# 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), 6057(b), 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

**2011**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

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

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

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

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

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
BERRY APPLEMAN & LEIDEN 401(K) PLAN

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 01/01/1996

**2a** Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

BERRY APPLEMAN & LEIDEN LLP

353 SACRAMENTO ST
SUITE 1300
SAN FRANCISCO, CA 94111

353 SACRAMENTO ST
SUITE 1300
SAN FRANCISCO, CA 94111

**2b** Employer Identification Number (EIN)
94-3068076

**2c** Sponsor's telephone number
415-398-1800

**2d** Business code (see instructions)
541190

**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. | 07/23/2012 | SAM GARCIA |
| | **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")
BERRY APPLEMAN & LEIDEN LLP

353 SACRAMENTO ST
SUITE 1300
SAN FRANCISCO, CA 94111

**3b** Administrator's EIN
94-3068076

**3c** Administrator's telephone number
415-398-1800

**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** | 348 |
| **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** | 348 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 91 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 439 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 439 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 386 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 67 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 2K 2S 2T 3D

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

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

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

**a Pension Schedules**

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

**b General Schedules**

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

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2011**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

**A** Name of plan
BERRY APPLEMAN & LEIDEN 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
BERRY APPLEMAN & LEIDEN LLP

**D** Employer Identification Number (EIN)
94-3068076

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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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 37 60 | RECORDKEEPER | 4006 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] 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 [ ] |

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

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

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

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

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

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

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

## 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. |
|---|---|
| ABF LG CAP VAL INV - STATE STREET B<br><br>04-1867445 | 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 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. |
|---|---|
| ARTISAN MID CAP VAL - STATE STREET<br><br>04-0025081 | 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 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 REAL RTN BD AD - BOSTON FINAN<br><br>04-2526037 | 0.26% |

## 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. |
|---|---|
| RAINIER SM/MID CAP - US BANCORP FUN<br><br>39-0281260 | 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. |
|---|---|
| ROYCE OPPORTUNITY S - BOSTON FINANC<br><br>04-2526037 | 0.45% |

| **(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<br><br>04-2526037 | 0.40% |

## Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

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

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

OMB No. 1210-0110

**2011**

**This Form is Open to Public Inspection**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

**A** Name of plan
BERRY APPLEMAN & LEIDEN 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
BERRY APPLEMAN & LEIDEN LLP

**D** Employer Identification Number (EIN)
94-3068076

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 915214 | 983025 |
| **(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) | 217534 | 222941 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 11485557 | 12899356 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | | |
| **(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 | 12618305 | 14105322 |
| **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 through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 12618305 | 14105322 |

## 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) | 495904 | |
| **(B)** Participants | 2a(1)(B) | 1654183 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 476501 | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 2626588 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 98 | |
| **(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) | 11329 | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 11427 |
| **(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) | 388678 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 388678 |
| **(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) | | -724686 |
| **c** Other income | 2c | | |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 2302007 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 765112 | |
| (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) | | 765112 |
| **f** Corrective distributions (see instructions) | 2f | | 45850 |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | |
| **h** Interest expense | 2h | | |
| **i** Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | 4028 | |
| (5) Total administrative expenses. Add lines 2i(1) through (4) | 2i(5) | | 4028 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 814990 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line 2j from line 2d | 2k | | 1487017 |
| **l** Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

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

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

(1) Name: BURR PILGER MAYER (2) EIN: 26-3839190

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

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

## Part IV Compliance Questions

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

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | **4a** | | X | |
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | **4b** | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | **4c** | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | **4d** | | X | |
| **e** | Was this plan covered by a fidelity bond? | **4e** | X | | 500000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | **4f** | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4g** | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4h** | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | **4i** | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | **4j** | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | **4k** | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | **4l** | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | **4m** | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | **4n** | | X | |

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

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

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

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

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

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

OMB No. 1210-0110

**2011**

**This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

**A** Name of plan
BERRY APPLEMAN & LEIDEN 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
BERRY APPLEMAN & LEIDEN LLP

**D** Employer Identification Number (EIN)
94-3068076

## 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): 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 of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

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

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

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

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

**6** **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **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 or other authority 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. 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):

# BERRY, APPLEMAN & LEIDEN 401(k) PLAN

## REPORT ON AUDIT OF FINANCIAL STATEMENTS

for the year ended December 31, 2011

# BERRY, APPLEMAN & LEIDEN 401(k) PLAN

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BPM
BURR PILGER MAYER

600 California Street, Suite 1300, San Francisco, CA 94108
**Phone** 415.421.5757 **Fax** 415.288.6288 **Email** bpm@bpmcpa.com **Web** bpmcpa.com

# INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
Berry, Appleman & Leiden 401(k) Plan:

We were engaged to audit the accompanying statements of net assets available for benefits of Berry, Appleman & Leiden 401(k) Plan (the Plan) as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011 and the supplemental Schedule H, line 4i– Schedule of Assets (Held at End of Year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, 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 which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and the supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2011 and 2010 and for the year ended December 31, 2011, that the information provided to the Plan administrator by the trustee is complete and accurate.

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

Burr Pilger Mayer, Inc.

