

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 <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☒ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information						
1a Name of plan NORTHERN LABS INC 401(K) THRIFT SAVINGS PLAN	<table border="1"> <tr> <td>1b Three-digit plan number (PN) ▶</td> <td>005</td> </tr> <tr> <td>1c Effective date of plan</td> <td>01/01/1990</td> </tr> </table>	1b Three-digit plan number (PN) ▶	005	1c Effective date of plan	01/01/1990		
1b Three-digit plan number (PN) ▶	005						
1c Effective date of plan	01/01/1990						
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) NORTHERN LABS INC PO BOX 850 5800 WEST DRIVE MANITOWOC, WI 54221-0850	<table border="1"> <tr> <td>2b Employer Identification Number (EIN)</td> <td>39-1543758</td> </tr> <tr> <td>2c Sponsor's telephone number</td> <td></td> </tr> <tr> <td>2d Business code (see instructions)</td> <td>325600</td> </tr> </table>	2b Employer Identification Number (EIN)	39-1543758	2c Sponsor's telephone number		2d Business code (see instructions)	325600
2b Employer Identification Number (EIN)	39-1543758						
2c Sponsor's telephone number							
2d Business code (see instructions)	325600						

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.	07/27/2012	DIANA REEL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") NORTHERN LABS INC PO BOX 850 5800 WEST DRIVE MANITOWOC, WI 54221-0850	3b Administrator's EIN 39-1543758 3c Administrator's telephone number
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	232
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	215
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	26
d Subtotal. Add lines 6a , 6b , and 6c	6d	241
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	241
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	131
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	2

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

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		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 <u>NORTHERN LABS INC 401(K) THRIFT SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NORTHERN LABS INC</u>	D Employer Identification Number (EIN) <u>39-1543758</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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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 37 65 25 60	RECORDKEEPER	9318	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

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

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

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.
ARTISAN MID CAP INV-BOSTON FINANCE 04-2526037	.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 04-0025081	.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.
EATON LG CAP VALUE A-BNY MELLON I P.O. BOX 9793 PROVIDENCE, RI 02940	.50%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>MAINSTAY LGCP GR R1-BOSTON FINANCE</p> <p>04-2526037</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>.35%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p>		
<p>(b) Service Codes (see instructions)</p> <p>60</p>		
<p>(c) Enter amount of indirect compensation</p> <p>0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>PIMCO TOT RETURN ADM-BOSTON FINANCE</p> <p>04-2526037</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>.26%</p>		
<p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p>		
<p>(b) Service Codes (see instructions)</p> <p>60</p>		
<p>(c) Enter amount of indirect compensation</p> <p>0</p>		
<p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>VICTORY DIVERS STK A-CITI FUND SE</p> <p>31-1249295</p>		
<p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>.35%</p>		

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
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(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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>NORTHERN LABS INC 401(K) THRIFT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NORTHERN LABS INC</u>	D Employer Identification Number (EIN) <u>39-1543758</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	0	0
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	0	0
	(2) Participant contributions	1b(2)	0	0
	(3) Other.....	1b(3)	0	0
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	502133	526948
	(2) U.S. Government securities.....	1c(2)	0	0
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)	0	0
	(B) All other.....	1c(3)(B)	0	0
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)	0	0
	(B) Common	1c(4)(B)	0	0
	(5) Partnership/joint venture interests	1c(5)	0	0
	(6) Real estate (other than employer real property)	1c(6)	0	0
	(7) Loans (other than to participants)	1c(7)	0	0
	(8) Participant loans	1c(8)	93577	134663
	(9) Value of interest in common/collective trusts.....	1c(9)	0	0
	(10) Value of interest in pooled separate accounts.....	1c(10)	0	0
	(11) Value of interest in master trust investment accounts	1c(11)	0	0
	(12) Value of interest in 103-12 investment entities	1c(12)	0	0
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	4118350	41043310
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
	(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	4714060	41704921

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	4714060	41704921
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	84034	
(B) Participants	2a(1)(B)	255932	
(C) Others (including rollovers)	2a(1)(C)	21383	
(2) Noncash contributions	2a(2)	0	361349
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	2251	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	4372	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		6623

(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	91010	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		91010

(3) Rents	2b(3)		0
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-184752
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		274230

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	211132	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		211132
f Corrective distributions (see instructions)	2f		1854
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	9362	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		9362
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		222348

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		51882
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: SCHENCK SC

(2) EIN: 39-1173131

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

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

Part IV Compliance Questions

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

During the plan year:

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

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

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

5b(1) Name of plan(s)

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

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 <u>NORTHERN LABS INC 401(K) THRIFT SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NORTHERN LABS INC</u>	D Employer Identification Number (EIN) <u>39-1543758</u>

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	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (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
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

