

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2011
		This Form is Open to Public Inspection

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

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>MICROGROUP, INC. 401(K) SAVINGS PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>	
	1c Effective date of plan	<u>05/28/2002</u>	
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>MICROGROUP, INC.</u> <u>7 INDUSTRIAL PARK ROAD</u> <u>MEDWAY, MA 02053</u>	2b Employer Identification Number (EIN) <u>01-0667287</u>	2c Sponsor's telephone number <u>508-533-4925</u>	2d Business code (see instructions) <u>332700</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/05/2012</u>	<u>DALE MANDONI</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") MICROGROUP, INC. 7 INDUSTRIAL PARK ROAD MEDWAY, MA 02053	3b Administrator's EIN 01-0667287 3c Administrator's telephone number 508-533-4925
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	292
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	213
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	32
d Subtotal. Add lines 6a , 6b , and 6c	6d	245
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	245
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	180
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	3

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

2E 2F 2G 2J 2K 2S 2T 3D 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

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

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

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

A Name of plan <u>MICROGROUP, INC. 401(K) SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MICROGROUP, INC.</u>	D Employer Identification Number (EIN) <u>01-0667287</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
FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 65 37 60	RECORDKEEPER	10037	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.		
INVS INTL GROWTH I - INVESCO CANADA 5140 YONGE STREET, SUITE 900 TORONTO, ON M2N 6 CA	0.35%	
(a) Enter service provider name as it appears on line 2 (b) Service Codes (see instructions) (c) Enter amount of indirect compensation		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.		
MAINSTAY LGCP GR R1 - BOSTON FINANC 04-2526037	0.35%	
(a) Enter service provider name as it appears on line 2 (b) Service Codes (see instructions) (c) Enter amount of indirect compensation		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.		
MFS VALUE R3 - MFS SERVICE CENTER I 04-2865649	0.50%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MSIF MID CAP GRTH P - MORGAN STANLE 13-3799749	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIMCO REAL RTN BD AD - BOSTON FINAN 04-2526037	0.26%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIMCO TOT RETURN ADM - BOSTON FINAN 04-2526037	0.26%	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan MICROGROUP, INC. 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 MICROGROUP, INC.	D Employer Identification Number (EIN) 01-0667287	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	512274	296486
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	116570	95142
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	4385037	4370171
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	5013881	4761799

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	5013881	4761799
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	64221	
(B) Participants	2a(1)(B)	436202	
(C) Others (including rollovers)	2a(1)(C)	28144	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		528567
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	45	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	-529	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		-484
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	160854	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		160854
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-235732
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		453205

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	673351	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		673351
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		20830
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	11106	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		11106
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		705287

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-252082
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: GRANT THORNTON

(2) EIN: 36-6055558

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

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

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

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

5b(1) Name of plan(s)

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>MICROGROUP, INC. 401(K) SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MICROGROUP, INC.</u>	D Employer Identification Number (EIN) <u>01-0667287</u>

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

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

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Financial Statements and Supplemental Schedule with
Report of Independent Certified Public Accountants

MicroGroup, Inc. 401(k) Savings Plan

December 31, 2011 and 2010

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Report of Independent Certified Public Accountants

Plan Administrator
MicroGroup, Inc. 401(k) Savings Plan

Grant Thornton LLP
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We were engaged to audit the accompanying statement of net assets available for benefits of MicroGroup, Inc. 401(k) Savings Plan (the "Plan") as of December 31, 2011, and the related statement of changes in net assets available for benefits for the year then ended, and the supplemental information in 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. The statement of net assets available for benefits of the Plan as of December 31, 2010, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed the other auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by the trustee. Their report, dated September 28, 2011, on those 2010 financial statements indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole, and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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 D, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the certified Plan assets and executes the related transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2011 and for the year then ended that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the 2011 information that we did not audit, we are unable to express, and we do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information 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 2011 financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Grant Thornton LLP

Westborough, Massachusetts
October 4, 2012

MICROGROUP, INC. 401(k) SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2011 and 2010

	2011	2010
ASSETS		
Investments at fair value (notes G and H)	\$ 4,666,658	\$ 4,897,310
Receivables		
Notes receivable from participants	95,142	116,570
Company contributions	3,283	-
Participant contributions	3,083	-
	<u>101,508</u>	<u>116,570</u>
NET ASSETS AVAILABLE FOR BENEFITS	\$ <u>4,768,166</u>	\$ <u>5,013,880</u>

The accompanying notes are an integral part of these financial statements

MICROGROUP, INC. 401(k) SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits

December 31, 2011 and 2010

ADDITIONS:

Additions to net assets attributed to:

Investment income:

Net depreciation in fair value of investments in mutual funds	\$ (235,730)
Interest and dividends	160,899

Interest income on notes receivable from participants	6,109
---	-------

Contributions:

Participant contributions	439,285
Company contributions	67,504
Rollovers	28,144

Total additions	466,211
-----------------	---------

DEDUCTIONS:

Deductions from net assets attributed to:

