

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                    |                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><b>► Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089               |
|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                    | <b>2011</b>                                   |
|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                    | <b>This Form is Open to Public Inspection</b> |

|                                                                                                          |                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                           |
| For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u> |                                                                                                                                                                                                                                           |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____                         |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . .                               | <input type="checkbox"/>                                                                                                                                                                                                                  |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                 |

|                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|-------------------|
| <b>Part II</b>                                                                                                                                                                                                              | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                         |                                                                     |                                                             |                                                             |                   |
| <b>1a</b> Name of plan<br><u>SRI/SURGICAL EXPRESS, INC. 401(K) PLAN</u>                                                                                                                                                     | <table border="1"> <tr> <td><b>1b</b> Three-digit plan number (PN) ►</td> <td><u>001</u></td> </tr> <tr> <td><b>1c</b> Effective date of plan</td> <td><u>01/01/1999</u></td> </tr> </table>                                                                                           | <b>1b</b> Three-digit plan number (PN) ►                            | <u>001</u>                                                  | <b>1c</b> Effective date of plan                            | <u>01/01/1999</u> |
| <b>1b</b> Three-digit plan number (PN) ►                                                                                                                                                                                    | <u>001</u>                                                                                                                                                                                                                                                                             |                                                                     |                                                             |                                                             |                   |
| <b>1c</b> Effective date of plan                                                                                                                                                                                            | <u>01/01/1999</u>                                                                                                                                                                                                                                                                      |                                                                     |                                                             |                                                             |                   |
| <b>2a</b> Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)<br><br><u>SRI/SURGICAL EXPRESS, INC.</u><br><br><u>12425 RACE TRACK RD</u><br><u>TAMPA, FL 33626-3102</u> | <table border="1"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/><u>59-3252632</u></td> </tr> <tr> <td><b>2c</b> Sponsor's telephone number<br/><u>813-891-9550</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/><u>812990</u></td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br><u>59-3252632</u> | <b>2c</b> Sponsor's telephone number<br><u>813-891-9550</u> | <b>2d</b> Business code (see instructions)<br><u>812990</u> |                   |
| <b>2b</b> Employer Identification Number (EIN)<br><u>59-3252632</u>                                                                                                                                                         |                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |                   |
| <b>2c</b> Sponsor's telephone number<br><u>813-891-9550</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |                   |
| <b>2d</b> Business code (see instructions)<br><u>812990</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |                   |

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

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

|                  |                                                          |                   |                                                              |
|------------------|----------------------------------------------------------|-------------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | <u>Filed with authorized/valid electronic signature.</u> | <u>10/04/2012</u> | <u>RAY REILLY</u>                                            |
|                  | <b>Signature of plan administrator</b>                   | Date              | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> | <u>Filed with authorized/valid electronic signature.</u> | <u>10/04/2012</u> | <u>RAY REILLY</u>                                            |
|                  | <b>Signature of employer/plan sponsor</b>                | Date              | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                          |                   |                                                              |
|                  | <b>Signature of DFE</b>                                  | Date              | Enter name of individual signing as DFE                      |

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

Form 5500 (2011)  
v.012611

|                                                                                                                                                                          |                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address (if same as plan sponsor, enter "Same")<br>SRI/SURGICAL EXPRESS, INC.<br><br>12425 RACE TRACK RD<br>TAMPA, FL 33626-3102 | <b>3b</b> Administrator's EIN<br>59-3252632<br><br><b>3c</b> Administrator's telephone number<br>813-891-9550 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                       |                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| <b>4</b> 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:<br><br><b>a</b> Sponsor's name | <b>4b</b> EIN<br><br><b>4c</b> PN |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|

|                                                                         |          |     |
|-------------------------------------------------------------------------|----------|-----|
| <b>5</b> Total number of participants at the beginning of the plan year | <b>5</b> | 667 |
|-------------------------------------------------------------------------|----------|-----|

|                                                                                                                                                        |           |     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----|
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). |           |     |
| <b>a</b> Active participants.....                                                                                                                      | <b>6a</b> | 632 |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                     | <b>6b</b> | 0   |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                      | <b>6c</b> | 35  |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                               | <b>6d</b> | 667 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                              | <b>6e</b> | 0   |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                | <b>6f</b> | 667 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....         | <b>6g</b> | 569 |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....             | <b>6h</b> | 27  |

|                                                                                                                                      |          |  |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|--|
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) ..... | <b>7</b> |  |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|--|

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

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

|                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

**a Pension Schedules**

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

**b General Schedules**

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

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                           |                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE A</b><br><b>(Form 5500)</b><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><hr/> <small>Department of Labor<br/>Employee Benefits Security Administration</small><br><hr/> <small>Pension Benefit Guaranty Corporation</small> | <b>Insurance Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b><br><br>► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2). | OMB No. 1210-0110<br><br><hr/> <b>2011</b><br><br><hr/> <b>This Form is Open to Public Inspection</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|

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

|                                                                                                    |                                                                    |            |
|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| <b>A</b> Name of plan<br><b>SRI/SURGICAL EXPRESS, INC. 401(K) PLAN</b>                             | <b>B</b> Three-digit plan number (PN)                              | <b>001</b> |
|                                                                                                    |                                                                    |            |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>SRI/SURGICAL EXPRESS, INC.</b> | <b>D</b> Employer Identification Number (EIN)<br><b>59-3252632</b> |            |

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

**1** Coverage Information:

**(a)** Name of insurance carrier  
**PRINCIPAL LIFE INSURANCE COMPANY**

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|-----------------------------------------------------------------------------|-------------------------|------------|
|            |               |                                       |                                                                             | (f) From                | (g) To     |
| 42-0127290 | 61271         | 436916                                | 667                                                                         | 01/01/2011              | 12/31/2011 |

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

|                                             |                                      |
|---------------------------------------------|--------------------------------------|
| <b>(a)</b> Total amount of commissions paid | <b>(b)</b> Total amount of fees paid |
| 19566                                       | 3184                                 |

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

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid  
**PLANNING CORPORATION OF AMERICA** 880 CARILLON PKWY  
 PO BOX 33014  
 ST PETERSBURG, FL 33733-8014

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |                      | (e) Organization code |
|-----------------------------------------------|---------------------------------|----------------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose          |                       |
| 19566                                         | 3184                            | REFERRAL/SERVICE FEE | 3                     |

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

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

---

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

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

---

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

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

---

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

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

---

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

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

---

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

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

**Part II Investment and Annuity Contract Information**

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

|                                                                                                        |          |         |
|--------------------------------------------------------------------------------------------------------|----------|---------|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end ..... | <b>4</b> | 446928  |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end .....   | <b>5</b> | 7268606 |

