

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☒ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>DERMALOGICA, INC. 401(K) PROFIT SHARING PLAN</u>	1b Three-digit plan number (PN) ►	<u>003</u>	
	1c Effective date of plan	<u>01/01/1993</u>	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>DERMALOGICA, INC.</u> <u>1535 BEACHEY PLACE</u> <u>CARSON, CA 90746-4005</u>	2b Employer Identification Number (EIN) <u>95-3874566</u>	2c Sponsor's telephone number <u>310-900-4000</u>	2d Business code (see instructions) <u>424990</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/17/2011</u>	<u>JERALD WENKER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/17/2011</u>	<u>JERALD WENKER</u>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2010)
v.092307.1

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

DERMALOGICA, INC.

1535 BEACHEY PLACE
CARSON, CA 90746-4005**3b** Administrator's EIN

95-3874566

3c Administrator's telephone number

310-900-4000

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:**a** Sponsor's name**4b** EIN**4c** PN**5** Total number of participants at the beginning of the plan year**5**

494

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**

415

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

0

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

56

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

471

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

0

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

471

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

382

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

26

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

2A 2F 2G 2J 2K 3H

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

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

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

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

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)

<div>SCHEDULE A (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>	<div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan DERMALOGICA, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500. DERMALOGICA, INC.	D Employer Identification Number (EIN) 95-3874566	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	448818	457	01/01/2010	12/31/2010

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	191402
5 Current value of plan's interest under this contract in separate accounts at year end	5	10221628

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ FLEXIBLE INVESTMENT ANNUITY

b Balance at the end of the previous year	7b	158551
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c Additions: (1) Contributions deposited during the year	7c(1)	17162	
(2) Dividends and credits	7c(2)		
(3) Interest credited during the year	7c(3)	4357	
(4) Transferred from separate account	7c(4)	28697	
(5) Other (specify below)	7c(5)	4322	

▶ LOAN REPAYMENT

(6) Total additions	7c(6)	54538
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d Total of balance and additions (add b and c(6))	7d	213089
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	4323	
(2) Administration charge made by carrier	7e(2)	442	
(3) Transferred to separate account	7e(3)	13694	
(4) Other (specify below)	7e(4)	3228	

▶ LOAN WITHDRAWAL

(5) Total deductions	7e(5)	21687
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f Balance at the end of the current year (subtract e(5) from d)	7f	191402
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	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 DERMALOGICA, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 DERMALOGICA, INC.	D Employer Identification Number (EIN) 95-3874566

Part I

Service Provider Information (see instructions)

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

1

Information on Persons Receiving Only Eligible Indirect Compensation

a

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

☐ 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

(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)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(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?
13 37 50 64	CONTRACT ADMINISTRATOR	13849	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
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="text-align: center; font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="text-align: center; font-size: small;">Department of Labor Employee Benefits Security Administration</p>	<p style="text-align: center;">DFE/Participating Plan Information</p> <p style="text-align: center; font-size: small;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center; font-weight: bold;">▶ File as an attachment to Form 5500.</p>	<p style="text-align: center; font-size: small;">OMB No. 1210-0110</p> <hr/> <p style="text-align: center; font-size: large; font-weight: bold;">2010</p> <hr/> <p style="text-align: center; font-size: small; font-weight: bold;">This Form is Open to Public Inspection.</p>
<p>For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010</p>		
<p>A Name of plan DERMALOGICA, INC. 401(K) PROFIT SHARING PLAN</p>		<p>B Three-digit plan number (PN) ▶ 003</p>
<p>C Plan or DFE sponsor's name as shown on line 2a of Form 5500 DERMALOGICA, INC.</p>		<p>D Employer Identification Number (EIN) 95-3874566</p>
<p>Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)</p>		
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP BLEND SEP ACCT-R6</p>		
<p>b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY</p>		
<p>c EIN-PN 42-0127290-020</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 241759</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MONEY MARKET SEP ACCT-R6</p>		
<p>b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY</p>		
<p>c EIN-PN 42-0127290-024</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1032693</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL EMERG MARKETS SA-R6</p>		
<p>b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY</p>		
<p>c EIN-PN 42-0127290-013</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 177711</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP VALUE SEP ACCT-R6</p>		
<p>b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY</p>		
<p>c EIN-PN 42-0127290-031</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 220393</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP GROWTH SEP ACCT-R6</p>		
<p>b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY</p>		
<p>c EIN-PN 42-0127290-018</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 79331</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH SEP ACCT-R6</p>		
<p>b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY</p>		
<p>c EIN-PN 42-0127290-021</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 34977</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN U.S. PROPERTY SEP ACCT-R6</p>		
<p>b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY</p>		
<p>c EIN-PN 42-0127290-027</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 683537</p>

