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
RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1998

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

RAINBOW GROCERY COOPERATIVE, INC.

1745 FOLSOM ST
SAN FRANCISCO, CA 94103

1745 FOLSOM ST
SAN FRANCISCO, CA 94103

2b Employer Identification Number (EIN) 94-2365172

2c Sponsor's telephone number 415-863-0620

2d Business code (see instructions) 445110

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.	08/27/2012	JAMES FRIESEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	08/27/2012	DENNIS WAGNER
	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")
RAINBOW GROCERY COOPERATIVE, INC.

1745 FOLSOM ST
SAN FRANCISCO, CA 94103

3b Administrator's EIN
94-2365172

3c Administrator's telephone number
415-863-0620

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**	267
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**	233
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	35
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	268
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	1
f	Total. Add lines **6d** and **6e**	**6f**	269
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	263
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	1
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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 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 Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RAINBOW GROCERY COOPERATIVE, INC.

D Employer Identification Number (EIN)
94-2365172

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

FID.INV.INST.OPS.CO.

04-2647786

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

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

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

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

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

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

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

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

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

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

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

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

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

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 60	RECORDKEEPER	6593	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.
AM CENT EQUITY INC - AMERICAN CENTU 44-0619208	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.
ARIEL FUND - US BANCORP FUND SERVIC 39-0281260	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.
ASTON/F MID CAP N - BNY MELLON INV P.O. BOX 9793 PROVIDENCE, RI 02940	0.40%

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.
CALVERT BOND A - BOSTON FINANCIAL D P.O. BOX 8480 BOSTON, MA 02266	0.25%

(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.
CALVERT EQUITY A - BOSTON FINANCIAL P.O. BOX 8480 BOSTON, MA 02266	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.
COL/ACORN INTL Z - COLUMBIA MGT INV P.O. BOX 8081 BOSTON, MA 02266-8081	0.40%

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.
COL/ACORN SELECT Z - COLUMBIA MGT I P.O. BOX 8081 BOSTON, MA 02266-8081	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.
DOMINI SOCIAL EQ INV - BNY MELLON A 101 SABIN STREET PAWTUCKET, RI 02860	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.
HEARTLAND VAL PLS IV - ALPS FUND SE 20-3247785	0.50%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
NB SOCIALLY RESP TR - STATE STREET 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.
OAKMARK FUND I - BOSTON FINANCIAL D P.O. BOX 8480 BOSTON, MA 02266	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.
PRU/J SMALL CO A - PRUDENTIAL MUTUA 22-3703799	0.35%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
RDGWTH MID CAP VAL I - BOSTON FINAN P.O. BOX 8480 BOSTON, MA 02266	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.
TMPL GLOBAL BOND A - FRANKLIN TEMPL 94-3167260	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.
TRP SM CAP VAL ADV - T. ROWE PRICE 52-2269240	0.40%

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.
WINSLOW GRN GRTH INV - US BANCORP F 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

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

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

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

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
RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RAINBOW GROCERY COOPERATIVE, INC.

D Employer Identification Number (EIN)
94-2365172

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)	486098	696793
(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)	347204	366121
(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)	5957492	6215088
(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	6790794	7278002
	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	6790794	7278002

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)	403383	
	(B) Participants	2a(1)(B)	505052	
	(C) Others (including rollovers)	2a(1)(C)	17654	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		926089
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	93	
	(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)	28428	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		28521
	(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)	174783	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		174783
	(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)		-462083
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		667310
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	165806	
(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)		165806
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		7599
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)	6697	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		6697
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		180102
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		487208
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: SHEA LABAGH DOBBERSTEIN **(2)** EIN: 94-2290202

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
RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
RAINBOW GROCERY COOPERATIVE, INC.

D Employer Identification Number (EIN)
94-2365172

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):

RAINBOW GROCERY COOPERATIVE, INC.
RETIREMENT PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

Year Ended December 31, 2011

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

Year Ended December 31, 2011

Table of Contents

	Page
Independent Auditors' Report	1
Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010	2
Statement of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2011	3
Notes to Financial Statements	4-12
Supplemental Schedule:	
Schedule H – Line 4i: Schedule of Assets (Held at End of Year) as of December 31, 2011	13

SHEA LABAGH DOBBERSTEIN

Certified Public Accountants, Inc.

INDEPENDENT AUDITORS' REPORT

TO THE PLAN ADMINISTRATOR AND PARTICIPANTS
OF RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

We were engaged to audit the accompanying statements of net assets available for benefits of the RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT 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 4, 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 supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications 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 the 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, 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.

SHEA LABAGH DOBBERSTEIN
Certified Public Accountants, Inc.