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

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

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

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

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

|                                                        |           |        |
|--------------------------------------------------------|-----------|--------|
| <b>b</b> Balance at the end of the previous year ..... | <b>7b</b> | 592036 |
|--------------------------------------------------------|-----------|--------|

|                                                                       |              |       |  |
|-----------------------------------------------------------------------|--------------|-------|--|
| <b>c</b> Additions: (1) Contributions deposited during the year ..... | <b>7c(1)</b> | 3051  |  |
| (2) Dividends and credits .....                                       | <b>7c(2)</b> |       |  |
| (3) Interest credited during the year .....                           | <b>7c(3)</b> | 14131 |  |
| (4) Transferred from separate account .....                           | <b>7c(4)</b> | 21956 |  |
| (5) Other (specify below) .....                                       | <b>7c(5)</b> | 345   |  |

▶ LOAN PAYMENT

|                           |              |       |
|---------------------------|--------------|-------|
| (6) Total additions ..... | <b>7c(6)</b> | 39483 |
|---------------------------|--------------|-------|

|                                                                               |           |        |
|-------------------------------------------------------------------------------|-----------|--------|
| <b>d</b> Total of balance and additions (add <b>b</b> and <b>c(6)</b> ) ..... | <b>7d</b> | 631519 |
|-------------------------------------------------------------------------------|-----------|--------|

**e Deductions:**

|                                                                                 |              |        |  |
|---------------------------------------------------------------------------------|--------------|--------|--|
| (1) Disbursed from fund to pay benefits or purchase annuities during year ..... | <b>7e(1)</b> | 56103  |  |
| (2) Administration charge made by carrier .....                                 | <b>7e(2)</b> | 1434   |  |
| (3) Transferred to separate account .....                                       | <b>7e(3)</b> | 117613 |  |
| (4) Other (specify below) .....                                                 | <b>7e(4)</b> | 9241   |  |

▶ LOAN WITHDRAWAL

|                            |              |        |
|----------------------------|--------------|--------|
| (5) Total deductions ..... | <b>7e(5)</b> | 184391 |
|----------------------------|--------------|--------|

|                                                                                             |           |        |
|---------------------------------------------------------------------------------------------|-----------|--------|
| <b>f</b> Balance at the end of the current year (subtract <b>e(5)</b> from <b>d</b> ) ..... | <b>7f</b> | 447128 |
|---------------------------------------------------------------------------------------------|-----------|--------|

**Part III Welfare Benefit Contract Information**

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

**8** Benefit and contract type (check all applicable boxes)

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

**9** Experience-rated contracts:

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

**10** Nonexperience-rated contracts:

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

Specify nature of costs ▶

**Part IV Provision of Information**

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

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

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

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

|                                                                                                    |                                                                    |
|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>SRI/SURGICAL EXPRESS, INC. 401(K) PLAN</u>                             | <b>B</b> Three-digit plan number (PN) ▶ <u>001</u>                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SRI/SURGICAL EXPRESS, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>59-3252632</u> |

**Part I Service Provider Information (see instructions)**

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

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

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

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

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

42-0127290

**(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

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

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

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

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

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

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

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

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 13 37 50 64            | CONTRACT ADMINISTRATOR                                                                            | 17217                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

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

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

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

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

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

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

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

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

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

**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<br>(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<br>(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<br>(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. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**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.

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

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                               |                                                                                                                                                                                                                              |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2011</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

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

|                                                                                                           |                                                                    |            |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| <b>A</b> Name of plan<br><u>SRI/SURGICAL EXPRESS, INC. 401(K) PLAN</u>                                    | <b>B</b> Three-digit plan number (PN) <b>►</b>                     | <u>001</u> |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><u>SRI/SURGICAL EXPRESS, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>59-3252632</u> |            |

|               |                                                                                                                                                                                  |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                           |                               |                                                                                                                    |  |
|-------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------------------------------------------------------------------------------|--|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN SMCAP BLEND SEP ACCT-R2</u>        |                               |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u> |                               |                                                                                                                    |  |
| <b>c</b> EIN-PN <u>42-0127290-029</u>                                                     | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>290464</u>  |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP BLEND SEP ACCT-R2</u>       |                               |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u> |                               |                                                                                                                    |  |
| <b>c</b> EIN-PN <u>42-0127290-020</u>                                                     | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>137792</u>  |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN STOCK EMPH BAL SEP ACT-R6</u>      |                               |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u> |                               |                                                                                                                    |  |
| <b>c</b> EIN-PN <u>42-0127290-032</u>                                                     | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>7332</u>    |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN GOVT &amp; HQ BOND SA-R2</u>       |                               |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u> |                               |                                                                                                                    |  |
| <b>c</b> EIN-PN <u>42-0127290-007</u>                                                     | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>970664</u>  |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MONEY MARKET SEP ACCT-R2</u>       |                               |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u> |                               |                                                                                                                    |  |
| <b>c</b> EIN-PN <u>42-0127290-024</u>                                                     | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1012987</u> |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN INTL EMERG MARKETS SA-R2</u>       |                               |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u> |                               |                                                                                                                    |  |
| <b>c</b> EIN-PN <u>42-0127290-013</u>                                                     | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>76885</u>   |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LGCAP BLEND I SEP ACCT-R2</u>      |                               |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u> |                               |                                                                                                                    |  |
| <b>c</b> EIN-PN <u>42-0127290-017</u>                                                     | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>       |  |

|                                                                                    |                        |                                                                                                            |
|------------------------------------------------------------------------------------|------------------------|------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP GROWTH SEP ACCT-R2       |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-018                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 20009  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-021                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 26750  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN U.S. PROPERTY SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-027                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 46683  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN DIVERSIFIED INTL SA-R2         |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-015                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 324437 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP S&P 500 INDEX SA-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-016                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 470359 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP VALUE I SA-R2           |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-043                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 441159 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP S&P 600 INDEX SA-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-028                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 79945  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH III SA-R2        |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-026                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 47593  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGE CAP BLEND II SA-R2       |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-065                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 276085 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2010 SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-075                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 211187 |

|                                                                                    |                        |                                                                                                            |
|------------------------------------------------------------------------------------|------------------------|------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2020 SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-076                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 442160 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2030 SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-077                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 649256 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2040 SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-078                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 272199 |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2050 SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-079                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 60354  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME STRAT INC SA-R2       |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-080                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 38150  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN FIN GRP, INC. STOCK SA-R6      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-086                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 18362  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: RUSS LIFEPOINT GRWTH STR SA-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-081                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14     |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: RUSS LIFEPOINTS BAL STR SA-R2       |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-082                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14     |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: RUSS LIFEPOINTS CON STR SA-R2       |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-083                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6      |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: RUSS LFPT EQ GROWTH STR SA-R2       |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-084                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4      |

|                                                                                    |                        |                                                                                                       |
|------------------------------------------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: RUSS LIFEPOINTS MOD STR SA-R2       |                        |                                                                                                       |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                       |
| <b>c</b> EIN-PN 42-0127290-085                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8 |

  

|                                                                                    |                        |                                                                                                           |
|------------------------------------------------------------------------------------|------------------------|-----------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP VALUE I SA-R2         |                        |                                                                                                           |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                           |
| <b>c</b> EIN-PN 42-0127290-098                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 78567 |