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN DIVERSIFIED INTL SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-015	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 270500

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP S&P 500 INDEX SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-016	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 845292

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP VALUE I SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-043	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 907600

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL I SEPARATE ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-048	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 878490

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP S&P 600 INDEX SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-028	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 405434

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH III SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-026	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 343147

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INTL GROWTH SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-064	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 128884

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP GROWTH I SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-070	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 218422

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP GROWTH II SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-067	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 551956

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2010 SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-075	d Entity code	P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 184843

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2020 SEP ACCT-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-076**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

860230

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2030 SEP ACCT-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-077**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

646276

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2040 SEP ACCT-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-078**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

873946

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2050 SEP ACCT-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-079**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

385002

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME STRAT INC SA-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-080**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

202420

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP VALUE I SA-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-098**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

48785

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 DERMALOGICA, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 DERMALOGICA, INC.	D Employer Identification Number (EIN) 95-3874566	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	310245	10245
(2) Participant contributions	1b(2)	36346	18238
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	338779	317496
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	7956411	10221628
(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)	1080102	1528009
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	158551	191402
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	9880434	12287018

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	9880434	12287018
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	300000	
(B) Participants	2a(1)(B)	1135824	
(C) Others (including rollovers)	2a(1)(C)	112290	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1548114
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)	20794	
(F) Other	2b(1)(F)	4722	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		25516
(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)	26011	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		26011
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		1282451
(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)		70889
c Other income.....	2c		-363
d Total income. Add all income amounts in column (b) and enter total.....	2d		2952618

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	520944	
(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)		520944
f Corrective distributions (see instructions)	2f		9744
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)	15346	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		15346
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		546034

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2406584
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: MARTINI, IOSUE AND AKPOVI (2) EIN: 95-4508585

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.).....	☒		380320
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.).....		☒	
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.)		☒	
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.).....		☒	
e Was this plan covered by a fidelity bond?.....	☒		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
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?		☒	
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?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	☒		
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.).....		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

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

For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>		
A Name of plan <u>DERMALOGICA, INC. 401(K) PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DERMALOGICA, INC.</u>		
D Employer Identification Number (EIN) <u>95-3874566</u>		

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

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

1	<u>0</u>
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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): 42-0127290

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	
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Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☐ No ☐ N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

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

6a	
b Enter the amount contributed by the employer to the plan for this plan year	6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c

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

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

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

- 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): _____

**Dermalogica, Inc. 401(k) Profit Sharing Plan
Financial Statements and Independent Auditors' Report
December 31, 2010**

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& AKPOVI

CERTIFIED
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ACCOUNTANTS

A Partnership of Professional Corporations

Dermalogica, Inc. 401(k) Profit Sharing Plan
Financial Statements
December 31, 2010

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Note: All other schedules required by Section 2520.103-10 of The Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



Independent Auditors' Report

Members of the Board of Trustees and Participants
Dermalogica, Inc. 401(k) Profit Sharing Plan
Carson, California

We were engaged to audit the financial statements and supplemental schedule of the Dermalogica, Inc. 401(k) Profit Sharing Plan (the "Plan") as of December 31, 2010 and 2009, and for the year ended December 31, 2010. These financial statements and the supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan's administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 4, 5 and 9, which was certified by Principal Life Insurance Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and the supplemental schedule. We have been informed by the Plan's administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan's administrator has obtained certifications from the trustee that the information as of December 31, 2010 and 2009, and for the year ended December 31, 2010, provided to the Plan's administrator by the trustee, is complete and accurate.