Shea Labagh Dobberstein

July 30, 2012

505 Montgomery Street, 5TH Floor • San Francisco, CA 94111 • Tel 415 397-4444 • Fax 415 981-0898
1700 S. El Camino Real, Suite 500 • San Mateo, CA 94402 • Tel 650 579-7200 • Fax 650 579-1041

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2011	December 31, 2010
ASSETS		
INVESTMENTS IN MUTUAL FUNDS	$ 6,911,881	$ 6,443,591
NOTES RECEIVABLE FROM PARTICIPANTS	366,121	347,204
TOTAL INVESTMENTS	7,278,002	6,790,795
NET ASSETS AVAILABLE FOR BENEFITS	$ 7,278,002	$ 6,790,795

See accompanying notes to financial statements.

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2011

ADDITIONS	
ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
DIVIDEND AND INTEREST INCOME	$ 174,013
INTEREST INCOME ON NOTES RECEIVABLE FROM PARTICIPANTS	28,428
CONTRIBUTIONS	
Participants	505,052
Employer	403,383
Rollover	17,654
TOTAL CONTRIBUTIONS	926,089
TOTAL ADDITIONS	1,128,530
DEDUCTIONS	
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
NET DEPRECIATION IN FAIR VALUE OF MUTUAL FUNDS	461,220
BENEFITS PAID TO PARTICIPANTS	173,405
ADMINISTRATIVE EXPENSES	6,698
TOTAL DEDUCTIONS	641,323
NET INCREASE IN NET ASSETS	487,207
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	6,790,795
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	$ 7,278,002

See accompanying notes to financial statements.

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

NOTE 1 – DESCRIPTION OF THE PLAN

The following description of the Rainbow Grocery Cooperative, Inc. Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General – The Plan was established on January 1, 1998 to provide retirement benefits for employees of Rainbow Grocery Cooperative, Inc. (the "Company"). The Plan is a defined contribution 401(k) profit sharing plan covering all eligible employees upon hiring date. Employees may begin deferring a portion of their compensation into the Plan on the first day of the month following eligibility. 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 ("IRC").

The Plan provides for a plan administrator who is responsible for keeping accurate and complete records with regard to the Plan's operations, informing participants of changes or amendments to the Plan, ensuring that the Plan conforms to the law and to government regulations, and providing participants with any reports and documents required by law.

Participant Contributions – Participants may voluntarily contribute up to 90% of their annual compensation, limited to $16,500 for the year ended December 31, 2011, and annual catch-up contributions of $5,500 for participants who are 50 or older. Participants may also make Roth contributions to the Plan. A participant's combined annual pre-tax and Roth contributions to the Plan cannot exceed 90% of the participant's compensation or the applicable legal limit. Participant contributions are vested and non-forfeitable at all times. All employees are automatically enrolled in the Plan upon employment with the Plan Sponsor. Participants subject to the automatic enrollment will have 3% of eligible compensation deducted on a pretax basis as a salary deferral contribution to the Plan. Prior to May 1, 2011, the deferral contribution rate increased 1% per year until in reaches a maximum of 6% unless the participant elects otherwise. As of May 1, 2011, the maximum automatic enrollment rate increased to 7%. Participants may stop or change this automatic contribution at any time. If the participant has not selected an investment option, the default investment will be the Fidelity Freedom Fund, appropriate for the age of the participant.

NOTE 1 – DESCRIPTION OF THE PLAN (Continued)

Employer Contributions – The Company has the option under the Plan to make discretionary matching contributions. Prior to May 1, 2011, the Company matched participant contributions by contributing an amount equal to 100% of each participant's contribution up to a maximum of 6% of the participant's gross compensation. As of May 1, 2011, the Company increased the maximum amount of contribution matched from 6% to 7% of the participant's gross compensation. The Company may also make an annual discretionary profit sharing contribution at the option of the Company's board of directors, subject to limitations imposed by applicable provisions of the IRC. There were no discretionary profit sharing contributions for 2011.

Participant Accounts – Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contributions and (b) Plan investment earnings or losses and charged with an allocation of investment expenses. Allocations are based on participant earnings or account balances, as defined by the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting – Participants are immediately vested in their voluntary contributions and rollover contributions plus actual earnings thereon. Vesting in the Company's discretionary profit sharing and matching contributions is based on years of continuous service. The Plan provides vesting in the Company discretionary profit sharing and matching contribution of 50% after one year of service and 100% after two years of service. Participants are 100% vested in Company contributions in the event of death, disability or attainment of normal retirement age (as defined in the Plan).

Notes Receivable from Participants – Participants may borrow from their vested account balances provided they meet the Plan's eligibility requirements. The minimum note amount is $1,000 and the maximum amount is the lesser of one-half of the participant's vested account balance or $50,000. The duration of the note is not to exceed five years, except for notes used to finance the purchase of a primary residence. The notes are secured by the balance in the participant's account and bear a fixed rate of interest determined on the date of advance by the plan administrator. At December 31, 2011, notes bear interest ranging from 5.25% to 8.50% and have maturity dates from January 2012 to January 2017. Principal and interest are paid ratably through payroll deductions and notes are due immediately upon termination of employment.