  

|                                                                                    |                        |                                                                                                           |
|------------------------------------------------------------------------------------|------------------------|-----------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN INFLATION PROTECT SA-R2        |                        |                                                                                                           |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                           |
| <b>c</b> EIN-PN 42-0127290-099                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 50906 |

  

|                                                                                    |                        |                                                                                                            |
|------------------------------------------------------------------------------------|------------------------|------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2015 SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-110                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 254714 |

  

|                                                                                    |                        |                                                                                                            |
|------------------------------------------------------------------------------------|------------------------|------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2025 SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-111                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 444450 |

  

|                                                                                    |                        |                                                                                                            |
|------------------------------------------------------------------------------------|------------------------|------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2035 SEP ACCT-R2      |                        |                                                                                                            |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                            |
| <b>c</b> EIN-PN 42-0127290-112                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 426891 |

  

|                                                                                    |                        |                                                                                                           |
|------------------------------------------------------------------------------------|------------------------|-----------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2045 SEP ACCT-R2      |                        |                                                                                                           |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                           |
| <b>c</b> EIN-PN 42-0127290-113                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 87036 |

  

|                                                                                    |                        |                                                                                                          |
|------------------------------------------------------------------------------------|------------------------|----------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2055 SEP ACCT-R2      |                        |                                                                                                          |
| <b>b</b> Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY |                        |                                                                                                          |
| <b>c</b> EIN-PN 42-0127290-114                                                     | <b>d</b> Entity code P | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5184 |

  

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

  

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

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

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

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

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2011</div><br><br><b>This Form is Open to Public Inspection</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                          |                                                                        |            |
|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------|
| For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u> |                                                                        |            |
| <b>A</b> Name of plan<br><u>SRI/SURGICAL EXPRESS, INC. 401(K) PLAN</u>                                   | <b>B</b> Three-digit plan number (PN) ►                                | <u>001</u> |
|                                                                                                          |                                                                        |            |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SRI/SURGICAL EXPRESS, INC.</u>       | <b>D</b> Employer Identification Number (EIN)<br><br><u>59-3252632</u> |            |

|               |                                      |
|---------------|--------------------------------------|
| <b>Part I</b> | <b>Asset and Liability Statement</b> |
|---------------|--------------------------------------|

**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 |
|---------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>a</b> Total noninterest-bearing cash .....                                                     | <b>1a</b>       |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                      |                 |                       |                 |
| <b>(1)</b> Employer contributions .....                                                           | <b>1b(1)</b>    | 0                     | 12017           |
| <b>(2)</b> Participant contributions .....                                                        | <b>1b(2)</b>    | 0                     | 36287           |
| <b>(3)</b> Other.....                                                                             | <b>1b(3)</b>    | 0                     | 0               |
| <b>c</b> General investments:                                                                     |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....  | <b>1c(1)</b>    |                       |                 |
| <b>(2)</b> U.S. Government securities.....                                                        | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other.....                                                                         | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                     |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common .....                                                                           | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                              | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property) .....                                  | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                               | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans .....                                                                | <b>1c(8)</b>    | 296186                | 395854          |
| <b>(9)</b> Value of interest in common/collective trusts.....                                     | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                    | <b>1c(10)</b>   | 7098569               | 7268606         |
| <b>(11)</b> Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                 | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 836333                | 1095575         |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   | 591979                | 446928          |
| <b>(15)</b> Other .....                                                                           | <b>1c(15)</b>   |                       |                 |

| <b>1d</b> Employer-related investments:                              |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 8823067               | 9255267         |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> | 0 |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> | 0 |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> | 0 |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> | 0 |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |         |         |
|-----------------------------------------------------------|-----------|---------|---------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 8823067 | 9255267 |
|-----------------------------------------------------------|-----------|---------|---------|

**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 |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 297982     |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 1076866    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 7366       |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 1382214   |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> | 0          |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> | 0          |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> | 0          |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> | 0          |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> | 16254      |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> | 14131      |           |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                              | <b>2b(1)(G)</b> |            | 30385     |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> | 0          |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> | 0          |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> | 19906      |           |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                  | <b>2b(2)(D)</b> |            | 19906     |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            | 0         |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> | 0          |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> | 0          |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |

|                                                                                                   |                 | (a) Amount | (b) Total |
|---------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>2b</b> (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....              | <b>2b(5)(A)</b> | 0          |           |
| (B) Other .....                                                                                   | <b>2b(5)(B)</b> | 0          |           |
| (C) Total unrealized appreciation of assets.<br>Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....    | <b>2b(5)(C)</b> |            | 0         |
| (6) Net investment gain (loss) from common/collective trusts .....                                | <b>2b(6)</b>    |            | 0         |
| (7) Net investment gain (loss) from pooled separate accounts .....                                | <b>2b(7)</b>    |            | -103654   |
| (8) Net investment gain (loss) from master trust investment accounts .....                        | <b>2b(8)</b>    |            | 0         |
| (9) Net investment gain (loss) from 103-12 investment entities .....                              | <b>2b(9)</b>    |            | 0         |
| (10) Net investment gain (loss) from registered investment<br>companies (e.g., mutual funds)..... | <b>2b(10)</b>   |            | -56364    |
| <b>c</b> Other income.....                                                                        | <b>2c</b>       |            | -144      |
| <b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....           | <b>2d</b>       |            | 1272343   |

**Expenses**

|                                                                                            |              |        |        |
|--------------------------------------------------------------------------------------------|--------------|--------|--------|
| <b>e</b> Benefit payment and payments to provide benefits:                                 |              |        |        |
| (1) Directly to participants or beneficiaries, including direct rollovers .....            | <b>2e(1)</b> | 813311 |        |
| (2) To insurance carriers for the provision of benefits .....                              | <b>2e(2)</b> | 0      |        |
| (3) Other .....                                                                            | <b>2e(3)</b> | 0      |        |
| (4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....                | <b>2e(4)</b> |        | 813311 |
| <b>f</b> Corrective distributions (see instructions) .....                                 | <b>2f</b>    |        | 9614   |
| <b>g</b> Certain deemed distributions of participant loans (see instructions).....         | <b>2g</b>    |        | 0      |
| <b>h</b> Interest expense.....                                                             | <b>2h</b>    |        |        |
| <b>i</b> Administrative expenses: (1) Professional fees .....                              | <b>2i(1)</b> | 0      |        |
| (2) Contract administrator fees .....                                                      | <b>2i(2)</b> | 17218  |        |
| (3) Investment advisory and management fees .....                                          | <b>2i(3)</b> | 0      |        |
| (4) Other .....                                                                            | <b>2i(4)</b> | 0      |        |
| (5) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....         | <b>2i(5)</b> |        | 17218  |
| <b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | <b>2j</b>    |        | 840143 |

**Net Income and Reconciliation**

|                                                                               |              |  |        |
|-------------------------------------------------------------------------------|--------------|--|--------|
| <b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> ..... | <b>2k</b>    |  | 432200 |
| <b>l</b> Transfers of assets:                                                 |              |  |        |
| (1) To this plan.....                                                         | <b>2l(1)</b> |  | 0      |
| (2) From this plan .....                                                      | <b>2l(2)</b> |  | 0      |

