc. prior to November 1, 2010) and Fidelity Management Trust Company, the trustees of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions from November 1, 2010 to December 31, 2010, and that Bank of America N.A. held the Plan's investment assets and executed investment transactions as of December 31, 2009 and for the period from January 1, 2010 to October 31, 2010. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2010 and 2009 that the information provided to the plan administrator by the trustees is complete and accurate.



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

KPMG LLP

October 14, 2011

COAXIS, INC.
401(k) PLAN

Statements of Net Assets Available for Benefits

December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Assets:		
Investments, at fair value:	\$ 12,164,900	10,473,416
Cash	—	330
Receivables:		
Employer's contributions	9,361	8,294
Participants' contributions	<u>28,392</u>	<u>31,421</u>
Total receivables	37,753	39,715
Notes receivable from participants	<u>78,885</u>	<u>74,510</u>
Total assets	12,281,538	10,587,971
Liabilities:		
Excess contributions payable	<u>195</u>	<u>—</u>
Net assets available for benefits at fair value	12,281,343	10,587,971
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>—</u>	<u>107,401</u>
Net assets available for benefits	<u><u>\$ 12,281,343</u></u>	<u><u>10,695,372</u></u>

See accompanying notes to financial statements.

COAXIS, INC.
401(k) PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Additions:		
Investment income:		
Net appreciation in fair value of investments	\$ 865,802	1,885,011
Interest and dividend income	236,633	20,614
Total investment income	<u>1,102,435</u>	<u>1,905,625</u>
Interest received on note receivable from participants	2,884	3,857
Contributions:		
Participant contributions	890,437	837,686
Employer contributions	247,676	210,054
Participant rollovers	3,308	264,536
Total contributions	<u>1,141,421</u>	<u>1,312,276</u>
Total additions	<u>2,246,740</u>	<u>3,221,758</u>
Deductions:		
Benefits paid to participants	659,925	1,233,611
Administrative expenses	844	1,110
Total deductions	<u>660,769</u>	<u>1,234,721</u>
Net increase in net assets available for benefits	1,585,971	1,987,037
Net assets available for benefits:		
Beginning of year	<u>10,695,372</u>	<u>8,708,335</u>
End of year	<u>\$ 12,281,343</u>	<u>10,695,372</u>

See accompanying notes to financial statements.

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

(1) Description of Plan

The following description of the Coaxis 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined contribution plan maintained for the benefit of all eligible employees of Coaxis, Inc. (the Company or Coaxis). The Plan's investment committee manages the operation and administration of the Plan. Fidelity Management Trust Company (Fidelity) serves as the trustee of the Plan, effective November 1, 2010. Bank of America, N. A. (formerly known as Merrill Lynch & Co., Inc. prior to November 1, 2010) (Bank of America) served as the trustee prior to October 31, 2010. The plan sponsor and plan administrator is Coaxis, Inc. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) Eligibility

Employees who are 21 years of age are eligible to participate in the Plan following three months of service. Eligible employees exclude (1) union employees, (2) certain nonresident aliens, (3) leased employees, and (4) temporary employees.

(c) Contributions

Contributions consist of employee elective deferrals and discretionary employer matching and profit sharing contributions. Participants may voluntarily contribute up to 50% of their compensation to the Plan, limited to \$16,500 in 2010 and 2009, subject to limitation under the Internal Revenue Code (IRC). Participants age 50 and older may elect to make additional catch-up contributions up to the maximum annual amount of \$5,500 in 2010 and 2009. In 2010 and 2009, the Company made matching contributions in the amount of 50% of the first 6% of compensation contributed. In addition, the Company may make a profit sharing contribution determined annually at the Company's discretion. The Company did not make profit sharing contributions during 2010 or 2009. Contributions are subject to other limits under the IRC.

Participants are automatically enrolled at a 3% deferral rate unless they elect otherwise.