Investment Options – Upon enrollment in the Plan, a participant may direct the investment of his or her account balance into the various investment funds offered through Fidelity Management Trust Company ("Fidelity").

NOTE 1 – DESCRIPTION OF THE PLAN (Continued)

Payment of Benefits – Upon termination of service due to death, disability or retirement, or termination of employment, a participant may receive either a lump-sum distribution or installments as defined in the Plan agreement. If a terminated participant's balance is less than $1,000, the balance may be distributed directly to the participant as a lump-sum payment. Participants may also elect to receive a pre-retirement distribution if the participant is 100% vested in the amount being distributed, and has reached 59½ years of age.

Forfeited Accounts – The non-vested portion of a participant's account may be forfeited upon severance of employment. Forfeitures may be used to pay Plan fees, and/or to reduce the Company's contributions. Forfeited non-vested accounts amounted to $0 and $2,771 as of December 31, 2011 and 2010, respectively. During the year ended December 31, 2011, forfeitures in the amount of $3,157 were used to reduce employer contributions and $1,392 was used to pay Plan fees.

Administrative Expenses – The Company has elected to fund all administrative costs other than those associated with certain participant directed transactions, such as participant loan fees, if not paid by the Plan.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The Plan prepares its financial statements using the accrual basis of accounting, in conformity 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 amount of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results may differ from those estimates.

NOTE 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 further discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investments are stated at fair value in the Statements of Net Assets Available for Benefits and, accordingly, the net unrealized appreciation or depreciation in the value of investments for each year is reflected in the Statement of Changes in Net Assets Available for Benefits.

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

Payment of Benefits – Payments to participants are recorded when paid.

Recent Accounting Pronouncements – In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2010-06, *Improving Disclosures about Fair Value Measurements.* ASU 2010-06 amended the Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, to clarify certain existing fair value disclosures and to require a number of additional disclosures. These requirements were effective for the year ended December 31, 2010; however, the requirement to present changes in Level 3 measurements on a gross basis is effective for the year ended December 31, 2011. Since ASU 2010-06 only affects fair value measurement disclosures, adoption of ASU 2010-06 did not have an effect on the Plan's net assets available for benefits or its changes in net assets available for benefits.

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. Generally Accepted Accounting Principles* ("GAAP") *and International Financial Reporting Standards* ("IFRSs"). ASU 2011-04 amended ASC 820 to converge the fair value measurement guidance in U.S. GAAP and IFRSs. Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle or requirement for measuring fair value. In addition, ASU 2011-04 requires additional fair value disclosures, although certain of these new disclosures will not be required for nonpublic entities. The amendments are to be applied prospectively and are effective for the year ending December 31, 2012. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

NOTE 3 – FAIR VALUE MEASUREMENTS

The FASB ASC 820 defines fair value and 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 are described as follows:

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.

The following is a description of the valuation methodology used for assets measured at fair value at December 31, 2011 and 2010.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the Plan at year-end.

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

The preceding method 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.

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

	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Blend Funds	$ 783,351	$ -	$ -	$ 783,351
Bond Funds	594,403	-	-	594,403
Growth Funds	1,622,362	-	-	1,622,362
Money Market Fund	696,793	-	-	696,793
Target Date Funds	2,152,047	-	-	2,152,047
Value Funds	628,591	-	-	628,591
Other Funds	434,334	-	-	434,334
Total Investments at Fair Value	$ 6,911,881	$ -	$ -	$ 6,911,881

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

	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Blend Funds	$ 1,410,071	$ -	$ -	$ 1,410,071
Bond Funds	560,701	-	-	560,701
Growth Funds	863,216	-	-	863,216
Money Market Fund	486,098	-	-	486,098
Target Date Funds	1,913,078	-	-	1,913,078
Value Funds	492,593	-	-	492,593
Other Funds	717,834	-	-	717,834
Total Investments at Fair Value	$ 6,443,591	$ -	$ -	$ 6,443,591

NOTE 4 – INFORMATION CERTIFIED BY THE TRUSTEE OF THE PLAN

The investment information as of December 31, 2011 and 2010, including investment assets, investment income or loss, and the schedule of assets held at year end included in the accompanying financial statements and supplemental schedule was obtained from data that has been certified by Fidelity, the trustee of the Plan, to be complete and accurate. All investments are in participant directed funds.

The following is a summary of the certified information prepared by Fidelity, furnished to the Plan administrator and included in the Plan's financial statements and supplemental schedule at December 31, 2011 and 2010. Assets representing investments greater than 5% of the Plan's net assets are individually identified:

	2011	2010
Mutual Funds:		
American Century Equity Income Fund	$ 391,400	$ - *
Calvert SIF: Bond A	485,426	456,792
Calvert SIF: Equity A	369,276	343,516
Domini Social Equity Fund	- *	416,464
Fidelity Contra Fund	374,877	276,956 *
Fidelity Freedom 2030 Fund	413,154	361,620
Fidelity Freedom 2035 Fund	400,435	371,969
Fidelity Freedom 2040 Fund	465,676	413,524
Fidelity International Discovery Fund	454,842	562,034
Fidelity Retirement Money Market Fund	696,793	486,098
Neuberger Berman Socially Responsive Fund	436,767	- *
Other Mutual Funds	2,423,235	2,754,618
	6,911,881	6,443,591
Notes Receivable from Participants	366,121	347,204
	$ 7,278,002	$ 6,790,795

*Asset is not greater than 5% of net assets but is included for comparative purposes.