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): _____

**NORTHERN LABS, INC.
401(k) THRIFT SAVINGS PLAN**

Financial Statements

December 31, 2011 and 2010

Together With Independent Auditors' Report

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits - Modified Cash Basis	3
Statements of Changes in Net Assets Available for Benefits - Modified Cash Basis	4
Notes to Financial Statements - Modified Cash Basis	5 - 11
SUPPLEMENTAL SCHEDULES	
Schedule H, line 4i - Schedule of Assets (Held at End of Year)	12
Schedule H, line 4i - Schedule of Assets (Acquired and Disposed of Within Year)	13



Independent Auditors' Report

To the Plan Administrator
Northern Labs, Inc. 401(k) Thrift Savings Plan
Manitowoc, Wisconsin

We were engaged to audit the accompanying statements of net assets available for benefits - modified cash basis of Northern Labs, Inc. 401(k) Thrift Savings Plan as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits - modified cash basis for the years then ended, and the supplemental schedules as of or for the year ended December 31, 2011, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Fidelity Management Trust Company, the Trustee of the Plan, except for comparing the information with the related information included in the financial statements and 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 certification from the Trustee as of and for the years ended December 31, 2011 and 2010 that the information provided to the Plan Administrator by the Trustee is complete and accurate.

As described in Note 2, these financial statements were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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

Schenck SC

Certified Public Accountants

Manitowoc, Wisconsin
July 13, 2012



NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Statements of Net Assets Available for Benefits - Modified Cash Basis December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
Investments, at fair value:		
Money market fund	\$ 526,948	\$ 502,133
Mutual funds	<u>4,104,331</u>	<u>4,118,350</u>
Total investments	4,631,279	4,620,483
Participant notes receivable	<u>134,663</u>	<u>93,577</u>
Total assets	4,765,942	4,714,060
Liabilities	<u>-</u>	<u>-</u>
Net assets available for benefits	<u>\$ 4,765,942</u>	<u>\$ 4,714,060</u>

See notes to financial statements.

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits - Modified Cash Basis Years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Additions to net assets attributed to:		
Investment income (loss):		
Net appreciation (depreciation) in fair value of mutual funds	\$ (182,555)	\$ 430,340
Interest and dividends	<u>91,064</u>	<u>79,132</u>
Total investment income (loss)	<u>(91,491)</u>	<u>509,472</u>
Interest income on notes receivable from participants	<u>4,372</u>	<u>4,911</u>
Contributions:		
Participant	255,932	245,367
Employer	84,034	81,293
Rollover	<u>21,383</u>	<u>-</u>
Total contributions	<u>361,349</u>	<u>326,660</u>
Total additions	<u>274,230</u>	<u>841,043</u>
Deductions from net assets attributed to:		
Benefits paid to participants	212,986	434,590
Administrative fees	<u>9,362</u>	<u>9,893</u>
Total deductions	<u>222,348</u>	<u>444,483</u>
Net increase	51,882	396,560
<u>Net assets available for benefits</u>		
Beginning of year	<u>4,714,060</u>	<u>4,317,500</u>
End of year	<u>\$ 4,765,942</u>	<u>\$ 4,714,060</u>

See notes to financial statements.

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Notes to Financial Statements - Modified Cash Basis
December 31, 2011 and 2010

Note 1 - Description of plan

The following brief description of the Northern Labs, Inc. 401(k) Thrift Savings Plan (Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

A. General

The Plan is a company-sponsored defined contribution plan covering all eligible employees of Northern Labs, Inc. (Company). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and the employee savings regulations under Section 401(k) of the Internal Revenue Code. All employees of the Company are eligible for participation after completing 90 days of service and reaching the age of 18. Employees may commence participation as of January 1, April 1, July 1, or October 1, upon completion of participation requirements.

B. Contributions

By means of a salary reduction agreement, participants can elect to contribute to the Plan up to 60% of their annual compensation in accordance with the limits of Internal Revenue Code Section 415(d). The Company can make a discretionary matching contribution. For the years ended December 31, 2011 and 2010, the Company contributed 50% of the first 6% of base compensation that a participant contributed to the Plan.

C. Participant accounts

Each participant's account is credited with the participant's elective contributions and allocations of (a) the employer discretionary contribution and (b) earnings, net of expenses. Allocations are based on participant compensation or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

D. Vesting

Participants are fully vested in the value of their accounts created by their own contributions. Vesting in the Company's discretionary contributions plus actual earnings thereon is based on years of continuous service. A participant is 100% vested at the time of death, disability, attainment of normal retirement age, or after five years of service with the Company.

E. Forfeitures

Forfeitures of prior Company contributions are used to reduce future Company contributions. Forfeitures of \$3,136 and \$3,217 were used to reduce contributions during the years ended December 31, 2011 and 2010, respectively.