(d) Participant Accounts

A separate account is valued daily and maintained for each participant, which is credited with the participant's contributions, the Company's contributions, and an allocation of plan earnings and expenses. Allocation of plan earnings is based upon participant account balances. Allocation of matching contributions is based on a percentage of each employee's elective deferral. Allocation of profit sharing contributions is based on the ratio the participant's compensation bears to the total compensation of eligible participants. The benefit to which a participant is entitled is the vested amount in their individual account.

COAXIS, INC.
401(k) PLAN

Notes to Financial Statements

December 31, 2010 and 2009

(e) Vesting

Participants are immediately vested in their voluntary contributions and actual earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 25% vested after two years of credited service and each year thereafter until fully vested.

(f) Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$500 up to a maximum of \$50,000 not to exceed 50% of the participant's account balance. 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 by the plan administrator. Interest rates range from 4.25% to 9.25% as of December 31, 2010 and the loans mature through 2015. Principal and interest are paid ratably through payroll deductions. Loan terms range from 1 to 5 years or up to 10 years for the purchase of a primary residence.

(g) Expenses

The majority of the Plan's expenses are paid by Coaxis, at its discretion, as provided by the plan document. Administrative expenses were paid to Bank of America and Fidelity for record keeping, reporting and compliance testing for the year ended December 31, 2010.

(h) Payment of Benefits

A participant with an account balance greater than \$5,000 may elect to receive a lump-sum distribution or installments, following termination or attainment of age 59^{1/2}. On termination of service, a participant with an account balance of \$5,000 or less will receive a lump-sum amount equal to the value of the participant's vested interest in his or her account following termination.

If the vested account balance exceeds \$1,000 but is no more than \$5,000, the participant's account will be automatically transferred to a qualified IRA account selected by the plan administrator, unless directed by participant. If the vested account balance is no more than \$1,000, unless elected by the participant, the entire account will be paid to the participant in a single lump-sum payment as soon as administratively possible following retirement or other termination of employment.

In addition, hardship withdrawals are permitted if certain criteria are met. Participants with hardship withdrawals are prohibited from making contributions to the Plan for 6 months after receipt of the hardship distribution.

(i) Forfeited Accounts

The balances of terminated participants' nonvested accounts are used to reduce future employer contributions. Forfeited nonvested accounts amounted to \$19,345 and \$6,334 at December 31, 2010 and 2009, respectively. During 2010 and 2009, \$10,336 and \$21,972 of forfeitures were used to reduce employer contributions, respectively.

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(j) Excess Contributions Payable

Excess contributions represent amounts refunded to participants subsequent to year-end as required under the IRC.

(2) Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The statement of net assets available for benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

(b) Investment Valuation and Income Recognition

Investments are reported at fair value except for benefit-responsive investment contracts, which are carried at contract 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. 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 gains and losses on investments bought and sold during the year as well as the change in the unrealized appreciation or depreciation on those investments from one period to the next.

(c) Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(d) Benefits Payments

Benefits are recorded when paid.

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(e) Risk and Uncertainties

The Plan provides for investments that are exposed to various 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 the amounts reported in the statement of net assets available for benefits, and therefore participants' account balances.

(f) Recent Accounting Pronouncements

In September 2010, the FASB issued Accounting Standards Update (ASU) No. 2010 - 25, *Plan Accounting – Defined Contribution Pension Plans (Topic 962): Reporting Loans to Participants by Defined Contribution Pension Plans, a consensus of the FASB Emerging Issues Task Force* (Update). This Update requires that participant loans be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. The amendments in the Update are to be applied retrospectively to all prior periods presented, effective for fiscal years ending after December 15, 2010. The Form 5500 will continue to present notes receivable from participants as an investment.

(g) Reclassifications

Certain reclassifications have been made to prior year balances to conform to the current year presentation. These reclassifications have no impact on statements of changes in net assets available for benefits.

(h) Subsequent Events

The Plan evaluated subsequent events after the balance sheet date of December 31, 2010 through October 14, 2011, which was the date the financial statements were available to be issued.