NOTE 4 – INFORMATION CERTIFIED BY THE TRUSTEE OF THE PLAN (Continued)

The following is a summary of information certified by Fidelity for the year ended December 31, 2011:

Net Depreciation in Fair Value of Mutual Funds	$ (461,220)
Dividend and Interest Income	$ 174,013
Interest Income On Notes Receivable from Participants	$ 28,428

NOTE 5 – TAX STATUS

The Company adopted a Prototype Plan which received a favorable opinion letter from the Internal Revenue Service ("IRS") on March 31, 2008 which stated that the Plan and related trust are designed in accordance with the applicable sections of the IRC. The Plan has not filed for a determination letter; however, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

NOTE 6 – RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity is the trustee, as defined by the plan and, therefore these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services are netted against net appreciation (depreciation) in fair value of investments.

NOTE 7 – PLAN TERMINATION

The Company has established the Plan with the expressed intention and expectation that it will continue the Plan. Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 8 – RISKS AND UNCERTAINTIES

The Plan provides for various investment options. 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 investment value 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.

The underlying securities of the Plan's investments could include securities with contractual cash flows, such as, but not limited to, asset backed securities, collateralized mortgage obligations, and commercial mortgage backed securities and real estate. The value, liquidity and related income of these securities may be particularly sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by real or perceived difficulties of the issuers, changes in interest rates and conditions in financial markets.

NOTE 9 – SUBSEQUENT EVENTS

In May 2012, the auto enrollment employee contribution ceiling was increased from 7% to 8%. In addition, the maximum employer match contribution was increased from 7% to 8% of a participant's deferral contribution.

The Company has evaluated subsequent events through July 30, 2012, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

SCHEDULE H – LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR)

FEIN: 94-2365172

Plan Number: 001

December 31, 2011

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value			(d) Cost	(e) Current Value
		Mutual Funds:				
	American Century Investments	53,838	Shares	American Century Equity Income Fund	^	$ 391,400
	Aston Asset Management	4,270	Shares	Aston Optimum Mid Cap Fund	^	126,350
	Brown Capital Management	2,627	Shares	Brown Capital Management Small Company Fund	^	115,022
	Calvert Asset Management Company	30,762	Shares	Calvert SIF: Bond A	^	485,426
	Calvert Asset Management Company	11,079	Shares	Calvert SIF: Equity A	^	369,276
	Columbia Management Investment Advisors	4,033	Shares	Columbia Acorn International Fund	^	138,388
	Columbia Management Investment Advisors	365	Shares	Columbia Acorn Select Fund	^	8,615
*	Fidelity Management Trust Company	4,327	Shares	Fidelity Capital & Income Fund	^	37,517
*	Fidelity Management Trust Company	5,557	Shares	Fidelity Contra Fund	^	374,877
*	Fidelity Management Trust Company	434	Shares	Fidelity Freedom 2000 Fund	^	5,158
*	Fidelity Management Trust Company	556	Shares	Fidelity Freedom 2010 Fund	^	7,289
*	Fidelity Management Trust Company	15,313	Shares	Fidelity Freedom 2015 Fund	^	167,367
*	Fidelity Management Trust Company	10,820	Shares	Fidelity Freedom 2020 Fund	^	141,962
*	Fidelity Management Trust Company	24,665	Shares	Fidelity Freedom 2025 Fund	^	266,626
*	Fidelity Management Trust Company	32,177	Shares	Fidelity Freedom 2030 Fund	^	413,154
*	Fidelity Management Trust Company	37,956	Shares	Fidelity Freedom 2035 Fund	^	400,435
*	Fidelity Management Trust Company	63,271	Shares	Fidelity Freedom 2040 Fund	^	465,676
*	Fidelity Management Trust Company	26,586	Shares	Fidelity Freedom 2045 Fund	^	231,029
*	Fidelity Management Trust Company	6,247	Shares	Fidelity Freedom 2050 Fund	^	53,351
*	Fidelity Management Trust Company	81	Shares	Fidelity Freedom Income Fund	^	907
*	Fidelity Management Trust Company	1,229	Shares	Fidelity Growth Company Fund	^	99,447
*	Fidelity Management Trust Company	16,474	Shares	Fidelity International Discovery Fund	^	454,842
*	Fidelity Management Trust Company	1,804	Shares	Fidelity Leveraged Company Stock	^	45,305
*	Fidelity Management Trust Company	546	Shares	Fidelity Low Priced Stock Fund	^	19,501
*	Fidelity Management Trust Company	2,984	Shares	Fidelity Mid Cap Stock Fund	^	79,553
*	Fidelity Management Trust Company	696,793	Shares	Fidelity Retirement Money Market Fund	^	696,793
*	Fidelity Management Trust Company	596	Shares	Fidelity Select Industrials Portfolio	^	13,004
*	Fidelity Management Trust Company	6,333	Shares	Fidelity Select Natural Resources Portfolio	^	198,169
*	Fidelity Management Trust Company	2,570	Shares	Fidelity Select Technology Portfolio	^	222,254
*	Fidelity Management Trust Company	8,283	Shares	Fidelity Small Cap Stock Fund	^	137,003
*	Fidelity Management Trust Company	6,384	Shares	Fidelity Total Bond Fund	^	69,712
	Neuberger Berman Group	25,983	Shares	Neuberger Berman Socially Responsive Fund	^	436,767
	Harris Associates	8	Shares	Oakmark Fund	^	350
	Prudential Financial Group	21	Shares	Prudential Jennison Small Company Fund	^	417
	Ridgeworth Capital Management	22,603	Shares	Ridgeworth Mid-Cap Value Equity Fund	^	221,958
	T. Rowe Price Investment Services	445	Shares	T. Rowe Price Small Cap Value Advantage Fund	^	15,233
	Franklin Templeton Investments	141	Shares	Templeton Global Bond Fund	^	1,748
						6,911,881
*	Notes Receivable from Participants			64 notes receivable bearing interest from 5.25% to 8.50% with maturity dates from January 2012 to January 2017	-	366,121
						$ 7,278,002