San Francisco, California
July 3, 2012

# BERRY, APPLEMAN & LEIDEN 401(k) PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2011 and 2010

| | 2011 | 2010 |
|---|---|---|
| **ASSETS** | | |
| Investments, at fair value: | | |
| Cash equivalent–money market fund | $ 983,025 | $ 915,214 |
| Mutual funds | 12,899,356 | 11,485,557 |
| Total investments | 13,882,381 | 12,400,771 |
| Notes receivable from participants | 222,941 | 217,534 |
| Employer contributions receivable | - | 20,760 |
| Total assets | 14,105,322 | 12,639,065 |
| **LIABILITIES** | | |
| Excess contributions payable | 1,898 | 40,946 |
| Net assets available for benefits | $ 14,103,424 | $ 12,598,119 |

The accompanying notes are an integral part of these financial statements.

# BERRY, APPLEMAN & LEIDEN 401(k) PLAN

## STATEMENT OF CHANGES OF NET ASSETS AVAILABLE FOR BENEFITS

for the year ended December 31, 2011

| | |
|---|---|
| Additions to net assets attributed to: | |
| Investment income: | |
| Interest and dividend income | $ 379,239 |
| Total investment income | 379,239 |
| Interest on notes receivable from participants | 11,329 |
| Contributions and rollovers: | |
| Employee contributions | 1,652,285 |
| Employer contributions | 475,144 |
| Employee rollover contributions | 476,501 |
| Total contributions and rollovers | 2,603,930 |
| Total additions to net assets | 2,994,498 |
| Deductions from net assets attributed to: | |
| Net depreciation in fair value of investments | 715,149 |
| Benefits paid to participants | 770,016 |
| Administrative expenses | 4,028 |
| Total deductions from net assets | 1,489,193 |
| Net increase in net assets | 1,505,305 |
| Net assets available for benefits: | |
| Beginning of the year | 12,598,119 |
| End of the year | $ 14,103,424 |

The accompanying notes are an integral part of these financial statements.

## 1. Description of Plan

The following description of the Berry, Appleman & Leiden 401(k) Plan (the Plan) provides only general information. Participants should refer to the amended Plan agreement for a more complete description of the Plan's provisions.

### *General*

The Plan was adopted by Berry, Appleman & Leiden, LLP (the Company) on January 1, 1996 and was most recently restated effective January 5, 2010. The Plan is defined as a contribution retirement plan of the profit-sharing type containing a cash or deferred arrangement described in Internal Revenue Code Section 401(k). All fulltime employees of the Company, excluding employees covered by a collective bargaining agreement and nonresident aliens, are eligible to participate in the Plan upon employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and certain provisions of the Internal Revenue Code.

### *Plan Administration*

The Company is the administrator of the Plan. As administrator, the Company has exclusive authority and responsibility for all matters in connection with the operation and administration of the Plan. Fidelity Management Trust Company was the appointed trustee for the Plan in 2011 and 2010, and acted at the direction of the Plan's administrator. The Company paid the majority of all necessary and proper expenses incurred in the administration of the Plan. Such expenses primarily comprise legal fees, auditing fees, and expenses relating to the maintenance of the Plan's records and will not be required to be paid back to the Company.

### *Contributions*

The Plan includes automatic enrollment for all new employees, which will commence 30 days after hire date. Deferral contributions for employees entered under the automatic enrollment will start at 3% and will be increased annually by 1% to a maximum deferral contribution of 6%. Contributions will be invested in the Fidelity Retirement Money Market Portfolio investment option. Employees who elect to participate in the Plan may contribute a portion of their salary up to 90% of their compensation for that period, or up to the limits imposed by Section 402(g) of the Internal Revenue Code. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may elect to make Roth 401(k) contributions to the Plan, and may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company makes matching contributions based on employee elective deferrals throughout the year. The matching contribution is fifty cents ($0.50) for each dollar on the first five percent (5%) of eligible compensation contributed by the participant. Additionally, the Plan allows qualified non-elective contributions at the discretion of the Company. During 2011, there were no discretionary contributions made by the Company. Participants direct the investment of their contributions into various investment options offered by the Plan.

Continued

**1. Description of Plan**, continued

### *Participant Accounts*

Each Participant's account is credited with the Participant's contributions, Company's matching and discretionary contributions, Plan earnings or losses, and rollovers from other qualified plans. Plan earnings or losses are allocated based upon each Participant's account balance. Certain fees are charged to the fund investments and are offset against Plan investment income and loss as presented on the Statement of Changes in Net Assets Available for Benefits. Participants should refer to the prospectuses of these funds for details on the various types and amounts of investment fees charged to the Plan and their individual accounts.

### *Vesting*

Participant contributions, rollovers, and net earnings on these contributions, are fully vested when made or earned.

Matching and discretionary employer contributions, if any, as well as all earnings on these contributions vest according to the following schedule:

| Years of Service | Vesting Percentage |
|---|---|
| Less than 2 | 0% |
| 2 | 20% |
| 3 | 40% |
| 4 | 60% |
| 5 | 80% |
| 6 | 100% |

Participants are fully vested upon retirement, death, disability, or plan termination.

### *Notes Receivable from Participants*

Participants are allowed one note receivable at any time and may borrow from their fund accounts a minimum of $1,000 up to 50% of the value of their account balance, or $50,000, whichever is less. Note receivable terms range from one to five years, except for loans used to purchase a primary residence, which have a maximum term of ten years. The notes receivable are secured by no more than fifty percent of the balance in the Participant's account and bear interest similar to one a bank or professional lender would charge at the time the note receivable originates. Interest rates on notes receivable at December 31, 2011 ranged from 4.25% to 9.25% per annum. Principal and interest are paid in equal installments through payroll deductions, personal checks from employees on leave, or cashier's checks for the full payoff of notes receivable.