(3) Investments

The Plan's investments were held by Fidelity for the period between November 1, 2010 and December 31, 2010. From January 1, 2010 to October 31, 2010, the Plan's investments were held by Bank of America. Upon enrollment in the Plan, participants may direct investment of contributions among a selection of available funds. Participants may change their investment options daily.

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The following presents investments that represent 5% or more of the Plan's net assets at December 31:

	<u>2010</u>
Mutual funds:	
American Century Government Bond Fund – Investor	\$ 714,124
Harbor International Fund	804,041
Fidelity Contrafund	1,474,468
Fidelity Freedom 2020	878,827
Fidelity Money Market Trust Retirement	1,836,212
Fidelity Freedom 2015	1,061,593
Fidelity Freedom 2025	767,390
	<u>2009</u>
Common/collective trust fund:	
Merrill Lynch Ret Preservation Trust, at contract value	\$ 1,576,423
Mutual funds:	
Janus Advisor Forty Fund A	1,376,037
Davis NY Venture Fund Class A	606,612
JP Morgan Government Bond	1,763,391
American Europacific Growth Fund	1,042,955

Net appreciation in fair value of investments for the years ended December 31, 2010 and 2009 is as follows:

	<u>2010</u>	<u>2009</u>
Mutual funds	\$ 865,802	1,864,400
Common/collective trust fund	—	20,611
	<u>\$ 865,802</u>	<u>1,885,011</u>

(4) Fair Value Measurements

ASC No. 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the plan has the ability to access at the measurement date.

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Level 2 – Inputs to the valuation methodology include:

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

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

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

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

Mutual funds: Valued at the net asset value as reported on national securities exchanges at the end of each business day.

Common collective trust funds: Units in the CCTs are valued based on the underlying investments, the majority of which are based on quoted prices. However, units in CCTs are not publically traded, but rather, are redeemable only by the issuer. The fair value of the Plan's investment in CCTs represents the value of the Plan's interests in the overall value of the CCT and the present value of discounted cash flows. Investments in CCTs can generally be redeemed without restriction; however, in certain cases, redemption or purchase may be limited to prevent excess and/or short-term trading. In addition, if a fund experiences periods of insufficient liquidity then the fund may defer honoring any payment request until liquidity is sufficient.

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

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December 31, 2010 and 2009

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Government bonds	\$ 955,949	—	—	955,949
Emerging markets	247,307	—	—	247,307
Domestic large cap	7,282,728	—	—	7,282,728
Domestic mid cap	661,233	—	—	661,233
Domestic small cap	349,635	—	—	349,635
Foreign large cap	831,836	—	—	831,836
Money market	1,836,212	—	—	1,836,212
Total investments at fair value	\$ <u>12,164,900</u>	<u>—</u>	<u>—</u>	<u>12,164,900</u>

The following table sets for by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Government bonds	\$ 2,110,780	—	—	2,110,780
Emerging markets	143,674	—	—	143,674
Domestic large cap	4,230,641	—	—	4,230,641
Domestic mid cap	465,773	—	—	465,773
Domestic small cap	480,708	—	—	480,708
Foreign large cap	1,395,348	—	—	1,395,348
Common stock	1,287	—	—	1,287
Common/collective trust funds	—	1,645,205	—	1,645,205
Total investments at fair value	\$ <u>8,828,211</u>	<u>1,645,205</u>	<u>—</u>	<u>10,473,416</u>

(5) Information Certified by the Trustees of the Plan

The plan administrator has elected the method of annual reporting and compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. The following information included in the financial statements and supplemental schedule was provided and certified by the Plan's trustees, Bank of America and Fidelity, as complete and accurate:

- Investments, at fair value
- Notes receivable from participants
- Interest received on notes receivable from participants

COAXIS, INC.
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Notes to Financial Statements

December 31, 2010 and 2009

- Investment income
- Investments (note 3)
- Fair value measurements (note 4)
- Schedule of assets (held at end of year) – (schedule)