* Denotes Party-In-Interest as defined by ERISA.

^ Column (d) Cost is omitted for participant directed investments.

RAINBOW GROCERY COOPERATIVE, INC.
RETIREMENT PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

Year Ended December 31, 2011

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

Year Ended December 31, 2011

Table of Contents

	Page
Independent Auditors' Report	1
Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010	2
Statement of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2011	3
Notes to Financial Statements	4-12
Supplemental Schedule:	
Schedule H – Line 4i: Schedule of Assets (Held at End of Year) as of December 31, 2011	13

SHEA LABAGH DOBBERSTEIN

Certified Public Accountants, Inc.

INDEPENDENT AUDITORS' REPORT

TO THE PLAN ADMINISTRATOR AND PARTICIPANTS
OF RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

We were engaged to audit the accompanying statements of net assets available for benefits of the RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT 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 4, 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 supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications 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 the 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, 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.

SHEA LABAGH DOBBERSTEIN
Certified Public Accountants, Inc.

Shea Labagh Dobberstein

July 30, 2012

505 Montgomery Street, 5TH Floor • San Francisco, CA 94111 • Tel 415 397-4444 • Fax 415 981-0898
1700 S. El Camino Real, Suite 500 • San Mateo, CA 94402 • Tel 650 579-7200 • Fax 650 579-1041

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31, 2011	December 31, 2010
ASSETS		
INVESTMENTS IN MUTUAL FUNDS	$ 6,911,881	$ 6,443,591
NOTES RECEIVABLE FROM PARTICIPANTS	366,121	347,204
TOTAL INVESTMENTS	7,278,002	6,790,795
NET ASSETS AVAILABLE FOR BENEFITS	$ 7,278,002	$ 6,790,795

See accompanying notes to financial statements.

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2011

ADDITIONS	
ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
DIVIDEND AND INTEREST INCOME	$ 174,013
INTEREST INCOME ON NOTES RECEIVABLE FROM PARTICIPANTS	28,428
CONTRIBUTIONS	
Participants	505,052
Employer	403,383
Rollover	17,654
TOTAL CONTRIBUTIONS	926,089
TOTAL ADDITIONS	1,128,530
DEDUCTIONS	
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
NET DEPRECIATION IN FAIR VALUE OF MUTUAL FUNDS	461,220
BENEFITS PAID TO PARTICIPANTS	173,405
ADMINISTRATIVE EXPENSES	6,698
TOTAL DEDUCTIONS	641,323
NET INCREASE IN NET ASSETS	487,207
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	6,790,795
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	$ 7,278,002

See accompanying notes to financial statements.

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

NOTE 1 – DESCRIPTION OF THE PLAN

The following description of the Rainbow Grocery Cooperative, Inc. Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General – The Plan was established on January 1, 1998 to provide retirement benefits for employees of Rainbow Grocery Cooperative, Inc. (the "Company"). The Plan is a defined contribution 401(k) profit sharing plan covering all eligible employees upon hiring date. Employees may begin deferring a portion of their compensation into the Plan on the first day of the month following eligibility. 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 ("IRC").

The Plan provides for a plan administrator who is responsible for keeping accurate and complete records with regard to the Plan's operations, informing participants of changes or amendments to the Plan, ensuring that the Plan conforms to the law and to government regulations, and providing participants with any reports and documents required by law.