**Part III Accountant's Opinion**

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

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

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

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

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

(1) Name: ACCELL AUDIT AND COMPLIANCE INC

(2) EIN: 27-0563459

**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  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---------|
| <b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....                 |     | X  | 0       |
| <b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)..... |     | X  | 0       |
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                                                                                                            |     | X  | 0       |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....                                                                                                                  |     | X  | 0       |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                                                                                                         | X   |    | 2000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                         |     | X  |         |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                                                                                                      |     | X  |         |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                                                                                            |     | X  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                                                                                                   | X   |    |         |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....                                                                                    |     | X  |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                                                                                                              |     | X  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                              |     | X  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                                                                                                     |     | X  |         |
| <b>n</b> 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. ....                                                                                                                        |     |    |         |
| <b>4n</b>                                                                                                                                                                                                                                                                                                       |     |    |         |

- 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) |
|--------------|-------------|
|              |             |
|              |             |
|              |             |
|              |             |
|              |             |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            | <b>2011</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            | <b>This Form is Open to Public Inspection.</b> |

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

|                                                                                                    |                                                                    |
|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>SRI/SURGICAL EXPRESS, INC. 401(K) PLAN</u>                             | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SRI/SURGICAL EXPRESS, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>59-3252632</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> 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):<br><br>EIN(s): <u>42-0127290</u> |          |          |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                            |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> |          |

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

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                             |                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                             |                              |
| <b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                                                                                                                            | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                                | <b>6b</b>                    |                             |                              |
| <b>c</b> 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).....                                                                                                                                                                                                                           | <b>6c</b>                    |                             |                              |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> 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?.....                                                                                                | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                             |                              |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</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.)..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                              | <input type="checkbox"/> Yes | <input type="checkbox"/> 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:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 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:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</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 ..... | <b>16b</b> |  |

- 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): \_\_\_\_\_

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN**

**FINANCIAL STATEMENTS,  
SUPPLEMENTAL SCHEDULE AND  
INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2011**





## INDEPENDENT AUDITORS' REPORT

To the Trustee Committee of  
SRI/Surgical Express, Inc. 401(k) Plan:

We were engaged to audit the accompanying statements of net assets available for benefits of SRI/Surgical Express, Inc. 401(k) Plan (the "Plan") as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedule of 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 3, which was certified by Principal Life Insurance Company, the Custodian 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 Custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the Custodian as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the Custodian 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 purpose 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 custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*Accell Audit & Compliance, PA*

Tampa, Florida  
September 27, 2012

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**  
**DECEMBER 31, 2011 AND 2010**

|                                    | <u>2011</u>         | <u>2010</u>         |
|------------------------------------|---------------------|---------------------|
| Assets:                            |                     |                     |
| Investments, at fair value:        |                     |                     |
| Pooled separate accounts           | \$ 7,268,606        | \$ 7,098,569        |
| Mutual funds                       | 1,095,575           | 836,333             |
| Guaranteed interest                | 446,928             | 591,979             |
| Total investments, at fair value   | <u>8,811,109</u>    | <u>8,526,881</u>    |
| Receivables:                       |                     |                     |
| Participant contributions          | 36,287              | -                   |
| Employer contributions             | 12,017              | -                   |
| Notes receivable from participants | 395,854             | 296,186             |
| Total receivables                  | <u>444,158</u>      | <u>296,186</u>      |
| Total assets                       | <u>9,255,267</u>    | <u>8,823,067</u>    |
| Liabilities:                       |                     |                     |
| Excess contribution refundable     | <u>41,852</u>       | <u>-</u>            |
| Net assets available for benefits  | <u>\$ 9,213,415</u> | <u>\$ 8,823,067</u> |

See accompanying notes to the financial statements.

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN  
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

|                                                                  |                     |
|------------------------------------------------------------------|---------------------|
| Additions to net assets available for benefits attributed to:    |                     |
| Investment income:                                               |                     |
| Interest and dividends                                           | <u>\$ 34,036</u>    |
| Contributions:                                                   |                     |
| Participant                                                      | 1,035,014           |
| Employer                                                         | 297,982             |
| Participant rollovers                                            | <u>7,366</u>        |
| Total contributions                                              | <u>1,340,362</u>    |
| Interest income on notes receivable from participants            | <u>16,255</u>       |
| Total additions                                                  | <u>1,390,653</u>    |
| Deductions from net assets available for benefits attributed to: |                     |
| Net depreciation in fair value of investments                    | 160,162             |
| Benefits paid to participants                                    | 813,311             |
| Corrective refund distribution                                   | 9,614               |
| Administrative expenses                                          | <u>17,218</u>       |
| Total deductions                                                 | <u>1,000,305</u>    |
| Net increase in net assets available for benefits                | 390,348             |
| Net assets available for benefits - beginning of year            | <u>8,823,067</u>    |
| Net assets available for benefits - end of year                  | <u>\$ 9,213,415</u> |

See accompanying notes to the financial statements.

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011**

**NOTE 1 DESCRIPTION OF THE PLAN**

**Organization**

SRI/Surgical Express, Inc. 401(k) Plan (the "Plan") is a defined contribution plan covering all eligible employees of SRI/Surgical Express, Inc. (the "Company" or the "Employer"). The Plan was established on January 1, 1999, and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

The following brief description of the Plan provides only general information. Participants should refer to the Summary Plan Description or Plan Document for a more complete description of the Plan's provisions.

**General**

The Plan covers all eligible employees of the Company as defined by the Plan Document. To participate in the Plan, employees must complete six months of service and attain the age of 21. Employees are automatically enrolled to defer 2% of their pay unless they choose not to defer, or choose a different percentage. The elective deferral agreement is effective on the first day of the pay period following entry date.

**Contributions**

Participants in the Plan may contribute up to 15% of their annual pretax compensation, not to exceed \$16,500, the maximum allowed by the Internal Revenue Code (the "Code") for 2011. In addition, the Plan and the Code permit participants age 50 or over during the Plan year to make additional "catch-up contributions" of up to \$5,500 for 2011. Participants may also contribute amounts representing distributions from other qualified retirement plans.

The Company may make a discretionary matching contribution to the Plan each year. As of the last day of each Plan year, the total Company matching contribution to the Plan for that year will be allocated to the account of each eligible participant who is still employed on the last day of the year or who terminated employment due to death, disability, or retirement during the Plan year. For the year ended December 31, 2011, the Company made a matching contribution of 50% of salary deferral contributions for the first 4% of a participant's compensation, totaling approximately \$298,000.

**Investment Options**

Upon enrollment, a participant may direct participant and Employer contributions to any of the Plan's fund options. Participants have a choice of 29 investment options as of December 31, 2011. Participants may also redirect their contributions or exchange their existing fund account balances on any business day.

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011**

**Participant Accounts**

Each participant's account is credited with the participant's contribution and allocation of Employer contributions and Plan investment results. Allocations of Employer contributions are based on participant earnings and allocations of Plan investment results and administrative expenses are based on account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided by the participant's account.