(6) Common/Collective Trust Funds

The Plan held investments in the Merrill Lynch Equity Index Trust II and Merrill Lynch Retirement Preservation Trust, common/collective trust funds (the CCTs) prior to November 1 2010. The investments were disposed of as part of the switch to Fidelity. Bank of America was the trustee of the CCTs. The Merrill Lynch Equity Index Trust II CCT invested in equity securities that are traded on stock exchanges and portfolio securities that are traded both in the OTC markets and on a stock exchange. The Merrill Lynch Retirement Preservation Trust CCT invested in a portfolio of securities, primarily traditional guaranteed investment contracts and a benefit-responsive, contract value wrap contract purchased for the portfolio. The wrap contracts amortized gains and losses of the underlying securities over the portfolio duration, and assured that contract value, benefit-responsive payments were made for participant directed withdrawals. Wrap contracts were issued by third parties, typically banks and insurance companies and were designed to allow a stable asset fund to maintain a constant net asset value and to protect a fund in extreme circumstances. In a typical wrap contract, the wrap issuer agrees to pay a fund the difference between the contract value and the market value of the underlying assets for participant directed redemptions once the market value has been totally exhausted.

The Merrill Lynch Retirement Preservation Trust CCT was fully benefit responsive. Contract value was the relevant measurement attributable for that portion of the net assets available for the benefits attributable to the CCT. Contract value, as reported to the Plan by Bank of America, represented contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants ordinarily directed the withdrawal or transfer of all or a portion of the investment at contract value.

There were no reserves against contract value for credit risk of a contract issuer or otherwise. The fair value recorded in the Plan's financial statements for such fund was \$1,645,205 at December 31, 2009. Effective November 1, 2010, the Plan no longer invests in CCTs.

The wrap contracts accrued interest using a formula called the "crediting rate." The crediting rate was primarily based on the current yield-to-maturity of the covered investments, plus or minus amortization of the difference between the market value and contract value of the covered investments over the duration of the covered investments at the time of computation. The crediting rate can be adjusted periodically and is usually adjusted either monthly or quarterly. The wrap contracts provided a guarantee that the crediting rate will not fall below zero. The average interest crediting rate at December 31, 2009 was 2.35%.

The wrap contracts limited the Plan's ability to transact at contract value upon the occurrence of certain events. Such events include, but are not limited to layoffs, plan termination, business closings, reorganizations, liquidations, and the failure of the Plan to qualify under Section 401(a) or Section 401(k) of the IRC. The Plan administrator does not believe that any events that would limit the Plan's ability to transact at contract value with participants are probable of occurring.

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The wrap contract issuers may terminate a wrap contract at any time. In the event that the fair value of the CCT's portfolio of securities is below its contract value at the time of such termination and terms of the wrap contract have otherwise been met, Bank of America may elect to keep the wrap contract in place until such time as the market value of the securities is equal to its contract value.

The average yield earned by the CCT calculated based on the change in the net asset value between the beginning and the end of the year was 2.35% for the year ended December 31, 2009. The average yield earned with an adjustment to reflect the actual interest rate credited to participants was 2.57% for the year ended December 31, 2009. For the period between January 1, 2010 and October 31, 2010, the average yield earned by the CCT calculated based on the change in the net asset value between the beginning and the end of the period was 1.45%.

(7) Exempt Party-in-Interest Transactions

Prior to October 31, 2010, certain plan investments were shares of common/collective funds and mutual funds managed by Bank of America. Effective November 1, 2010, plan investments were mutual funds managed by Fidelity. Fidelity is and Bank of America was the trustee as defined by the Plan and, therefore, these investments represented exempt party-in-interest transactions. Fees for investment management services charged by the trustees are netted against plan earnings.

(8) 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 will become fully vested in their employer contributions.

(9) Income Tax Status

The Plan uses a prototype plan document sponsored by Fidelity. Fidelity received an opinion letter from the Internal Revenue Service (IRS), which states that the prototype document satisfies the applicable provisions of the IRC. The Plan itself has not received a determination letter from the IRS. However, the Plan's management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan's financial statements.