Participant Contributions – Participants may voluntarily contribute up to 90% of their annual compensation, limited to $16,500 for the year ended December 31, 2011, and annual catch-up contributions of $5,500 for participants who are 50 or older. Participants may also make Roth contributions to the Plan. A participant's combined annual pre-tax and Roth contributions to the Plan cannot exceed 90% of the participant's compensation or the applicable legal limit. Participant contributions are vested and non-forfeitable at all times. All employees are automatically enrolled in the Plan upon employment with the Plan Sponsor. Participants subject to the automatic enrollment will have 3% of eligible compensation deducted on a pretax basis as a salary deferral contribution to the Plan. Prior to May 1, 2011, the deferral contribution rate increased 1% per year until in reaches a maximum of 6% unless the participant elects otherwise. As of May 1, 2011, the maximum automatic enrollment rate increased to 7%. Participants may stop or change this automatic contribution at any time. If the participant has not selected an investment option, the default investment will be the Fidelity Freedom Fund, appropriate for the age of the participant.

NOTE 1 – DESCRIPTION OF THE PLAN (Continued)

Employer Contributions – The Company has the option under the Plan to make discretionary matching contributions. Prior to May 1, 2011, the Company matched participant contributions by contributing an amount equal to 100% of each participant's contribution up to a maximum of 6% of the participant's gross compensation. As of May 1, 2011, the Company increased the maximum amount of contribution matched from 6% to 7% of the participant's gross compensation. The Company may also make an annual discretionary profit sharing contribution at the option of the Company's board of directors, subject to limitations imposed by applicable provisions of the IRC. There were no discretionary profit sharing contributions for 2011.

Participant Accounts – Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contributions and (b) Plan investment earnings or losses and charged with an allocation of investment expenses. Allocations are based on participant earnings or account balances, as defined by the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting – Participants are immediately vested in their voluntary contributions and rollover contributions plus actual earnings thereon. Vesting in the Company's discretionary profit sharing and matching contributions is based on years of continuous service. The Plan provides vesting in the Company discretionary profit sharing and matching contribution of 50% after one year of service and 100% after two years of service. Participants are 100% vested in Company contributions in the event of death, disability or attainment of normal retirement age (as defined in the Plan).

Notes Receivable from Participants – Participants may borrow from their vested account balances provided they meet the Plan's eligibility requirements. The minimum note amount is $1,000 and the maximum amount is the lesser of one-half of the participant's vested account balance or $50,000. The duration of the note is not to exceed five years, except for notes used to finance the purchase of a primary residence. The notes are secured by the balance in the participant's account and bear a fixed rate of interest determined on the date of advance by the plan administrator. At December 31, 2011, notes bear interest ranging from 5.25% to 8.50% and have maturity dates from January 2012 to January 2017. Principal and interest are paid ratably through payroll deductions and notes are due immediately upon termination of employment.

Investment Options – Upon enrollment in the Plan, a participant may direct the investment of his or her account balance into the various investment funds offered through Fidelity Management Trust Company ("Fidelity").

NOTE 1 – DESCRIPTION OF THE PLAN (Continued)

Payment of Benefits – Upon termination of service due to death, disability or retirement, or termination of employment, a participant may receive either a lump-sum distribution or installments as defined in the Plan agreement. If a terminated participant's balance is less than $1,000, the balance may be distributed directly to the participant as a lump-sum payment. Participants may also elect to receive a pre-retirement distribution if the participant is 100% vested in the amount being distributed, and has reached 59½ years of age.

Forfeited Accounts – The non-vested portion of a participant's account may be forfeited upon severance of employment. Forfeitures may be used to pay Plan fees, and/or to reduce the Company's contributions. Forfeited non-vested accounts amounted to $0 and $2,771 as of December 31, 2011 and 2010, respectively. During the year ended December 31, 2011, forfeitures in the amount of $3,157 were used to reduce employer contributions and $1,392 was used to pay Plan fees.

Administrative Expenses – The Company has elected to fund all administrative costs other than those associated with certain participant directed transactions, such as participant loan fees, if not paid by the Plan.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The Plan prepares its financial statements using the accrual basis of accounting, in conformity 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 amount of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results may differ from those estimates.

NOTE 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 further discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investments are stated at fair value in the Statements of Net Assets Available for Benefits and, accordingly, the net unrealized appreciation or depreciation in the value of investments for each year is reflected in the Statement of Changes in Net Assets Available for Benefits.

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

Payment of Benefits – Payments to participants are recorded when paid.

Recent Accounting Pronouncements – In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2010-06, *Improving Disclosures about Fair Value Measurements.* ASU 2010-06 amended the Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, to clarify certain existing fair value disclosures and to require a number of additional disclosures. These requirements were effective for the year ended December 31, 2010; however, the requirement to present changes in Level 3 measurements on a gross basis is effective for the year ended December 31, 2011. Since ASU 2010-06 only affects fair value measurement disclosures, adoption of ASU 2010-06 did not have an effect on the Plan's net assets available for benefits or its changes in net assets available for benefits.