As discussed in Note 3 to the accompanying financial statements, an error resulting in an understatement of the previously reported increase in net assets for the year ended December 31, 2009 of \$19,756 was discovered by the Plan's management during the current year. Accordingly, the 2009 financial statements have been restated and an adjustment has been made to the Plan's net assets available for benefits as of December 31, 2009.

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

Encino, California
October 14, 2011

A Partnership of Professional Corporations

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Dermalogica, Inc. 401(k) Profit Sharing Plan
Statements of Net Assets Available for Benefits
December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Investments, at Fair Value	<u>\$ 11,941,039</u>	<u>\$ 9,195,064</u>
Receivables		
Notes receivable from participants	317,496	338,779
Employer contributions receivable	10,245	310,245
Participant contributions receivable	<u>18,238</u>	<u>50,180</u>
Total Receivables	<u>345,979</u>	<u>699,204</u>
Net Assets Available for Benefits	<u>\$ 12,287,018</u>	<u>\$ 9,894,268</u>

The Accompanying Notes are an Integral Part of These Financial Statements

Dermalogica, Inc. 401(k) Profit Sharing Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2010

Additions

Contributions

Participant contributions	\$ 1,121,990
Participant roll-over contributions	112,290
Employer contributions	<u>300,000</u>

Total Contributions	<u>1,534,280</u>
----------------------------	------------------

Investment Income

Interest and dividends	51,527
Net increase in fair value of investments	<u>1,352,977</u>

Total Investment Income	<u>1,404,504</u>
--------------------------------	------------------

Total Additions	<u>2,938,784</u>
------------------------	------------------

Deductions

Benefits paid to participants	(530,688)
Administrative expenses	<u>(15,346)</u>

Total Deductions	<u>(546,034)</u>
-------------------------	------------------

Increase in Net Assets	2,392,750
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Net Assets Available for Benefits, Beginning of Year	<u>9,894,268</u>
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Net Assets Available for Benefits, End of Year	<u>\$ 12,287,018</u>
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Dermalogica, Inc. 401(k) Profit Sharing Plan

Notes to Financial Statements

December 31, 2010

Note 1 - Description of Plan

The following description of the Dermalogica, Inc. 401(k) Profit Sharing Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of the Dermal Group of Companies (the "Company") who are age 21 or older. Employees must complete 90 days of continuous employment consisting of at least 250 hours of service to participate in 401(k) salary deferrals and matching contributions, and one year of continuous employment to participate in profit sharing contributions. Principal Life Insurance Company ("Principal") serves as the trustee and custodian of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions

Each year, participants may contribute up to the maximum dollar amount allowed under Internal Revenue Code limitations. Participants may also make rollover contributions from other qualified plans. The Company may make discretionary matching contributions of 25% of each participant's deferral up to a maximum match of the greater of \$1,000 or 3% of the respective participant's compensation per plan year. In addition to a matching contribution, the Company may elect each plan year, by resolution of its Board of Directors, to make a discretionary profit sharing contribution to the Plan.

Participant Accounts

Each participant's account is credited with the participant's contributions, allocations of the Company's contributions and allocations of the Plan's earnings, and charged with the participant's withdrawals and allocations of the Plan's losses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately 100% vested in their voluntary contributions and rollover contributions plus earnings thereon. Vesting in Company matching and profit sharing contributions is based on years of continuous service. Participants are 20% vested after 2 years of service and vest an additional 20% per year of service until they are 100% vested after 6 years of service.