Continued

**1. Description of Plan**, continued

### *Payments of Benefits*

When Participants leave the Employer, upon retirement or for any other reason, those Participants (or their beneficiaries) may receive the full value of their salary deferrals, rollovers, vested portion of employer contributions and the net earnings thereon in a single lump-sum payment. The Plan also allows for in-service withdrawals upon a participant attaining the age of 59-½, or having a hardship. In-service withdrawals may be taken from salary deferrals, and rollovers.

In order to receive distributions, Participants (or their beneficiaries) are required to file the appropriate forms with the Plan administrator. Account values will be determined as of the day the distribution is made.

Distributions under the Plan shall generally be made as soon as possible after the date of retirement, date of death, or termination of employment. In the event of a mandatory distribution greater than $1,000 if the participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Plan administrator will pay the distribution in a direct rollover to an Individual Retirement Account designated by the Plan administrator.

### *Investment Options*

Upon enrollment in the Plan, a participant may direct his or her contributions in percentage increments into a series of mutual funds and a money market fund offered by the Plan. Participants may change their investment options at any time.

### *Forfeitures*

Forfeitures that occur will be used to reduce administrative expenses and future employer contributions. At December 31, 2011 and 2010, forfeited nonvested accounts totaled $78,414 and $40,056, respectively. During the year 2011, forfeited funds in the amount of $22,895 were used to reduce employer matching contributions.

**2. Summary of Significant Accounting Policies**

### *Method 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 management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, disclosure of contingent assets and liabilities and changes in net assets available for benefits. Actual results may differ from those estimates.

Continued

**2. Summary of Significant Accounting Policies**, continued

### *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 3 for discussion of fair value measurements.

Purchases and sales of securities are reflected on a trade date basis. Interest is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the plan's gains and losses on investments bought and sold as well as held during the year.

### *Notes Receivable from Participants*

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

### *Recognition of Benefit Payments*

Benefits are recorded when paid.

### *Information Certified by the Trustee*

Fidelity Management Trust Company has prepared and certified as complete and accurate the Plan's schedule of investment assets, transactions, and net realized and unrealized gains and losses on investments, and interest and dividend income, which was used to prepare the accompanying financial statements and supplemental schedules.

### *New Accounting Pronouncements*

In May 2011, the Financial Accounting Standards Board issued Accounting Standard Update No. 2011-04, which amends Accounting Standards Codification Topic 820, *Fair Value Measurements and Disclosures*, to provide for common principles and requirements for fair value measurements and disclosures between accounting principles generally accepted in the United States of America and International Financial Reporting Standards. The amendments explain how to measure fair value. They do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. The amendments change the wording used to describe fair value measurement requirements and disclosures, but often do not result in a change in the application of current guidance. Certain amendments clarify the intent about the application of existing fair value measurement requirements, while certain other amendments change a principle or requirement for fair value measurement or disclosure. This guidance is effective for interim and annual periods beginning after December 15, 2011. The Plan does not anticipate that the adoption of this guidance will have an impact on the Plan's financial statements.

Continued

## 3. Fair Value Measurements

Accounting Standards for fair value measurements 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 these accounting standards are described below:

*Level 1*–Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

*Level 2*–Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010:

*Cash equivalent:* Valued based on redemption values on the latest business day of the Plan year.

*Mutual funds:* Valued at the net asset value (NAV) of shares held by the plan 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 fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Continued

**3. Fair Value Measurements**, continued

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011 and 2010:

| | Assets at Fair Value as of December 31, 2011 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Cash equivalents | $ 983,025 | $ - | $ - | $ 983,025 |
| Mutual funds: | | | | |
| Target date | 2,937,386 | - | - | 2,937,386 |
| Intermediate term bonds | 2,443,525 | - | - | 2,443,525 |
| Inflation protected bond | 2,031,515 | - | - | 2,031,515 |
| Foreign large blend | 1,413,664 | - | - | 1,413,664 |
| Large growth | 1,200,381 | - | - | 1,200,381 |
| Mid cap value | 814,440 | - | - | 814,440 |
| Large value | 621,915 | - | - | 621,915 |
| Small blend | 567,955 | - | - | 567,955 |
| Mid cap growth | 482,366 | - | - | 482,366 |
| Other funds | 386,209 | - | - | 386,209 |
| Total mutual funds | 12,899,356 | - | - | 12,899,356 |
| Total investments | $ 13,882,381 | $ - | $ - | $ 13,882,381 |

| | Assets at Fair Value as of December 31, 2010 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Cash equivalents | $ 915,214 | $ - | $ - | $ 915,214 |
| Mutual funds: | | | | |
| Target date | 2,110,450 | - | - | 2,110,450 |
| Intermediate term bonds | 2,085,344 | - | - | 2,085,344 |
| Inflation protected bond | 1,747,801 | - | - | 1,747,801 |
| Foreign large blend | 1,568,327 | - | - | 1,568,327 |
| Large growth | 1,188,814 | - | - | 1,188,814 |
| Mid cap value | 706,982 | - | - | 706,982 |
| Large value | 575,673 | - | - | 575,673 |
| Small blend | 563,366 | - | - | 563,366 |
| Mid cap growth | 505,229 | - | - | 505,229 |
| Other funds | 433,571 | - | - | 433,571 |
| Total mutual funds | 11,485,557 | - | - | 11,485,557 |
| Total investments | $ 12,400,771 | $ - | $ - | $ 12,400,771 |