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. Generally Accepted Accounting Principles* ("GAAP") *and International Financial Reporting Standards* ("IFRSs"). ASU 2011-04 amended ASC 820 to converge the fair value measurement guidance in U.S. GAAP and IFRSs. Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle or requirement for measuring fair value. In addition, ASU 2011-04 requires additional fair value disclosures, although certain of these new disclosures will not be required for nonpublic entities. The amendments are to be applied prospectively and are effective for the year ending December 31, 2012. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

NOTE 3 – FAIR VALUE MEASUREMENTS

The FASB ASC 820 defines fair value and 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 are described as follows:

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.

The following is a description of the valuation methodology used for assets measured at fair value at December 31, 2011 and 2010.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the Plan at year-end.

NOTE 3 – FAIR VALUE MEASUREMENTS (Continued)

The preceding method 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.

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

	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Blend Funds	$ 783,351	$ -	$ -	$ 783,351
Bond Funds	594,403	-	-	594,403
Growth Funds	1,622,362	-	-	1,622,362
Money Market Fund	696,793	-	-	696,793
Target Date Funds	2,152,047	-	-	2,152,047
Value Funds	628,591	-	-	628,591
Other Funds	434,334	-	-	434,334
Total Investments at Fair Value	$ 6,911,881	$ -	$ -	$ 6,911,881

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

	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Blend Funds	$ 1,410,071	$ -	$ -	$ 1,410,071
Bond Funds	560,701	-	-	560,701
Growth Funds	863,216	-	-	863,216
Money Market Fund	486,098	-	-	486,098
Target Date Funds	1,913,078	-	-	1,913,078
Value Funds	492,593	-	-	492,593
Other Funds	717,834	-	-	717,834
Total Investments at Fair Value	$ 6,443,591	$ -	$ -	$ 6,443,591

NOTE 4 – INFORMATION CERTIFIED BY THE TRUSTEE OF THE PLAN

The investment information as of December 31, 2011 and 2010, including investment assets, investment income or loss, and the schedule of assets held at year end included in the accompanying financial statements and supplemental schedule was obtained from data that has been certified by Fidelity, the trustee of the Plan, to be complete and accurate. All investments are in participant directed funds.

The following is a summary of the certified information prepared by Fidelity, furnished to the Plan administrator and included in the Plan's financial statements and supplemental schedule at December 31, 2011 and 2010. Assets representing investments greater than 5% of the Plan's net assets are individually identified:

	2011	2010
Mutual Funds:		
American Century Equity Income Fund	$ 391,400	$ - *
Calvert SIF: Bond A	485,426	456,792
Calvert SIF: Equity A	369,276	343,516
Domini Social Equity Fund	- *	416,464
Fidelity Contra Fund	374,877	276,956 *
Fidelity Freedom 2030 Fund	413,154	361,620
Fidelity Freedom 2035 Fund	400,435	371,969
Fidelity Freedom 2040 Fund	465,676	413,524
Fidelity International Discovery Fund	454,842	562,034
Fidelity Retirement Money Market Fund	696,793	486,098
Neuberger Berman Socially Responsive Fund	436,767	- *
Other Mutual Funds	2,423,235	2,754,618
	6,911,881	6,443,591
Notes Receivable from Participants	366,121	347,204
	$ 7,278,002	$ 6,790,795

*Asset is not greater than 5% of net assets but is included for comparative purposes.

NOTE 4 – INFORMATION CERTIFIED BY THE TRUSTEE OF THE PLAN (Continued)

The following is a summary of information certified by Fidelity for the year ended December 31, 2011:

Net Depreciation in Fair Value of Mutual Funds	$ (461,220)
Dividend and Interest Income	$ 174,013
Interest Income On Notes Receivable from Participants	$ 28,428

NOTE 5 – TAX STATUS

The Company adopted a Prototype Plan which received a favorable opinion letter from the Internal Revenue Service ("IRS") on March 31, 2008 which stated that the Plan and related trust are designed in accordance with the applicable sections of the IRC. The Plan has not filed for a determination letter; however, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

NOTE 6 – RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity is the trustee, as defined by the plan and, therefore these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services are netted against net appreciation (depreciation) in fair value of investments.

NOTE 7 – PLAN TERMINATION

The Company has established the Plan with the expressed intention and expectation that it will continue the Plan. Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 8 – RISKS AND UNCERTAINTIES

The Plan provides for various investment options. 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 investment value 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.

The underlying securities of the Plan's investments could include securities with contractual cash flows, such as, but not limited to, asset backed securities, collateralized mortgage obligations, and commercial mortgage backed securities and real estate. The value, liquidity and related income of these securities may be particularly sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by real or perceived difficulties of the issuers, changes in interest rates and conditions in financial markets.