Investment Options

Participants direct both employee deferrals and employer contributions to be invested in various investment options as made available and determined by the plan administrator, which are more fully described in the Plan literature.

Dermalogica, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
December 31, 2010

Note 1 - Description of Plan (continued)

Benefit Payments

A participant may withdraw the vested interest in their account only in the event of termination of employment, retirement, death, disability or financial hardship. On termination of employment, a participant may receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or a portion of the total vested balance at the participant's discretion. If a participant makes no distribution election upon termination of employment, and the value of their account is less than \$5,000, the vested balance of their account may be automatically rolled over into an Individual Retirement Account.

Notes Receivable from Participants

Participants may borrow a minimum of \$1,000, up to a maximum of \$50,000 or 50% of the vested portion of their account balance, whichever is less. The notes are secured by the balance in the respective participant's account and bear interest at rates that range from 4.75% to 9.75%, which were commensurate with local prevailing rates for similar notes at the time funds were borrowed. Principal and interest are paid ratably through payroll deductions.

Forfeited Accounts

At December 31, 2010 and 2009, forfeited non-vested accounts totaled \$39,729 and \$32,836, respectively. The accounts may be used to reduce future employer contributions. During the year ended December 31, 2010, forfeited account balances of \$36,087 were used to reduce employer contributions.

Note 2 - Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Dermalogica, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
December 31, 2010

Note 2 - Significant Accounting Policies (continued)

Risks and Uncertainties

The Plan utilizes various investment instruments, including pooled separate accounts, mutual funds and guaranteed interest accounts. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 9 for a 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 increase in the fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Reclassifications

Certain prior year amounts were reclassified to conform with the current year presentation with no impact on net assets available for benefits.

Notes Receivable from Participants

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

Notes are terminated when a participant withdraws from the Plan. Any unpaid loan balance will be reduced by the amount of the vested interest in the account balance upon distribution. Notes with any scheduled repayment that remain unpaid more than 90 days, or with an outstanding principal balance existing after the last scheduled repayment date, are in default.

Administrative Expenses

Administrative expenses of the Plan may be paid by the Plan as provided in the Plan document. However, the Company may also pay the Plan expenses directly. Transaction charges for loan and benefit payment transactions, if any, are paid by the Plan by reducing the balances of those participants initiating the transaction.

Dermalogica, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
December 31, 2010

Note 2 - Significant Accounting Policies (continued)

Payment of Benefits

Benefit payments to participants are recorded when paid.

Note 3 - Prior Period Adjustment

The Plan discovered that the previously issued financial statements for the year ended December 31, 2009 included an error related to employer contributions. The adjustment to correct this error resulted in an increase of \$19,756 in previously reported increase in net assets, employer contributions and net assets available for benefits. Based upon management's review, it has been determined that this error was inadvertent and unintentional.

The following is the correction of errors as shown on the face of the Plan's statement of net assets available for benefits as of December 31, 2009:

Net assets available for benefits	\$	9,874,512
Prior period adjustment		19,756
Net assets available for benefits, as revised	\$	<u>9,894,268</u>

Note 4 - Investments

The Plan's investments that represented 5% or more of the Plan's net assets available for benefits consisted of the following:

	<u>2010</u>	<u>2009</u>
PIMCO Total Return C Fund	\$ 1,412,459	\$ 1,006,309
Money Market Sep Acct	\$ 1,032,693	\$ 701,126
MidCap Value I Sep Acct	\$ 907,600	\$ 678,064
International I Sep Acct	\$ 878,491	\$ 792,682
Principal LifeTM 2040 Sep Acct	\$ 873,946	\$ 616,439
Principal LifeTM 2020 Sep Acct	\$ 860,230	\$ 525,679
LgCap S&P 500 Index Sep Acct	\$ 845,292	\$ 707,864
U.S. Property Sep Acct	\$ 683,537	\$ 707,836
Principal LifeTM 2030 Sep Acct	\$ 646,276	\$ 542,091

As reported by the Plan's trustee, the Plan's participant-directed investments (including investments bought, sold or held during the year) collectively increased in net value by \$1,352,977 during the year ended December 31, 2010.