Continued

## 4. Investments

The following presents the fair value of investments and those individual investments representing five percent (5%) or more of the Plan's net assets at December 31, 2011 and 2010.

| | 2011 | 2010 |
|---|---|---|
| Investments, at fair value: | | |
| Money market fund–Fidelity Retirement Money Market Portfolio | $ 983,025 | $ 915,214 |
| Mutual funds: | | |
| PIMCO Real Return Fund | 2,031,515 | 1,747,801 |
| Spartan U.S. Equity Index Fund | 1,735,344 | 1,524,709 |
| Fidelity International Discovery Fund | 1,051,596 | 1,236,661 |
| Fidelity Freedom 2040 | 862,659 | 691,995 |
| Fidelity Independence Fund | - * | 649,505 |
| Fidelity Value Fund | - * | 630,802 |
| Other mutual funds (individually less than 5%) | 7,218,242 | 5,004,084 |
| Total mutual funds | 12,899,356 | 11,485,557 |
| Total investments | $ 13,882,381 | $ 12,400,771 |

* Balance in current year is less than 5%

The Plan's investments, consisting primarily of mutual funds, including investments bought, sold, and held during the year, depreciated in value by $715,149 in 2011. All individual participant account balances are participant-directed as to investment programs.

## 5. Information Prepared and Certified by the Trustee (unaudited)

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by Fidelity Management Trust Company:

| | 2011 | 2010 |
|---|---|---|
| Investments, at fair value | $ 13,882,381 | $ 12,400,771 |
| Notes receivable from participants | $ 222,941 | $ 217,534 |
| Interest and dividend income | $ 379,239 | N/A |
| Interest on notes receivable from participants | $ 11,329 | N/A |
| Net depreciation in fair value of investments, net | $ 715,149 | N/A |

Continued

## 6. Party-in-Interest Transactions

Certain Plan investments in mutual funds are managed by Fidelity Management Trust Company, the trustee of the Plan. Any purchases and sales of these funds are performed in the open market at fair value. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan, and are specifically exempt from the prohibition of party-in-interest transactions under ERISA.

## 7. Tax Status

The Plan uses a prototype plan document sponsored by Fidelity Management Trust Company. Fidelity Management Trust Company received an opinion letter from the Internal Revenue Service (IRS) dated March 31, 2008, 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 IRS. Therefore, no provisions for income tax has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes that the Plan is no longer subject to income tax examinations for the years prior to 2008.

## 8. Plan Termination

Berry, Appleman & Leiden, LLP, has established the Plan with the intention and expectation that the Plan will continue indefinitely. However, Berry, Appleman & Leiden, LLP reserves the right at any time to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, distributions will be made to Participants as described in the Plan agreement.

## 9. Risks and Uncertainties

The Plan provides for various investment options in any combination of mutual funds offered by the Plan. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Continued

## 10. Excess Contributions

Excess Plan contributions for 2011 and 2010 in the amount of $1,898 and $40,946, respectively, were paid back to certain active participants subsequent to December 31, 2011 and 2010, respectively. These amounts were reflected as a liability on the accompanying Statement of Net Assets Available for Benefits at December 31, 2011 and 2010. The payments of excess contributions are required to satisfy the relevant nondiscrimination provisions of the Plan.

## 11. Reconciliation to Form 5500

The following is a reconciliation of the net assets available for benefits at December 31, 2011 and 2010:

| | 2011 | 2010 |
|---|---|---|
| Net assets available for benefits per financial statements | $ 14,103,424 | $ 12,598,119 |
| Employer contributions accrued on financial statements, to be recorded in Form 5500 in subsequent year | - | (20,760) |
| Excess contributions recorded as a liability on the financial statements | 1,898 | 40,946 |
| Net assets available for benefits per Form 5500 | $ 14,105,322 | $ 12,618,305 |

The following is a reconciliation of income received per the financial statements to Form 5500 for the year ended December 31, 2011:

| | |
|---|---|
| Net increase in net assets per financial statements | $ 1,505,305 |
| 2010 Employer contributions accrued on financial statements, recorded in Form 5500 in 2011 | 20,760 |
| 2010 excess contributions accrued in financial statements, recorded on the 2010 financial statements refunded in 2011 | (40,946) |
| 2011 excess contributions accrued in financial statements, to be recorded on the 2011 financial statements refunded in 2012 | 1,898 |
| Net income per Form 5500 | $ 1,487,017 |

## 12. Subsequent Event

In accordance with accounting standards affecting disclosures of subsequent events, the Plan evaluated subsequent events for recognition and disclosure through July 3, 2012 the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2011 that requires recognition or disclosure in such financial statements.