**Notes Receivable from Participants**

Participants may borrow from their account balances a minimum of \$1,000 to a maximum of the lesser of one-half of the vested account value or \$50,000. The loan must be repaid in equal monthly installments, amortized over a term of no more than five years. The loans are secured by the balance in the participant's account and bear interest at 4.25% to 9.25%, a reasonable rate as determined by the Plan administrator. At the time a participant terminates employment with the Company, outstanding loans are offset against the participant's account balance. Principal and interest are paid ratably through payroll deductions. The Plan provides for an early repayment option.

**Vesting**

Participant's contributions, including rollover contributions, and actual earnings thereon, are 100% vested. Employer contributions and actual earnings thereon are incrementally vested over three years at 50% per year, beginning the second year of vesting service. In the event of death, total or permanent disability, or retirement, participants become fully invested in the Employer contributions.

**Payment of Benefits**

Upon death, disability, retirement, or termination of service, participants or their designated beneficiaries may receive a lump-sum payment amount equal to the vested amount of their account.

**Plan Expenses**

Investment administrative expenses are paid by the Plan. Record-keeping fees and audit fees are paid by the Plan sponsor.

**Plan Termination**

Although it has not expressed any intent to do so, the Company has the right to amend or discontinue the Plan at any time subject to the provisions of ERISA. Upon termination of the Plan, the account of each participant will be 100% vested.

**NOTE 2    SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accompanying financial statements are prepared on the accrual basis of accounting and in conformity with generally accepted accounting principles in the United States ("GAAP").

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

**Valuation of Investments**

The Plan's investments, comprised of pooled separate accounts, mutual funds, and guaranteed interest accounts ("GICs") are stated at the value as reported by Principal Life Insurance Company (the "Custodian"), which approximates fair value.

The units of pooled separate accounts are stated at fair value, as determined by the issuer of the pooled separate accounts based on the fair market value of the underlying investments.

Mutual funds are valued at quoted market prices, which represent the net asset values of shares held by the Plan at year-end.

Investments in GICs are not considered to be benefit responsive as there is a possible market value adjustment for transfers to other investment options.

Purchases and sales of securities are recorded on a trade-date basis. Gain or loss on sales of securities is based on average cost. Dividend income is recorded on the ex-dividend date. Interest income is recognized as earned on the accrual basis.

The Plan presents, in the statement of changes in net assets available for benefit, the net appreciation or depreciation in the fair value of its investments. This consists of the realized gains or losses and the unrealized appreciation or depreciation in those investments.

Investment management expenses charged to the Plan for investments in pooled separate accounts are deducted from income earned and are not separately reflected. Consequently, investment management expenses are reflected as a reduction of investment return for such investments.

**Benefit Payments**

Benefits are recorded when paid.

**Forfeitures**

Forfeitures of terminated non-vested accounts are used to reduce Employer contributions.

There were forfeitures of approximately \$29,000 and \$20,000 at December 31, 2011 and 2010, respectively. During 2011, the actual cash contributed by the Employer was reduced by approximately \$20,000 for forfeited nonvested accounts.

**Notes Receivable from Participants**

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

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

**Use of Estimates**

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

**Subsequent Events**

In accordance with Financial Accounting Standards Board Accountancy Standards Codification "FASB ASC" Topic 855, *Subsequent Events*, the Plan evaluated subsequent events through September 27, 2012, the date the financial statements were available for issue.

**NOTE 3 INVESTMENTS**

Investments for the year ended December 31, 2011 and 2010 were approximately \$8,811,000 and \$8,527,000. All 2011 investment information disclosed in the accompanying financial statements, including investments held at December 31, 2011 and 2010, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Custodian.

During 2011 and 2010, the Plan's investments (including investments purchased, sold, as well as held during the year) appreciated (depreciated) in fair value as determined by quoted market prices as follows:

|                                       | <u>2011</u>         | <u>2010</u>       |
|---------------------------------------|---------------------|-------------------|
| Quoted market prices:                 |                     |                   |
| Pooled separate accounts              | \$ (87,784)         | 738,891           |
| Mutual funds                          | (72,378)            | 46,467            |
| Total net appreciation (depreciation) | <u>\$ (160,162)</u> | <u>\$ 785,358</u> |

Investments that represent 5% or more of the fair value of the Plan's net assets consisted of the following at December 31:

|                                                         | <u>2011</u>  | <u>2010</u> |
|---------------------------------------------------------|--------------|-------------|
| Pooled Separate Accounts Prin Money Market Sep Acct-R2  | \$ 1,012,987 | \$ 965,056  |
| Pooled Separate Accounts Prin Govt & HO Bond SA-R2      | 970,664      | 873,995     |
| Pooled Separate Accounts Prin LifeTime 2030 Sep Acct-R2 | 649,256      | 677,758     |
| Pooled Separate Accounts Prin LgCap S&P 500 Index SA-R2 | 470,359      | 457,815     |
| Insurance Company General Guaranteed Interest           | *            | 591,979     |
| Pooled Separate Accounts Prin LifeTime 2020 Sep Acct-R2 | *            | 503,588     |
| Pooled Separate Accounts Prin LifeTime 2025 Sep Acct-R2 | *            | 437,836     |

\* Investment did not represent 5% or more of the fair value of the Plan's net assets.

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011**

**NOTE 4 INVESTMENT CONTRACTS**

The Plan entered into a non-benefit responsive investment contract with the Custodian of the Plan. The Custodian maintains the contributions in a general account to which it provides a guaranteed interest rate for a specified period of time as determined, or allowed, by the Plan. The rate credited is the rate in effect on the day when each deposit is directed to the account. To simplify reporting to participants, all rates credited during the 12-month 'deposit year' are averaged into a single composite rate. The employer chose the 12-month period for deposit year, which is the same as the Plan year. Reports, expenses, and guarantee periods are based on deposit year.

The guaranteed interest account promises contract value for a benefit event (termination, death, disability and retirement); however, there is a possible surrender charge when funds are withdrawn prior to their maturity. Thus, the guaranteed interest accounts are considered non benefit responsive.

Fair market value is the amount the Plan would receive currently if they were to withdraw or transfer funds within the Plan prior to their maturity. This fair market value represents contract value adjusted to reflect current market interest rates only to the extent such market rates exceed crediting rates.