Dermalogica, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
December 31, 2010

Note 5 - Information Certified by the Custodian

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule, which was prepared by Principal, the custodian of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from Principal that such information is complete and accurate in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA:

- a. Investments as of December 31, 2010 and 2009, as indicated in the Statements of Net Assets Available for Benefits and Note 4;
- b. Investment income information, as indicated on the Statement of Changes in Net Assets Available for Benefits and all investment balances in Note 4 for the year ended December 31, 2010; and
- c. Supplemental schedule of assets (held at end of year) as of December 31, 2010.

Note 6 - Related Party Transactions

Certain Plan investments are managed by Principal. Principal is the custodian as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan to Principal for investment management services were \$15,346 for the year ended December 31, 2010.

Note 7 - Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, participants will become 100% vested in their employer contributions.

Note 8 - Federal Income Tax Status

The Internal Revenue Service has determined and informed the Company, by a letter dated April 13, 2005, that the Plan is qualified and the trust established under the Plan is tax-exempt, under the appropriate sections of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010 and 2009, there were 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 and other jurisdictions. However, there are currently no audits in progress for any prior tax periods. The plan administrator believes it is no longer subject to income tax examinations prior to 2007.

Dermalogica, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
December 31, 2010

Note 9 - Fair Value Measurements

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

Level 1: These inputs into the valuation methodology consist of unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Examples of these inputs into the valuation methodology include:

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

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

Level 3: These inputs into the valuation methodology are unobservable and significant to the fair value measurement.

The assets' or liabilities' 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:

- *Guaranteed interest accounts*: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness and the amount Plan participants or Plan sponsors would receive currently if they were to withdraw or transfer funds with the Plan prior to their maturity.
- *Mutual funds*: Valued at the net asset value of shares held at year end.
- *Pooled separate accounts*: Valued at the market value of the underlying assets at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at December 31, 2010 and 2009.

Dermalogica, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
December 31, 2010

Note 9 - Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010 and 2009:

<u>December 31, 2010</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 1,528,009	\$ -	\$ -	\$ 1,528,009
Pooled separate accounts	-	9,538,091	683,537	10,221,628
Guaranteed interest accounts	-	-	191,402	191,402
	<u>\$ 1,528,009</u>	<u>\$ 9,538,091</u>	<u>\$ 874,939</u>	<u>\$ 11,941,039</u>

<u>December 31, 2009</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 1,080,102	\$ -	\$ -	\$ 1,080,102
Pooled separate accounts	-	7,248,575	707,836	7,956,411
Guaranteed interest accounts	-	-	158,551	158,551
	<u>\$ 1,080,102</u>	<u>\$ 7,248,575</u>	<u>\$ 866,387</u>	<u>\$ 9,195,064</u>

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the years ended December 31, 2010 and 2009:

	<u>Pooled Separate Accounts</u>	<u>Guaranteed Interest Accounts</u>
Balance, January 1, 2009	\$ 976,486	\$ 156,457
Gains (losses)	(315,304)	5,116
Purchases, sales, issuances and settlements, net	<u>46,654</u>	<u>(3,022)</u>
Balance, December 31, 2009	707,836	158,551
Gains (losses)	97,396	4,723
Purchases, sales, issuances and settlements, net	<u>(121,695)</u>	<u>28,128</u>
Balance, December 31, 2010	<u>\$ 683,537</u>	<u>\$ 191,402</u>

Dermalogica, Inc. 401(k) Profit Sharing Plan
Notes to Financial Statements
December 31, 2010