# SUPPLEMENTAL SCHEDULE

**BERRY, APPLEMAN & LEIDEN 401(k) PLAN**

**Trust EIN: 94-3068076**

**Plan Number 002**

**Schedule H, Line 4i**

**SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

December 31, 2011

| (a) | (b) | (c) | (e) |
|---|---|---|---|
| | Identity of Issuer, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value |
| * | Fidelity Retirement Money Market Portfolio | Cash Equivalent–Money Market | $ 983,025 |
| | PIMCO Real Return Fund | Mutual Fund | $ 2,031,515 |
| * | Spartan U.S. Equity Index Fund | Mutual Fund | $ 1,735,344 |
| * | Fidelity International Discovery Fund | Mutual Fund | $ 1,051,596 |
| * | Fidelity Freedom 2040 | Mutual Fund | $ 862,659 |
| * | Fidelity Value Fund | Mutual Fund | $ 632,321 |
| | American Beacon Large Cap Value Z | Mutual Fund | $ 621,915 |
| * | Fidelity Independence Fund | Mutual Fund | $ 607,063 |
| * | Fidelity Export and Multinational Fund | Mutual Fund | $ 593,318 |
| | Wells Fargo Advantage Small Cap Value Z | Mutual Fund | $ 567,955 |
| * | Fidelity U.S. Bond Index Fund | Mutual Fund | $ 499,116 |
| | Rainier Small/Mid Cap Equity Portfolio | Mutual Fund | $ 482,366 |
| * | Fidelity Freedom 2035 | Mutual Fund | $ 393,741 |
| * | Spartan International Index Fund | Mutual Fund | $ 362,068 |
| * | Fidelity Freedom 2020 | Mutual Fund | $ 336,692 |
| * | Fidelity Freedom 2045 | Mutual Fund | $ 330,401 |
| * | Fidelity Freedom 2030 | Mutual Fund | $ 328,365 |
| * | Fidelity Freedom 2025 | Mutual Fund | $ 272,906 |
| * | Fidelity Total Bond Fund | Mutual Fund | $ 209,065 |
| * | Fidelity Freedom 2015 | Mutual Fund | $ 202,264 |
| | Royce Opportunity Fund | Mutual Fund | $ 189,845 |
| * | Spartan Extended Market Index Fund | Mutual Fund | $ 188,427 |
| | Artisan Mid Cap Val | Mutual Fund | $ 182,119 |
| * | Fidelity Freedom 2050 | Mutual Fund | $ 181,423 |
| * | Fidelity Freedom 2010 | Mutual Fund | $ 15,721 |
| * | Fidelity Freedom 2000 | Mutual Fund | $ 10,363 |
| * | Fidelity Freedom Income | Mutual Fund | $ 7,937 |
| * | Fidelity Freedom 2005 | Mutual Fund | $ 2,851 |
| * | Participant Loans | 4.25% to 9.25% with various maturities | $ 222,941 |

* Party-in-interest

# BERRY, APPLEMAN & LEIDEN 401(k) PLAN

## REPORT ON AUDIT OF FINANCIAL STATEMENTS

for the year ended December 31, 2011

# BERRY, APPLEMAN & LEIDEN 401(k) PLAN

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BPM
BURR PILGER MAYER

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# INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
Berry, Appleman & Leiden 401(k) Plan:

We were engaged to audit the accompanying statements of net assets available for benefits of Berry, Appleman & Leiden 401(k) Plan (the Plan) as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011 and the supplemental Schedule H, line 4i– Schedule of Assets (Held at End of Year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, 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 which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and the supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2011 and 2010 and for the year ended December 31, 2011, that the information provided to the Plan administrator by the trustee is complete and accurate.

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

Burr Pilger Mayer, Inc.

San Francisco, California
July 3, 2012

# BERRY, APPLEMAN & LEIDEN 401(k) PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2011 and 2010

| | 2011 | 2010 |
|---|---|---|
| **ASSETS** | | |
| Investments, at fair value: | | |
| Cash equivalent–money market fund | $ 983,025 | $ 915,214 |
| Mutual funds | 12,899,356 | 11,485,557 |
| Total investments | 13,882,381 | 12,400,771 |
| Notes receivable from participants | 222,941 | 217,534 |
| Employer contributions receivable | - | 20,760 |
| Total assets | 14,105,322 | 12,639,065 |
| **LIABILITIES** | | |
| Excess contributions payable | 1,898 | 40,946 |
| Net assets available for benefits | $ 14,103,424 | $ 12,598,119 |

The accompanying notes are an integral part of these financial statements.

# BERRY, APPLEMAN & LEIDEN 401(k) PLAN

## STATEMENT OF CHANGES OF NET ASSETS AVAILABLE FOR BENEFITS

for the year ended December 31, 2011

| | |
|---|---|
| Additions to net assets attributed to: | |
| Investment income: | |
| Interest and dividend income | $ 379,239 |
| Total investment income | 379,239 |
| Interest on notes receivable from participants | 11,329 |
| Contributions and rollovers: | |
| Employee contributions | 1,652,285 |
| Employer contributions | 475,144 |
| Employee rollover contributions | 476,501 |
| Total contributions and rollovers | 2,603,930 |
| Total additions to net assets | 2,994,498 |
| Deductions from net assets attributed to: | |
| Net depreciation in fair value of investments | 715,149 |
| Benefits paid to participants | 770,016 |
| Administrative expenses | 4,028 |
| Total deductions from net assets | 1,489,193 |
| Net increase in net assets | 1,505,305 |
| Net assets available for benefits: | |
| Beginning of the year | 12,598,119 |
| End of the year | $ 14,103,424 |

The accompanying notes are an integral part of these financial statements.

## 1. Description of Plan

The following description of the Berry, Appleman & Leiden 401(k) Plan (the Plan) provides only general information. Participants should refer to the amended Plan agreement for a more complete description of the Plan's provisions.

### *General*

The Plan was adopted by Berry, Appleman & Leiden, LLP (the Company) on January 1, 1996 and was most recently restated effective January 5, 2010. The Plan is defined as a contribution retirement plan of the profit-sharing type containing a cash or deferred arrangement described in Internal Revenue Code Section 401(k). All fulltime employees of the Company, excluding employees covered by a collective bargaining agreement and nonresident aliens, are eligible to participate in the Plan upon employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and certain provisions of the Internal Revenue Code.