The plan document in effect until October 31, 2010 was a nonstandardized prototype profit sharing plan sponsored by Merrill Lynch, a subsidiary of Bank of America. The plan document obtained an opinion letter on January 1, 2006 in which the IRS stated that the Plan, as they designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America requires 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

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concluded that as of December 31, 2010, 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 2008.

(10) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits reported on the financial statements to the Form 5500 at December 31:

	<u>2010</u>	<u>2009</u>
Net assets available for benefits reported on the financial statements	\$ 12,281,343	10,695,372
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	—	(107,401)
Excess contributions payable	<u>195</u>	<u>—</u>
Net assets available for benefits reported on the Form 5500	<u>\$ 12,281,538</u>	<u>10,587,971</u>

The following is a reconciliation of the net increase in net assets available for benefits reported on the financial statements to the Form 5500 for the years ended December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Net increase in net assets available for benefits reported on the financial statements	\$ 1,585,971	1,987,037
Adjustment from contract value to fair value for fully benefit-responsive investment contracts – prior year	107,401	232,744
Adjustment from contract value to fair value for fully benefit-responsive investment contracts – current year	—	(107,401)
Excess contributions payable	<u>195</u>	<u>—</u>
Total contributions reported on the Form 5500	<u>\$ 1,693,567</u>	<u>2,112,380</u>

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

December 31, 2010

Identity of issuer, borrower, lessor, or similar party	Description of investment, including maturity date, interest rate, collateral, par, or maturity value	Current value
	Mutual funds:	
Brokerage Link	Brokerage Link	\$ 25,743
PIMCO	PIMCO Total Return Fund	217
Morgan Stanley	Morgan Stanley Institutional Mid Cap Growth Portfolio	349,789
Invesco	Invesco Developing Markets Fund A	247,307
Invesco	Invesco High Yield Fund	60,415
T Rowe Price	T Rowe Price Equity Income Fund	319,382
RidgeWorth	RidgeWorth Mid-Cap Value Equity Fund I	262,403
American Century	American Century Government Bond Fund	714,124
Harbor	Harbor International Fund	804,041
TCW	TCW Small Cap Growth Fund N	1,781
Oakmark	Oakmark Equity and Income Fund I	464,975
Wells Fargo Advantage	Wells Fargo Advantage Small Cap Value Fund	313,323
Aston/Optimum	Aston/Optimum Mid Cap Fund	38,516
Heartland	Heartland Value Plus Fund	34,531
MFS	MFS Massachusetts Investors Trust Fund R3	420,583
* Fidelity	Fidelity Contrafund	1,474,468
* Fidelity	Fidelity Freedom Income Fund	21
* Fidelity	Fidelity Freedom 2010 Fund	198,006
* Fidelity	Fidelity Freedom 2020 Fund	878,827
* Fidelity	Fidelity Freedom 2030 Fund	305,699
* Fidelity	Fidelity Spartan International Index Fund	27,795
* Fidelity	Fidelity Money Market Trust Retirement	1,836,212
* Fidelity	Fidelity Spartan 500 Index Fund	281,935
* Fidelity	Fidelity Institutional Short-Intermediate Government Fund	181,193
* Fidelity	Fidelity Freedom 2040 Fund	287,793
* Fidelity	Fidelity Freedom 2015 Fund	1,061,593
* Fidelity	Fidelity Freedom 2025 Fund	767,390
* Fidelity	Fidelity Freedom 2035 Fund	564,705
* Fidelity	Fidelity Freedom 2045 Fund	226,354
* Fidelity	Fidelity Freedom 2050 Fund	15,779
	Total mutual funds	12,164,900
* Various participants	Notes receivable from participants at interest rates ranging from 4.25% to 9.25% maturing through 2015	78,885
	Total	\$ 12,243,785

* Represents a party-in-interest transaction as of December 31, 2010

See accompanying independent auditors' report.