Note 10 - Reconciliation of Plan Financial Statements to the Form 5500

The Annual Return / Report of Employee Benefit Plan (the "Form 5500") is prepared on the modified cash basis. Accordingly, certain balances included on Schedule H (Part I and II) of the Form 5500 differ from those included in these financial statements. The ending net asset balances are reconciled as follows:

	<u>2010</u>	<u>2009</u>
Net assets as presented in these financial statements	\$ 12,287,018	\$ 9,894,268
Participant contributions receivable	-	(13,834)
Net assets as presented in Form 5500	<u>\$ 12,287,018</u>	<u>\$ 9,880,434</u>

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

	<u>2010</u>
Increase in net assets available for benefits as presented in these financial statements	\$ 2,392,750
Participant contributions receivable at December 31, 2009, included in Form 5500	<u>13,834</u>
Increase in net assets available for benefits as presented in Form 5500	<u>\$ 2,406,584</u>

Note 11 - Untimely Remittance

The Company is required by the Department of Labor's regulations to remit participant contributions as soon as practicable, but no later than the fifteenth business day following the end of the month in which the amounts were withheld from wages. During the plan year ended December 31, 2010, certain participant contributions were not remitted to the participant's account maintained by the custodian in this time frame. The late remittances amounted to \$380,320 and the estimated amount of investment income that would have been earned had the participants' contributions been remitted on a timely basis was \$508. The effects of the late remittance have been corrected in accordance with the procedures prescribed by the IRS, and management does not believe there is any effect on the Plan's financial position.

Note 12 - Subsequent Events

We have evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through October 14, 2011, the date the financial statements were available to be issued.

Supplementary Information

Dermalogica, Inc. 401(k) Profit Sharing Plan
Form 5500, Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2010

(a) Identity of issue, borrower, lessor or similar party	(b)	(c) Description of investment, including maturity date, rate of interest, collateral, par, or maturity value	(d) Current value
	PIMCO Funds	PIMCO Total Return C Fund	\$ 1,412,459
	Eaton Vance	Eaton Vance Lg-Cap Value A Fd	84,870
	Fidelity Investments	Fidelity Adv Small Cap C Fund	30,680
*	Principal Life Insurance Company	Money Market Sep Acct	1,032,693
*	Principal Life Insurance Company	MidCap Value I Sep Acct	907,600
*	Principal Life Insurance Company	International I Sep Acct	878,491
*	Principal Life Insurance Company	Principal LifeTm 2040 Sep Acct	873,946
*	Principal Life Insurance Company	Principal LifeTm 2020 Sep Acct	860,230
*	Principal Life Insurance Company	LgCap S&P 500 Index Sep Acct	845,292
*	Principal Life Insurance Company	U.S. Property Sep Acct	683,537
*	Principal Life Insurance Company	Principal LifeTm 2030 Sep Acct	646,276
*	Principal Life Insurance Company	LgCap Growth II Sep Acct	551,956
*	Principal Life Insurance Company	SmallCap S&P 600 Index SA	405,434
*	Principal Life Insurance Company	Principal LifeTm 2050 Sep Acct	385,002
*	Principal Life Insurance Company	McCap Growth III Sep Acct	343,147
*	Principal Life Insurance Company	Diversified Intl Sep Acct	270,500
*	Principal Life Insurance Company	Midcap Blend Sep Acct	241,759
*	Principal Life Insurance Company	Small Co Value Sep Acct	220,393
*	Principal Life Insurance Company	Sm-Cap Growth I Sep Acct	218,422
*	Principal Life Insurance Company	Prin LifeTm Str Inc Sep Acct	202,420
*	Principal Life Insurance Company	Guaranteed Interest Accounts	191,402
*	Principal Life Insurance Company	Principal LifeTm 2010 Sep Acct	184,843
*	Principal Life Insurance Company	Intl Emerging Mkts Sep Acct	177,710
*	Principal Life Insurance Company	International Growth Sep Acct	128,884
*	Principal Life Insurance Company	LargeCap Growth Sep Acct	79,331
*	Principal Life Insurance Company	LargeCap Value I Sep Acct	48,785
*	Principal Life Insurance Company	Md-Cp Gr Sep Acct	34,977
*	Notes Receivables from Participants	4.75% to 9.75%	317,496
* Party-in-interest			\$ 12,258,535