### *Plan Administration*

The Company is the administrator of the Plan. As administrator, the Company has exclusive authority and responsibility for all matters in connection with the operation and administration of the Plan. Fidelity Management Trust Company was the appointed trustee for the Plan in 2011 and 2010, and acted at the direction of the Plan's administrator. The Company paid the majority of all necessary and proper expenses incurred in the administration of the Plan. Such expenses primarily comprise legal fees, auditing fees, and expenses relating to the maintenance of the Plan's records and will not be required to be paid back to the Company.

### *Contributions*

The Plan includes automatic enrollment for all new employees, which will commence 30 days after hire date. Deferral contributions for employees entered under the automatic enrollment will start at 3% and will be increased annually by 1% to a maximum deferral contribution of 6%. Contributions will be invested in the Fidelity Retirement Money Market Portfolio investment option. Employees who elect to participate in the Plan may contribute a portion of their salary up to 90% of their compensation for that period, or up to the limits imposed by Section 402(g) of the Internal Revenue Code. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may elect to make Roth 401(k) contributions to the Plan, and may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company makes matching contributions based on employee elective deferrals throughout the year. The matching contribution is fifty cents ($0.50) for each dollar on the first five percent (5%) of eligible compensation contributed by the participant. Additionally, the Plan allows qualified non-elective contributions at the discretion of the Company. During 2011, there were no discretionary contributions made by the Company. Participants direct the investment of their contributions into various investment options offered by the Plan.

Continued

**1. Description of Plan**, continued

### *Participant Accounts*

Each Participant's account is credited with the Participant's contributions, Company's matching and discretionary contributions, Plan earnings or losses, and rollovers from other qualified plans. Plan earnings or losses are allocated based upon each Participant's account balance. Certain fees are charged to the fund investments and are offset against Plan investment income and loss as presented on the Statement of Changes in Net Assets Available for Benefits. Participants should refer to the prospectuses of these funds for details on the various types and amounts of investment fees charged to the Plan and their individual accounts.

### *Vesting*

Participant contributions, rollovers, and net earnings on these contributions, are fully vested when made or earned.

Matching and discretionary employer contributions, if any, as well as all earnings on these contributions vest according to the following schedule:

| Years of Service | Vesting Percentage |
|---|---|
| Less than 2 | 0% |
| 2 | 20% |
| 3 | 40% |
| 4 | 60% |
| 5 | 80% |
| 6 | 100% |

Participants are fully vested upon retirement, death, disability, or plan termination.

### *Notes Receivable from Participants*

Participants are allowed one note receivable at any time and may borrow from their fund accounts a minimum of $1,000 up to 50% of the value of their account balance, or $50,000, whichever is less. Note receivable terms range from one to five years, except for loans used to purchase a primary residence, which have a maximum term of ten years. The notes receivable are secured by no more than fifty percent of the balance in the Participant's account and bear interest similar to one a bank or professional lender would charge at the time the note receivable originates. Interest rates on notes receivable at December 31, 2011 ranged from 4.25% to 9.25% per annum. Principal and interest are paid in equal installments through payroll deductions, personal checks from employees on leave, or cashier's checks for the full payoff of notes receivable.

Continued

**1. Description of Plan**, continued

### *Payments of Benefits*

When Participants leave the Employer, upon retirement or for any other reason, those Participants (or their beneficiaries) may receive the full value of their salary deferrals, rollovers, vested portion of employer contributions and the net earnings thereon in a single lump-sum payment. The Plan also allows for in-service withdrawals upon a participant attaining the age of 59-½, or having a hardship. In-service withdrawals may be taken from salary deferrals, and rollovers.

In order to receive distributions, Participants (or their beneficiaries) are required to file the appropriate forms with the Plan administrator. Account values will be determined as of the day the distribution is made.

Distributions under the Plan shall generally be made as soon as possible after the date of retirement, date of death, or termination of employment. In the event of a mandatory distribution greater than $1,000 if the participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Plan administrator will pay the distribution in a direct rollover to an Individual Retirement Account designated by the Plan administrator.

### *Investment Options*

Upon enrollment in the Plan, a participant may direct his or her contributions in percentage increments into a series of mutual funds and a money market fund offered by the Plan. Participants may change their investment options at any time.

### *Forfeitures*

Forfeitures that occur will be used to reduce administrative expenses and future employer contributions. At December 31, 2011 and 2010, forfeited nonvested accounts totaled $78,414 and $40,056, respectively. During the year 2011, forfeited funds in the amount of $22,895 were used to reduce employer matching contributions.

**2. Summary of Significant Accounting Policies**

### *Method 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 management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, disclosure of contingent assets and liabilities and changes in net assets available for benefits. Actual results may differ from those estimates.

Continued

**2. Summary of Significant Accounting Policies**, continued

### *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 3 for discussion of fair value measurements.

Purchases and sales of securities are reflected on a trade date basis. Interest is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the plan's gains and losses on investments bought and sold as well as held during the year.

### *Notes Receivable from Participants*

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

### *Recognition of Benefit Payments*

Benefits are recorded when paid.

### *Information Certified by the Trustee*

Fidelity Management Trust Company has prepared and certified as complete and accurate the Plan's schedule of investment assets, transactions, and net realized and unrealized gains and losses on investments, and interest and dividend income, which was used to prepare the accompanying financial statements and supplemental schedules.