**NOTE 5 FAIR VALUE MEASUREMENTS**

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, the Plan assessed the guidelines for measuring fair value. These guidelines provide a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. FASB ASC 820 establishes 3 levels of fair value hierarchy that are described on the next page:

- |         |                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 includes quoted prices for similar or identical assets or liabilities in active or inactive markets. Inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived from observable market data. If the asset or liability has a specified 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 methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Plan's investments measured at fair value on a recurring basis were as follows as of December 31, 2011:

|                                 | <b>December 31, 2011</b>       |                     |                   |                     |
|---------------------------------|--------------------------------|---------------------|-------------------|---------------------|
|                                 | <b>Fair Value Measurements</b> |                     |                   | <b>Total</b>        |
|                                 | <b>Level 1</b>                 | <b>Level 2</b>      | <b>Level 3</b>    |                     |
| <b>Pooled separate accounts</b> |                                |                     |                   |                     |
| Balanced/asset allocation       | \$ -                           | \$ 2,898,959        | \$ -              | \$ 2,898,959        |
| Fixed income                    | -                              | 1,068,253           | -                 | 1,068,253           |
| Small/mid U.S. equity           | -                              | 1,023,703           | -                 | 1,023,703           |
| Short-term fixed income         | -                              | 1,012,987           | -                 | 1,012,987           |
| Large U.S. equity               | -                              | 845,022             | -                 | 845,022             |
| International equity            | -                              | 401,322             | -                 | 401,322             |
| Other                           | -                              | 18,362              | -                 | 18,362              |
|                                 | -                              | 7,268,608           | -                 | 7,268,608           |
| <b>Investment contract</b>      |                                |                     |                   |                     |
| Short-term fixed income         | -                              | -                   | 446,928           | 446,928             |
| <b>Mutual fund</b>              |                                |                     |                   |                     |
| Fixed income                    | 417,738                        | -                   | -                 | 417,738             |
| Large U.S. equity               | 373,546                        | -                   | -                 | 373,546             |
| International equity            | 149,973                        | -                   | -                 | 149,973             |
| Small/mid U.S. equity           | 102,964                        | -                   | -                 | 102,964             |
| Other                           | 48,367                         | -                   | -                 | 48,367              |
| Balanced/asset allocation       | 2,985                          | -                   | -                 | 2,985               |
|                                 | <u>\$ 1,095,573</u>            | <u>\$ 7,268,608</u> | <u>\$ 446,928</u> | <u>\$ 8,811,109</u> |

The table below presents reconciliation for the year ended December 31, 2011 for all Level 3 assets (Separate Accounts and Investment Contracts) that are measured at fair value on a recurring basis:

|                                          | <b>Separate<br/>Accounts</b> | <b>Investment<br/>Contract</b> |
|------------------------------------------|------------------------------|--------------------------------|
| Balance, beginning of year               | \$ 23,502                    | \$ 591,979                     |
| Total gains (losses)                     | 634                          | (143)                          |
| Interest credited                        | -                            | 14,132                         |
| Purchases, issuances,<br>and settlements | 870                          | (159,040)                      |
| Transfers in (out)                       | (25,006)                     | -                              |
| Balance, end of year                     | <u>\$ -</u>                  | <u>\$ 446,928</u>              |
| Unrealized gains or losses               | <u>\$ 649</u>                | <u>\$ (143)</u>                |

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

The Plan's investments measured at fair value on a recurring basis were as follows as of December 31, 2010:

|                                 | <b>December 31, 2010</b>       |                     |                   |                     |
|---------------------------------|--------------------------------|---------------------|-------------------|---------------------|
|                                 | <b>Fair Value Measurements</b> |                     |                   | <b>Total</b>        |
|                                 | <b>Level 1</b>                 | <b>Level 2</b>      | <b>Level 3</b>    |                     |
| <b>Pooled separate accounts</b> |                                |                     |                   |                     |
| Balanced/asset allocation       | \$ -                           | \$ 2,858,320        | \$ -              | \$ 2,858,320        |
| Small/mid U.S. equity           | -                              | 1,110,746           | -                 | 1,110,746           |
| Short-term fixed income         | -                              | 965,056             | -                 | 965,056             |
| Fixed income                    | -                              | 894,180             | 23,502            | 917,682             |
| Large U.S. equity               | -                              | 786,646             | -                 | 786,646             |
| International equity            | -                              | 431,804             | -                 | 431,804             |
| Other                           | -                              | 28,315              | -                 | 28,315              |
|                                 | -                              | 7,075,067           | 23,502            | 7,098,569           |
| <b>Investment contract</b>      |                                |                     |                   |                     |
| Short-term fixed income         | -                              | -                   | 591,979           | 591,979             |
| <b>Mutual fund</b>              |                                |                     |                   |                     |
| Large U.S. equity               | 317,702                        | -                   | -                 | 317,702             |
| Fixed income                    | 276,009                        | -                   | -                 | 276,009             |
| International equity            | 120,162                        | -                   | -                 | 120,162             |
| Small/mid U.S. equity           | 108,919                        | -                   | -                 | 108,919             |
| Other                           | 10,583                         | -                   | -                 | 10,583              |
| Balanced/asset allocation       | 2,958                          | -                   | -                 | 2,958               |
|                                 | <u>\$ 836,333</u>              | <u>\$ 7,075,067</u> | <u>\$ 615,481</u> | <u>\$ 8,526,881</u> |

The table below presents reconciliation for the year ended December 31, 2010 for all Level 3 assets (Separate Accounts and Investment Contracts) that are measured at fair value on a recurring basis:

|                                          | <b>Separate<br/>Accounts</b> | <b>Investment<br/>Contract</b> |
|------------------------------------------|------------------------------|--------------------------------|
| Balance, beginning of year               | \$ 13,463                    | \$ 736,108                     |
| Total gains or losses                    | 3,257                        | 5,064                          |
| Interest credited                        | -                            | 20,667                         |
| Purchases, issuances,<br>and settlements | 6,782                        | (169,860)                      |
| Balance, end of year                     | <u>\$ 23,502</u>             | <u>\$ 591,979</u>              |
| Unrealized gains or losses               | <u>\$ (6,985)</u>            | <u>\$ (5,064)</u>              |

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

**NOTE 6 INCOME TAX STATUS**

The Plan has received a determination letter from the Internal Revenue Service dated July 22, 2003, stating that the Plan is qualified under Section 401(a) of the Code and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and therefore no provision for income tax has been included in the Plan's financial statements.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. While the Plan is subject to routine audits by taxing authorities, the Plan is not currently being audited by any tax authorities. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2008.

**NOTE 7 RISKS AND UNCERTAINTIES**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

**NOTE 8 INFORMATION CERTIFIED BY THE PLAN'S CUSTODIAN**

The Plan administrator has elected the method of compliance as permitted by Section 29 CFR 2520.109(c) of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Principal Life Insurance Company, the Custodian of certain Plan assets, has certified to the completeness and accuracy of the funds held by them in the reflected statement of changes in net assets available for Plan benefits for the years ended December 31, 2011 and 2010 and the schedule of assets held for investment purposes as of December 31, 2011.

**SRI/SURGICAL EXPRESS, INC. 401(K) PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011**

**NOTE 9 PARTIES IN INTEREST AND RELATED PARTY TRANSACTIONS**

Certain Plan investments are funds managed by the Custodian. Transactions involving these investments are considered to be exempt party-in-interest transactions.

Fees paid by the Plan for investment management services rendered by the parties-in-interest amounted to approximately \$6,000 for the year ended December 31, 2011 and were based on customary and reasonable rates for such services. Fees paid by the Plan for brokerage services rendered by parties-in-interest amounted to approximately \$12,000 for the year ended December 31, 2011 and were based on customary and reasonable rates for such services. These brokerage fees are reflected as a reduction of investment income and were paid to an insurance broker who is related to the Custodian of the Plan. In addition, the Company paid for custodial audit and legal fees on behalf of the Plan.