The Accompanying Notes are an Integral Part of These Financial Statements

Dermalogica, Inc. 401(k) Profit Sharing Plan
Form 5500, Schedule H, Line 4a - Schedule of Delinquent Participant Contributions
December 31, 2010

Total that constitute nonexempt prohibited transactions				
Participant contributions transferred late to the plan	Contributions not corrected	Contributions corrected outside VFCP	Contributions pending correction in VFCP	Total fully corrected under VFCP and PTE 2002-51
\$ 380,320	\$ -	\$ 380,320	\$ -	\$ -

Dermalogica, Inc. 401(k) Profit Sharing Plan
Form 5500, Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2010

(a) (b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par, or maturity value	(d) Current value
PIMCO Funds	PIMCO Total Return C Fund	\$ 1,412,459
Eaton Vance	Eaton Vance Lg-Cap Value A Fd	84,870
Fidelity Investments	Fidelity Adv Small Cap C Fund	30,680
* Principal Life Insurance Company	Money Market Sep Acct	1,032,693
* Principal Life Insurance Company	MidCap Value I Sep Acct	907,600
* Principal Life Insurance Company	International I Sep Acct	878,491
* Principal Life Insurance Company	Principal LifeTm 2040 Sep Acct	873,946
* Principal Life Insurance Company	Principal LifeTm 2020 Sep Acct	860,230
* Principal Life Insurance Company	LgCap S&P 500 Index Sep Acct	845,292
* Principal Life Insurance Company	U.S. Property Sep Acct	683,537
* Principal Life Insurance Company	Principal LifeTm 2030 Sep Acct	646,276
* Principal Life Insurance Company	LgCap Growth II Sep Acct	551,956
* Principal Life Insurance Company	SmallCap S&P 600 Index SA	405,434
* Principal Life Insurance Company	Principal LifeTm 2050 Sep Acct	385,002
* Principal Life Insurance Company	McCap Growth III Sep Acct	343,147
* Principal Life Insurance Company	Diversified Intl Sep Acct	270,500
* Principal Life Insurance Company	Midcap Blend Sep Acct	241,759
* Principal Life Insurance Company	Small Co Value Sep Acct	220,393
* Principal Life Insurance Company	Sm-Cap Growth I Sep Acct	218,422
* Principal Life Insurance Company	Prin LifeTm Str Inc Sep Acct	202,420
* Principal Life Insurance Company	Guaranteed Interest Accounts	191,402
* Principal Life Insurance Company	Principal LifeTm 2010 Sep Acct	184,843
* Principal Life Insurance Company	Intl Emerging Mkts Sep Acct	177,710
* Principal Life Insurance Company	International Growth Sep Acct	128,884
* Principal Life Insurance Company	LargeCap Growth Sep Acct	79,331
* Principal Life Insurance Company	LargeCap Value I Sep Acct	48,785
* Principal Life Insurance Company	Md-Cp Gr Sep Acct	34,977
* Notes Receivables from Participants	4.75% to 9.75%	317,496
* Party-in-interest		<u>\$ 12,258,535</u>

The Accompanying Notes are an Integral Part of These Financial Statements

Dermalogica, Inc. 401(k) Profit Sharing Plan
Form 5500, Schedule H, Line 4a - Schedule of Delinquent Participant Contributions
December 31, 2010

Total that constitute nonexempt prohibited transactions				
Participant contributions transferred late to the plan	Contributions not corrected	Contributions outside VFCP	Contributions corrected	Contributions pending
				correction in VFCP
\$ 380,320	\$ -	\$ 380,320	\$ -	\$ -
				Total fully corrected under VFCP and PTE 2002-51
				\$ -