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Notes to Financial Statements - Modified Cash Basis, Continued December 31, 2011 and 2010

Note 1 - Description of plan, continued

F. Benefits

Upon termination of service, a participant whose vested account balance does not exceed \$1,000 will receive a lump-sum distribution of the vested amount. Participants whose vested account balance exceeds \$1,000 may elect to receive as benefits all or any part of the vested amount credited to their accounts as of that date in a single sum, or periodic payments, or as an annuity as defined by the Plan.

G. Plan expenses

Administrative fees paid to the Plan's Trustee are paid by the Plan. All remaining fees and administrative expenses of the Plan are paid by the Company.

H. Participants notes receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of the participant's vested account balance. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with prevailing rates as determined by the Plan Administrator. Loan terms may not exceed five years unless the loan is used to acquire a primary residence, in which case longer repayment terms are granted.

I. Plan termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan at any time. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 2 - Summary of significant accounting policies

A. Accounting method

The Plan prepares its financial statements on the modified cash basis of accounting; consequently, contributions and interest and dividend income are recognized when received rather than when earned, and administrative fees are recognized when paid rather than when the obligation is incurred. Accordingly, the financial statements are not intended to present net assets and changes in net assets in conformity with accounting principles generally accepted in the United States of America.

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Notes to Financial Statements - Modified Cash Basis, Continued
December 31, 2011 and 2010

Note 2 - Summary of significant accounting policies, continued

B. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

C. Method of valuation of investments

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for a discussion of fair value measurements.

D. Participant notes receivable

Loans to participants are reported at their unpaid principal balances. Delinquent participant loans are reclassified as benefits paid to participants based on the terms of the Plan document.

E. New accounting pronouncements

In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2011-04, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRS*, (ASU 2011-04). ASU 2011-04 amended ASC 820, *Fair Value Measurements and Disclosures*, to converge the fair value measurement guidance in accounting principles generally accepted in the United States of America (GAAP) and International Financial Reporting Standards (IFRS). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

F. Subsequent events

The financial statements were approved and available for issue by management on July 13, 2012, and subsequent events were evaluated through this date.

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Notes to Financial Statements - Modified Cash Basis, Continued December 31, 2011 and 2010

Note 3 - Risks and uncertainties

The Plan's investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the values of the investments, 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 statements of changes in net assets available for benefits.

Note 4 - Investments

The following schedule presents the fair value of the Plan's investments at December 31, 2011 and 2010. Investments that represent 5% or more of the Plan's assets are separately identified:

	<u>2011</u>		<u>2010</u>	
	<u>Shares/ Units</u>	<u>Fair Value</u>	<u>Shares/ Units</u>	<u>Fair Value</u>
Investments at fair value as determined by quoted market prices:				
<u>Money market fund</u>				
Fidelity Retirement Money Market Fund	526,948	\$ <u>526,948</u>	502,133	\$ <u>502,133</u>
<u>Mutual funds</u>				
Artisan Mid Cap Investment	8,525	280,727	9,979	335,604
Fidelity Contrafund	15,051	1,015,367	15,415	1,044,051
Fidelity Diversified International	19,484	497,244	18,874	569,041
Fidelity Freedom 2020	46,854	614,720	51,633	712,016
Pimco Total Return ADM	39,078	424,778	34,643	375,881
Victory Diversified Stock A	13,497	195,169	16,220	253,202
Other mutual funds	-	<u>1,076,326</u>	-	<u>828,555</u>
Total mutual funds		<u>4,104,331</u>		<u>4,118,350</u>
		<u>\$ 4,631,279</u>		<u>\$ 4,620,483</u>

Note 5 - Fair value measurements

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

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Notes to Financial Statements - Modified Cash Basis, Continued December 31, 2011 and 2010

Note 5 - Fair value measurements, continued

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 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.

Mutual and money market funds: Valued at the net asset value (NAV) of shares held by the Plan at year end.

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

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Notes to Financial Statements - Modified Cash Basis, Continued December 31, 2011 and 2010

Note 5 - Fair value measurements, continued

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

	2011	Fair Value Measurements Using		
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Assets</u>				
Money market fund	\$ 526,948	\$ 526,948	\$ -	\$ -
Mutual funds:				
Life cycle funds	1,107,708	1,107,708	-	-
Bond	558,667	558,667	-	-
Large cap funds	1,313,648	1,313,648	-	-
Mid cap funds	555,183	555,183	-	-
Small cap funds	71,881	71,881	-	-
International funds	<u>497,244</u>	<u>497,244</u>	<u>-</u>	<u>-</u>
Total assets at fair value	<u>\$ 4,631,279</u>	<u>\$ 4,631,279</u>	<u>\$ -</u>	<u>\$ -</u>