### *New Accounting Pronouncements*

In May 2011, the Financial Accounting Standards Board issued Accounting Standard Update No. 2011-04, which amends Accounting Standards Codification Topic 820, *Fair Value Measurements and Disclosures*, to provide for common principles and requirements for fair value measurements and disclosures between accounting principles generally accepted in the United States of America and International Financial Reporting Standards. The amendments explain how to measure fair value. They do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. The amendments change the wording used to describe fair value measurement requirements and disclosures, but often do not result in a change in the application of current guidance. Certain amendments clarify the intent about the application of existing fair value measurement requirements, while certain other amendments change a principle or requirement for fair value measurement or disclosure. This guidance is effective for interim and annual periods beginning after December 15, 2011. The Plan does not anticipate that the adoption of this guidance will have an impact on the Plan's financial statements.

Continued

## 3. Fair Value Measurements

Accounting Standards for fair value measurements 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 these accounting standards are described below:

*Level 1*–Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

*Level 2*–Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010:

*Cash equivalent:* Valued based on redemption values on the latest business day of the Plan year.

*Mutual funds:* Valued at the net asset value (NAV) of shares held by the plan 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 fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Continued

**3. Fair Value Measurements**, continued

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011 and 2010:

| | Assets at Fair Value as of December 31, 2011 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Cash equivalents | $ 983,025 | $ - | $ - | $ 983,025 |
| Mutual funds: | | | | |
| Target date | 2,937,386 | - | - | 2,937,386 |
| Intermediate term bonds | 2,443,525 | - | - | 2,443,525 |
| Inflation protected bond | 2,031,515 | - | - | 2,031,515 |
| Foreign large blend | 1,413,664 | - | - | 1,413,664 |
| Large growth | 1,200,381 | - | - | 1,200,381 |
| Mid cap value | 814,440 | - | - | 814,440 |
| Large value | 621,915 | - | - | 621,915 |
| Small blend | 567,955 | - | - | 567,955 |
| Mid cap growth | 482,366 | - | - | 482,366 |
| Other funds | 386,209 | - | - | 386,209 |
| Total mutual funds | 12,899,356 | - | - | 12,899,356 |
| Total investments | $ 13,882,381 | $ - | $ - | $ 13,882,381 |

| | Assets at Fair Value as of December 31, 2010 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Cash equivalents | $ 915,214 | $ - | $ - | $ 915,214 |
| Mutual funds: | | | | |
| Target date | 2,110,450 | - | - | 2,110,450 |
| Intermediate term bonds | 2,085,344 | - | - | 2,085,344 |
| Inflation protected bond | 1,747,801 | - | - | 1,747,801 |
| Foreign large blend | 1,568,327 | - | - | 1,568,327 |
| Large growth | 1,188,814 | - | - | 1,188,814 |
| Mid cap value | 706,982 | - | - | 706,982 |
| Large value | 575,673 | - | - | 575,673 |
| Small blend | 563,366 | - | - | 563,366 |
| Mid cap growth | 505,229 | - | - | 505,229 |
| Other funds | 433,571 | - | - | 433,571 |
| Total mutual funds | 11,485,557 | - | - | 11,485,557 |
| Total investments | $ 12,400,771 | $ - | $ - | $ 12,400,771 |

Continued

## 4. Investments

The following presents the fair value of investments and those individual investments representing five percent (5%) or more of the Plan's net assets at December 31, 2011 and 2010.

| | 2011 | 2010 |
|---|---|---|
| Investments, at fair value: | | |
| Money market fund–Fidelity Retirement Money Market Portfolio | $ 983,025 | $ 915,214 |
| Mutual funds: | | |
| PIMCO Real Return Fund | 2,031,515 | 1,747,801 |
| Spartan U.S. Equity Index Fund | 1,735,344 | 1,524,709 |
| Fidelity International Discovery Fund | 1,051,596 | 1,236,661 |
| Fidelity Freedom 2040 | 862,659 | 691,995 |
| Fidelity Independence Fund | - * | 649,505 |
| Fidelity Value Fund | - * | 630,802 |
| Other mutual funds (individually less than 5%) | 7,218,242 | 5,004,084 |
| Total mutual funds | 12,899,356 | 11,485,557 |
| Total investments | $ 13,882,381 | $ 12,400,771 |

* Balance in current year is less than 5%

The Plan's investments, consisting primarily of mutual funds, including investments bought, sold, and held during the year, depreciated in value by $715,149 in 2011. All individual participant account balances are participant-directed as to investment programs.

## 5. Information Prepared and Certified by the Trustee (unaudited)

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by Fidelity Management Trust Company:

| | 2011 | 2010 |
|---|---|---|
| Investments, at fair value | $ 13,882,381 | $ 12,400,771 |
| Notes receivable from participants | $ 222,941 | $ 217,534 |
| Interest and dividend income | $ 379,239 | N/A |
| Interest on notes receivable from participants | $ 11,329 | N/A |
| Net depreciation in fair value of investments, net | $ 715,149 | N/A |

Continued

## 6. Party-in-Interest Transactions

Certain Plan investments in mutual funds are managed by Fidelity Management Trust Company, the trustee of the Plan. Any purchases and sales of these funds are performed in the open market at fair value. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan, and are specifically exempt from the prohibition of party-in-interest transactions under ERISA.