**NOTE 10 RECONCILIATION TO FORM 5500**

The following is a reconciliation of the accompanying financial statements as of and for the year ended December 31, 2011 to the 2011 Form 5500:

|                                                                                |                     |
|--------------------------------------------------------------------------------|---------------------|
| Net assets available for benefits per the financial statements                 | \$ 9,213,415        |
| Amounts allocated to excess contributions refundable                           | <u>41,852</u>       |
| Net assets available for benefits per the Form 5500                            | <u>\$ 9,255,267</u> |
| <br>Participants contributions per the financial statements                    | <br>\$ 1,035,014    |
| Add: Amounts allocated to excess contributions refundable at December 31, 2011 | <u>41,852</u>       |
| Participant contributions per Form 5500                                        | <u>\$ 1,076,866</u> |

There were approximately \$9,600 of excess contributions that were refunded during 2011. The above reconciliation reflects excess contributions based upon 2011 contributions and were refunded subsequent to December 31, 2011.

**NOTE 11 SUBSEQUENT EVENTS**

As of the date of this report, the Plan is still funded. The Plan Sponsor has not expressed the intent to terminate the plan, however, Management has noted that subsequent to the date of this report the Company has been sold. If it is determined that the Plan is to be terminated, the custodian will send a force-out letter to the participants on behalf of the Plan Sponsor and each participant's account will be distributed and/or transferred to the new plan in its entirety.

## **SUPPLEMENTAL SCHEDULE**

**SRI/Surgical Express, Inc. 401(k) Plan**  
**Schedule H, Line 4i - Schedule of Assets (Held at End of Year)**  
**E.I.N.: 59-3252632 Plan No.: 001**  
**December 31, 2011**

| (a) | (b)                                                    | (c)                                                                                                     | (d)  | (e)                 |
|-----|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------|---------------------|
|     | Identity of issuer, borrower, lessor or similar party. | Description of investment including maturity date, rate of interest, collateral, par or maturity value. | Cost | Current Value       |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin Money Market Sep Acct-R2                                                  | \$   | 1,012,987           |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin Govt & HO Bond SA-R2                                                      |      | 970,664             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2030 Sep Acct-R2                                                 |      | 649,256             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LgCap S&P 500 Index SA-R2                                                 |      | 470,359             |
| *   | Principal Life Insurance Company                       | Insurance Company General Guaranteed Interest                                                           |      | 446,928             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2025 Sep Acct-R2                                                 |      | 444,450             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2020 Sep Acct-R2                                                 |      | 442,160             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin MidCap Value I SA-R2                                                      |      | 441,159             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2035 Sep Acct-R2                                                 |      | 426,891             |
| *   | American Funds Service Company                         | Registered Investment Company Am Fds Grth Fd of Am R1 Fund                                              |      | 327,665             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin Diversified Intl SA-R2                                                    |      | 324,437             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin SmCap Blend Sep Acct-R2                                                   |      | 290,464             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LargeCap Blend II SA-R2                                                   |      | 276,085             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2040 Sep Acct-R2                                                 |      | 272,199             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2015 Sep Acct-R2                                                 |      | 254,714             |
| *   | American Funds Service Company                         | Registered Investment Company Amer Cent Div Bond A Fd                                                   |      | 239,544             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2010 Sep Acct-R2                                                 |      | 211,187             |
| *   | American Century Investments                           | Registered Investment Company AM Cent Intl Bond A Fund                                                  |      | 178,113             |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin MidCap Blend Sep Acct-R2                                                  |      | 137,792             |
|     | Fidelity Investments                                   | Registered Investment Company Fidelity Adv Small Cap C Fund                                             |      | 102,964             |
|     | American Funds Service Company                         | Registered Investment Company Am Fds EuroPacific Grth R1 Fd                                             |      | 93,717              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2045 Sep Acct-R2                                                 |      | 87,036              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin SmCap S&P 600 Index SA-R2                                                 |      | 79,945              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LargeCap Value I SA-R2                                                    |      | 78,569              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin Intl Emerg Markets SA-R2                                                  |      | 76,885              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2050 Sep Acct-R2                                                 |      | 60,354              |
| *   | American Funds Service Company                         | Registered Investment Company Am Fds New Persp R1 Fund                                                  |      | 56,256              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin Inflation Protect SA-R2                                                   |      | 50,906              |
| *   | PIMCO Funds                                            | Registered Investment Company PIM Comm Real Ret Strat C Fund                                            |      | 48,367              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin MidCap Growth III SA-R2                                                   |      | 47,593              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin U.S. Property Sep Acct-R2                                                 |      | 46,683              |
|     | Jennison Dryden                                        | Registered Investment Company Prudential Jenn Value C Fund                                              |      | 45,881              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime Strat Inc SA-R2                                                  |      | 38,150              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin MidCap Growth Sep Acct-R2                                                 |      | 26,750              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LgCap Growth Sep Acct-R2                                                  |      | 20,009              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin Fin Grp, Inc. Stock SA-R6                                                 |      | 18,362              |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin Stock Emph Bal Sep Act-R6                                                 |      | 7,332               |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Prin LifeTime 2055 Sep Acct-R2                                                 |      | 5,184               |
|     | American Funds Service Company                         | Registered Investment Company Am Fds Am Bal R1 Fund                                                     |      | 2,985               |
|     | Calvert Funds                                          | Registered Investment Company Calvert Soc Inv Bond C Fund                                               |      | 81                  |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Russ LifePoints Bal Str SA-R2                                                  |      | 14                  |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Russ LifePoint Grwth Str SA-R2                                                 |      | 14                  |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Russ LifePoints Mod Str SA-R2                                                  |      | 8                   |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Russ LifePoints Con Str SA-R2                                                  |      | 6                   |
| *   | Principal Life Insurance Company                       | Pooled Separate Accounts Russ LfPt Eq Growth Str SA-R2                                                  |      | 4                   |
|     | Participant Loans                                      | Range of Interest Rates Range from 4.25% to 9.25%                                                       | -0-  | 395,854             |
|     |                                                        |                                                                                                         |      | <u>\$ 9,206,963</u> |

\* Indicates party-in-interest

Note 1: Column (d) is not included as all investments are participant directed and it is therefore not applicable.

Note 2: Participant loans are reflected in the accompanying financial statements as notes receivable from participants.