	2010	Fair Value Measurements Using		
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Assets</u>				
Money market fund	\$ 502,133	\$ 502,133	\$ -	\$ -
Mutual funds:				
Life cycle funds	972,192	972,192	-	-
Bond	460,712	460,712	-	-
Large cap funds	1,387,453	1,387,453	-	-
Mid cap funds	628,400	628,400	-	-
Small cap funds	100,552	100,552	-	-
International funds	<u>569,041</u>	<u>569,041</u>	<u>-</u>	<u>-</u>
Total assets at fair value	<u>\$ 4,620,483</u>	<u>\$ 4,620,483</u>	<u>\$ -</u>	<u>\$ -</u>

Note 6 - Income tax status

The Plan is a prototype plan adopted from the prototype plan sponsor. The prototype plan sponsor has received a notification letter from the Internal Revenue Service which indicates that the form of the prototype plan is acceptable under the Internal Revenue Code. The Plan has not received a determination letter from the Internal Revenue Service. However, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code. Accordingly, no provision for taxes has been made in the financial statements.

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Notes to Financial Statements - Modified Cash Basis, Continued December 31, 2011 and 2010

Note 6 - Income tax status, continued

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 it is no longer subject to income tax examinations for years prior to 2008.

Note 7 - Information certified by the Plan's Trustee

The Plan Administrator has elected the method of annual reporting compliance 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. Accordingly, the Plan's Trustee (Fidelity Management Trust Company) has certified that the following data included in the accompanying financial statements and supplemental schedules is complete and accurate:

- a. The investments and participant notes receivable as shown in the Statements of Net Assets Available for Benefits - Modified Cash Basis.
- b. The investment income (loss) and interest income on notes receivable from participants as shown in the Statements of Changes in Net Assets Available for Benefits - Modified Cash Basis.
- c. The investments and participant notes receivable held at December 31, 2011, as shown in the Schedule of Assets (Held at End of Year).
- d. The participant notes receivable acquired and disposed of for the year ended December 31, 2011 as shown in the Schedule of Assets (Acquired and Disposed of Within Year).

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related amounts included in the financial statements and supplemental schedules.

Note 8 - Transactions with related party

Certain Plan investments are shares of money market and mutual funds managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the record keeper of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Administrative expenses paid by the Plan to the Trustee amounted to \$9,362 and \$9,893 for the years ended December 31, 2011 and 2010, respectively.

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

EIN 39-1543758, Plan Number 005

December 31, 2011

(a)	(b) and (c) Identity of Issue and <u>Description of Investment</u>	Shares/Face Amount or <u>Interest Rate</u>	(e) Current <u>Value</u>
	Pimco Total Return ADM	39,078	\$ 424,778
	Artisan Mid Cap Investment	8,525	280,727
	Artisan Mid Cap Value	3,672	72,344
	Eaton Large Cap Value A	517	8,863
	Mainstay Large Capital Growth	20	137
	Victory Diversified Stock A	13,497	195,169
*	Fidelity Contrafund	15,051	1,015,367
*	Fidelity Low-Priced Stock	5,657	202,112
*	Fidelity Diversified International	19,484	497,244
*	Fidelity Small Capital Stock	4,346	71,881
*	Fidelity Freedom Income	6,576	73,917
*	Fidelity Freedom 2000	435	5,164
*	Fidelity Freedom 2005	293	3,080
*	Fidelity Freedom 2010	7,972	104,428
*	Fidelity Freedom 2015	3,227	35,271
*	Fidelity Freedom 2020	46,854	614,720
*	Fidelity Freedom 2025	5,423	58,627
*	Fidelity Freedom 2030	142	1,819
*	Fidelity Freedom 2035	6,191	65,317
*	Fidelity Freedom 2040	744	5,474
*	Fidelity Freedom 2045	14,859	129,121
*	Fidelity Freedom 2050	1,261	10,769
*	Fidelity Spartan 500 Index Fund	2,115	94,112
*	Fidelity Spartan US Bond Index	11,366	133,890
*	Fidelity Retirement Money Market	526,948	526,948
*	Participant notes receivable 4.25%-6.5%	-	<u>134,663</u>
			<u>\$ 4,765,942</u>

* Party-in-interest

NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Schedule H, line 4i - Schedule of Assets (Acquired and Disposed of Within Year)

EIN 39-1543758, Plan Number 005

Year ended December 31, 2011

(a)	(b)	(c)	(d)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Costs of acquisitions	Proceeds of dispositions

Participant notes receivable	4.25% - 6.5%	\$ -	\$ -
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NORTHERN LABS, INC. 401(k) THRIFT SAVINGS PLAN

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

EIN 39-1543758, Plan Number 005

December 31, 2011

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