## 7. Tax Status

The Plan uses a prototype plan document sponsored by Fidelity Management Trust Company. Fidelity Management Trust Company received an opinion letter from the Internal Revenue Service (IRS) dated March 31, 2008, 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 IRS. Therefore, no provisions for income tax has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes that the Plan is no longer subject to income tax examinations for the years prior to 2008.

## 8. Plan Termination

Berry, Appleman & Leiden, LLP, has established the Plan with the intention and expectation that the Plan will continue indefinitely. However, Berry, Appleman & Leiden, LLP reserves the right at any time to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, distributions will be made to Participants as described in the Plan agreement.

## 9. Risks and Uncertainties

The Plan provides for various investment options in any combination of mutual funds offered by the Plan. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Continued

## 10. Excess Contributions

Excess Plan contributions for 2011 and 2010 in the amount of $1,898 and $40,946, respectively, were paid back to certain active participants subsequent to December 31, 2011 and 2010, respectively. These amounts were reflected as a liability on the accompanying Statement of Net Assets Available for Benefits at December 31, 2011 and 2010. The payments of excess contributions are required to satisfy the relevant nondiscrimination provisions of the Plan.

## 11. Reconciliation to Form 5500

The following is a reconciliation of the net assets available for benefits at December 31, 2011 and 2010:

| | 2011 | 2010 |
|---|---|---|
| Net assets available for benefits per financial statements | $ 14,103,424 | $ 12,598,119 |
| Employer contributions accrued on financial statements, to be recorded in Form 5500 in subsequent year | - | (20,760) |
| Excess contributions recorded as a liability on the financial statements | 1,898 | 40,946 |
| Net assets available for benefits per Form 5500 | $ 14,105,322 | $ 12,618,305 |

The following is a reconciliation of income received per the financial statements to Form 5500 for the year ended December 31, 2011:

| | |
|---|---|
| Net increase in net assets per financial statements | $ 1,505,305 |
| 2010 Employer contributions accrued on financial statements, recorded in Form 5500 in 2011 | 20,760 |
| 2010 excess contributions accrued in financial statements, recorded on the 2010 financial statements refunded in 2011 | (40,946) |
| 2011 excess contributions accrued in financial statements, to be recorded on the 2011 financial statements refunded in 2012 | 1,898 |
| Net income per Form 5500 | $ 1,487,017 |

## 12. Subsequent Event

In accordance with accounting standards affecting disclosures of subsequent events, the Plan evaluated subsequent events for recognition and disclosure through July 3, 2012 the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2011 that requires recognition or disclosure in such financial statements.

# SUPPLEMENTAL SCHEDULE

**BERRY, APPLEMAN & LEIDEN 401(k) PLAN**

**Trust EIN: 94-3068076**

**Plan Number 002**

**Schedule H, Line 4i**

**SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

December 31, 2011

| (a) | (b) | (c) | (e) |
|---|---|---|---|
| | Identity of Issuer, Borrower, Lessor, or Similar Party | Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | Current Value |
| * | Fidelity Retirement Money Market Portfolio | Cash Equivalent–Money Market | $ 983,025 |
| | PIMCO Real Return Fund | Mutual Fund | $ 2,031,515 |
| * | Spartan U.S. Equity Index Fund | Mutual Fund | $ 1,735,344 |
| * | Fidelity International Discovery Fund | Mutual Fund | $ 1,051,596 |
| * | Fidelity Freedom 2040 | Mutual Fund | $ 862,659 |
| * | Fidelity Value Fund | Mutual Fund | $ 632,321 |
| | American Beacon Large Cap Value Z | Mutual Fund | $ 621,915 |
| * | Fidelity Independence Fund | Mutual Fund | $ 607,063 |
| * | Fidelity Export and Multinational Fund | Mutual Fund | $ 593,318 |
| | Wells Fargo Advantage Small Cap Value Z | Mutual Fund | $ 567,955 |
| * | Fidelity U.S. Bond Index Fund | Mutual Fund | $ 499,116 |
| | Rainier Small/Mid Cap Equity Portfolio | Mutual Fund | $ 482,366 |
| * | Fidelity Freedom 2035 | Mutual Fund | $ 393,741 |
| * | Spartan International Index Fund | Mutual Fund | $ 362,068 |
| * | Fidelity Freedom 2020 | Mutual Fund | $ 336,692 |
| * | Fidelity Freedom 2045 | Mutual Fund | $ 330,401 |
| * | Fidelity Freedom 2030 | Mutual Fund | $ 328,365 |
| * | Fidelity Freedom 2025 | Mutual Fund | $ 272,906 |
| * | Fidelity Total Bond Fund | Mutual Fund | $ 209,065 |
| * | Fidelity Freedom 2015 | Mutual Fund | $ 202,264 |
| | Royce Opportunity Fund | Mutual Fund | $ 189,845 |
| * | Spartan Extended Market Index Fund | Mutual Fund | $ 188,427 |
| | Artisan Mid Cap Val | Mutual Fund | $ 182,119 |
| * | Fidelity Freedom 2050 | Mutual Fund | $ 181,423 |
| * | Fidelity Freedom 2010 | Mutual Fund | $ 15,721 |
| * | Fidelity Freedom 2000 | Mutual Fund | $ 10,363 |
| * | Fidelity Freedom Income | Mutual Fund | $ 7,937 |
| * | Fidelity Freedom 2005 | Mutual Fund | $ 2,851 |
| * | Participant Loans | 4.25% to 9.25% with various maturities | $ 222,941 |

* Party-in-interest