NOTE 9 – SUBSEQUENT EVENTS

In May 2012, the auto enrollment employee contribution ceiling was increased from 7% to 8%. In addition, the maximum employer match contribution was increased from 7% to 8% of a participant's deferral contribution.

The Company has evaluated subsequent events through July 30, 2012, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

RAINBOW GROCERY COOPERATIVE, INC. RETIREMENT PLAN

SCHEDULE H – LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR)

FEIN: 94-2365172

Plan Number: 001

December 31, 2011

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value			(d) Cost	(e) Current Value
		Mutual Funds:				
	American Century Investments	53,838	Shares	American Century Equity Income Fund	^	$ 391,400
	Aston Asset Management	4,270	Shares	Aston Optimum Mid Cap Fund	^	126,350
	Brown Capital Management	2,627	Shares	Brown Capital Management Small Company Fund	^	115,022
	Calvert Asset Management Company	30,762	Shares	Calvert SIF: Bond A	^	485,426
	Calvert Asset Management Company	11,079	Shares	Calvert SIF: Equity A	^	369,276
	Columbia Management Investment Advisors	4,033	Shares	Columbia Acorn International Fund	^	138,388
	Columbia Management Investment Advisors	365	Shares	Columbia Acorn Select Fund	^	8,615
*	Fidelity Management Trust Company	4,327	Shares	Fidelity Capital & Income Fund	^	37,517
*	Fidelity Management Trust Company	5,557	Shares	Fidelity Contra Fund	^	374,877
*	Fidelity Management Trust Company	434	Shares	Fidelity Freedom 2000 Fund	^	5,158
*	Fidelity Management Trust Company	556	Shares	Fidelity Freedom 2010 Fund	^	7,289
*	Fidelity Management Trust Company	15,313	Shares	Fidelity Freedom 2015 Fund	^	167,367
*	Fidelity Management Trust Company	10,820	Shares	Fidelity Freedom 2020 Fund	^	141,962
*	Fidelity Management Trust Company	24,665	Shares	Fidelity Freedom 2025 Fund	^	266,626
*	Fidelity Management Trust Company	32,177	Shares	Fidelity Freedom 2030 Fund	^	413,154
*	Fidelity Management Trust Company	37,956	Shares	Fidelity Freedom 2035 Fund	^	400,435
*	Fidelity Management Trust Company	63,271	Shares	Fidelity Freedom 2040 Fund	^	465,676
*	Fidelity Management Trust Company	26,586	Shares	Fidelity Freedom 2045 Fund	^	231,029
*	Fidelity Management Trust Company	6,247	Shares	Fidelity Freedom 2050 Fund	^	53,351
*	Fidelity Management Trust Company	81	Shares	Fidelity Freedom Income Fund	^	907
*	Fidelity Management Trust Company	1,229	Shares	Fidelity Growth Company Fund	^	99,447
*	Fidelity Management Trust Company	16,474	Shares	Fidelity International Discovery Fund	^	454,842
*	Fidelity Management Trust Company	1,804	Shares	Fidelity Leveraged Company Stock	^	45,305
*	Fidelity Management Trust Company	546	Shares	Fidelity Low Priced Stock Fund	^	19,501
*	Fidelity Management Trust Company	2,984	Shares	Fidelity Mid Cap Stock Fund	^	79,553
*	Fidelity Management Trust Company	696,793	Shares	Fidelity Retirement Money Market Fund	^	696,793
*	Fidelity Management Trust Company	596	Shares	Fidelity Select Industrials Portfolio	^	13,004
*	Fidelity Management Trust Company	6,333	Shares	Fidelity Select Natural Resources Portfolio	^	198,169
*	Fidelity Management Trust Company	2,570	Shares	Fidelity Select Technology Portfolio	^	222,254
*	Fidelity Management Trust Company	8,283	Shares	Fidelity Small Cap Stock Fund	^	137,003
*	Fidelity Management Trust Company	6,384	Shares	Fidelity Total Bond Fund	^	69,712
	Neuberger Berman Group	25,983	Shares	Neuberger Berman Socially Responsive Fund	^	436,767
	Harris Associates	8	Shares	Oakmark Fund	^	350
	Prudential Financial Group	21	Shares	Prudential Jennison Small Company Fund	^	417
	Ridgeworth Capital Management	22,603	Shares	Ridgeworth Mid-Cap Value Equity Fund	^	221,958
	T. Rowe Price Investment Services	445	Shares	T. Rowe Price Small Cap Value Advantage Fund	^	15,233
	Franklin Templeton Investments	141	Shares	Templeton Global Bond Fund	^	1,748
						6,911,881
*	Notes Receivable from Participants			64 notes receivable bearing interest from 5.25% to 8.50% with maturity dates from January 2012 to January 2017	-	366,121
						$ 7,278,002

* Denotes Party-In-Interest as defined by ERISA.

^ Column (d) Cost is omitted for participant directed investments.