See accompanying Independent Auditors' Report

**SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)****SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

SRI/SURGICAL EXPRESS, INC. 401(K) PLAN

EIN 59 3252632

PLAN NUMBER 001

PLAN YEAR 01/01/2011 TO 12/31/2011

| (A) | (B)<br>Identity of issuer, borrower,<br>lessor or similar party. | (C)<br>Description of investment including maturity date,<br>rate of interest, collateral, par or maturity value. | (D)<br>Cost | (E)<br>Current Value |
|-----|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------|----------------------|
|     | American Century Investments                                     | Registered Investment Company<br>Am Cent Intl Bond A Fund                                                         | \$ 0.00     | \$ 178,112.79        |
|     | American Funds Service Company                                   | Registered Investment Company<br>Am Fds Am Bal R1 Fund                                                            | \$ 0.00     | \$ 2,985.24          |
|     | American Funds Service Company                                   | Registered Investment Company<br>Am Fds EuroPacific Grth R1 Fd                                                    | \$ 0.00     | \$ 93,717.27         |
|     | American Funds Service Company                                   | Registered Investment Company<br>Am Fds Grth Fd of Am R1 Fund                                                     | \$ 0.00     | \$ 327,664.85        |
|     | American Funds Service Company                                   | Registered Investment Company<br>Am Fds New Persp R1 Fund                                                         | \$ 0.00     | \$ 56,256.35         |
|     | American Century Investments                                     | Registered Investment Company<br>Amer Cent Div Bond A Fd                                                          | \$ 0.00     | \$ 239,544.10        |
|     | Calvert Funds                                                    | Registered Investment Company<br>Calvert Bond C Fund                                                              | \$ 0.00     | \$ 81.29             |
|     | Fidelity Investments                                             | Registered Investment Company<br>Fidelity Adv Small Cap C Fund                                                    | \$ 0.00     | \$ 102,964.31        |
| *   | Principal Life Insurance Company                                 | Insurance Company General<br>Guaranteed Interest                                                                  | \$ 0.00     | \$ 446,927.66        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin Diversified Intl SA-R2                                                           | \$ 0.00     | \$ 324,437.19        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin Fin Grp, Inc. Stock SA-R6                                                        | \$ 0.00     | \$ 18,361.75         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin Govt & HQ Bond SA-R2                                                             | \$ 0.00     | \$ 970,664.07        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin Inflation Protect SA-R2                                                          | \$ 0.00     | \$ 50,906.02         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin Intl Emerg Markets SA-R2                                                         | \$ 0.00     | \$ 76,885.45         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LargeCap Blend II SA-R2                                                          | \$ 0.00     | \$ 276,085.46        |

**SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

SRI/SURGICAL EXPRESS, INC. 401(K) PLAN

EIN 59 3252632  
PLAN NUMBER 001  
PLAN YEAR 01/01/2011 TO 12/31/2011

| (A) | (B)<br>Identity of issuer, borrower,<br>lessor or similar party. | (C)<br>Description of investment including maturity date,<br>rate of interest, collateral, par or maturity value. | (D)<br>Cost | (E)<br>Current Value |
|-----|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------|----------------------|
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LargeCap Value I SA-R2                                                           | \$ 0.00     | \$ 78,567.02         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LgCap Growth Sep Acct-R2                                                         | \$ 0.00     | \$ 20,009.01         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LgCap S&P 500 Index SA-R2                                                        | \$ 0.00     | \$ 470,359.33        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime Strat Inc SA-R2                                                         | \$ 0.00     | \$ 38,149.92         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2010 Sep Acct-R2                                                        | \$ 0.00     | \$ 211,187.13        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2015 Sep Acct-R2                                                        | \$ 0.00     | \$ 254,714.33        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2020 Sep Acct-R2                                                        | \$ 0.00     | \$ 442,159.71        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2025 Sep Acct-R2                                                        | \$ 0.00     | \$ 444,449.74        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2030 Sep Acct-R2                                                        | \$ 0.00     | \$ 649,256.37        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2035 Sep Acct-R2                                                        | \$ 0.00     | \$ 426,890.90        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2040 Sep Acct-R2                                                        | \$ 0.00     | \$ 272,198.55        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2045 Sep Acct-R2                                                        | \$ 0.00     | \$ 87,036.11         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2050 Sep Acct-R2                                                        | \$ 0.00     | \$ 60,353.56         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin LifeTime 2055 Sep Acct-R2                                                        | \$ 0.00     | \$ 5,184.12          |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin MidCap Blend Sep Acct-R2                                                         | \$ 0.00     | \$ 137,792.17        |

**SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)****SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

SRI/SURGICAL EXPRESS, INC. 401(K) PLAN

EIN 59 3252632

PLAN NUMBER 001

PLAN YEAR 01/01/2011 TO 12/31/2011

| (A) | (B)<br>Identity of issuer, borrower,<br>lessor or similar party. | (C)<br>Description of investment including maturity date,<br>rate of interest, collateral, par or maturity value. | (D)<br>Cost | (E)<br>Current Value |
|-----|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------|----------------------|
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin MidCap Growth III SA-R2                                                          | \$ 0.00     | \$ 47,592.74         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin MidCap Growth Sep Acct-R2                                                        | \$ 0.00     | \$ 26,750.26         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin MidCap Value I SA-R2                                                             | \$ 0.00     | \$ 441,158.92        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin Money Market Sep Acct-R2                                                         | \$ 0.00     | \$ 1,012,987.32      |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin SmCap Blend Sep Acct-R2                                                          | \$ 0.00     | \$ 290,464.04        |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin SmCap S&P 600 Index SA-R2                                                        | \$ 0.00     | \$ 79,945.15         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin Stock Emph Bal Sep Act-R6                                                        | \$ 0.00     | \$ 7,331.83          |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Prin U.S. Property Sep Acct-R2                                                        | \$ 0.00     | \$ 46,682.74         |
|     | Jennison Dryden                                                  | Registered Investment Company<br>Prudential Jenn Value C Fund                                                     | \$ 0.00     | \$ 45,881.31         |
|     | PIMCO Funds                                                      | Registered Investment Company<br>PIM Comm Real Ret Strat C Fund                                                   | \$ 0.00     | \$ 48,367.34         |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Russ Lfpt Eq Growth Str SA-R2                                                         | \$ 0.00     | \$ 4.06              |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Russ LifePoint Growth Str SA-R2                                                       | \$ 0.00     | \$ 13.52             |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Russ LifePoints Bal Str SA-R2                                                         | \$ 0.00     | \$ 13.98             |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Russ LifePoints Con Str SA-R2                                                         | \$ 0.00     | \$ 5.79              |
| *   | Principal Life Insurance Company                                 | Pooled Separate Accounts<br>Russ LifePoints Mod Str SA-R2                                                         | \$ 0.00     | \$ 7.72              |

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

SRI/SURGICAL EXPRESS, INC. 401(K) PLAN  
EIN 59 3252632  
PLAN NUMBER 001  
PLAN YEAR 01/01/2011 TO 12/31/2011

| (A) | (B)<br>Identity of issuer, borrower,<br>lessor or similar party. | (C)<br>Description of investment including maturity date,<br>rate of interest, collateral, par or maturity value. | (D)<br>Cost | (E)<br>Current Value |
|-----|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------|----------------------|
|     | Participant Loans                                                | Range of Interest Rates<br>Rates Range From 4.25% To 9.25%                                                        | \$ 0.00     | \$ 395,854.00        |
|     |                                                                  |                                                                                                                   |             |                      |
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