Benefits paid to participants	700,819
Administration expenses	11,106

Total deductions	711,925
------------------	---------

Net decrease	(245,714)
--------------	-----------

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year	5,013,880
-------------------	-----------

End of year	\$ 4,768,166
-------------	--------------

The accompanying notes are an integral part of these financial statements

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE A – PLAN DESCRIPTION

The following description of MicroGroup, Inc. 401(k) Savings Plan, (the Plan), is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan, established May 28, 2002, is a defined contribution plan covering all employees of MicroGroup, Inc. and Bolt Holding Company, which are both subsidiaries of MicroGroup Holding Company (the Company), who are age 21 or older and have one month of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Contributions

Participants may elect to contribute up to 90 percent of their annual pre or post tax compensation, as defined by the Plan and limited by the Internal Revenue Code (the Code). Participants who attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of their accounts into various investment options offered by the Plan.

During the year ended December 31, 2011, at its discretion, the Company contributed a matching amount equal to 50 percent of the first 2 percent of employee compensation contributed to the Plan. The Company may also elect to make additional discretionary profit sharing contributions. There were no additional profit sharing contributions for the year ended December 31, 2011.

Contributions are directed by participants across various investment options offered by the Plan. The Plan currently offers various Mutual Funds as investment options for participants.

Participant Accounts

Each participant's account is credited with the participant's contributions, the Company's discretionary matching and/or profit sharing contributions and an allocation of Plan earnings and is charged with an allocation of administrative expenses, as required. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Company's discretionary contributions plus actual earnings thereon occurs ratably over three years of credited service, as defined in the Plan.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE A – PLAN DESCRIPTION (Continued)

Participant Loans

Participants may borrow from their account a minimum of \$1,000, up to a maximum of \$50,000 or 50 percent of their vested account balance, whichever is less. Loan terms range from 1 to 5 years or up to 10 years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest equal to regional bank rates for similar loans, as determined by the plan administrator. Principal and interest are repaid ratably through payroll deductions.

Benefit Payments and Plan Withdrawals

Upon termination of service due to death, disability, retirement or other reasons, a participant or beneficiary may receive the value of the vested interest in the participant's account as a lump-sum distribution. Withdrawals may be made under certain other circumstances in accordance with the Plan document.

Forfeitures

Forfeitures represent non-vested Company discretionary contributions forfeited by employees who terminate their employment or who withdraw from the Plan. Forfeitures are retained by the Plan and first used to pay administrative expenses, then used to reduce future Company contributions. At December 31, 2011 and 2010 forfeited non-vested accounts totaled \$3,479 and \$3,155, respectively. For the year ended December 31, 2011, zero forfeitures were used to reduce employer contributions.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Use of Estimates

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

Investment Valuation

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note H for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions in accordance with the provisions of the Plan.

Administrative Expenses

Certain administrative expenses related to custody and recordkeeping of the Plan are paid by the Company and others are charged to participants. Loan and other transaction fees are charged to participants. The Company provides certain accounting and management services to the Plan at no charge and pays for the annual audit of the Plan.

New Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (FASB) issued amended guidance for fair value measurements and disclosures. The amended guidance changes fair value measurements principles primarily regarding the application of the “highest and best use” concept to be used only in the measurement of fair value of nonfinancial instruments. The amended guidance also enhances the disclosure requirements, particularly for level 3 fair value measurements. The guidance is effective for the first annual reporting period beginning on or after December 15, 2011. The Plan will adopt the guidance effective January 1, 2012 and is evaluating the impact of this guidance on its financial statements.

Mutual Fund Fees

Investments in mutual funds are subject to sales charges in the form of front-end loads, back-end loads or 12b-1 fees. 12b-1 fees, which are ongoing fees allowable under Section 12b-1 of the Investment Company Act of 1940, are annual fees deducted to pay for marketing and distribution costs of the funds. These fees are deducted prior to the allocation of the Plan’s investment earning activity and thus are not separately identifiable as a Plan expense.

Subsequent Events

The Plan has evaluated subsequent events through October 4, 2012, the date the Financial Statements were available to be issued.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE C - TAX STATUS

The Plan has adopted a prototype plan which has been determined by the Internal Revenue Service, in an opinion letter dated March 31, 2008, to be in accordance with the applicable sections of the Internal Revenue Code (the Code). The Plan has since been amended, however, the Plan administrator believes that the Plan is currently designed and being operated in compliance with applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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

NOTE D - SUMMARY OF FINANCIAL DATA CERTIFIED BY THE TRUSTEE

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company, the trustee, has certified that the following data included in the financial statements and supplemental schedule is complete and accurate:

- Investments and note receivable from participants, as shown in the statements of net assets available for benefits as of December 31, 2011 and 2010.
- Investment income and interest income on note receivables from participants, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2011.
- The schedule of assets (held at end of year) as of December 31, 2011.

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

NOTE E - RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Fidelity Investments. Fidelity Management Trust Company, a related entity to Fidelity Investments, is the trustee as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services amounted to \$11,106 for the year ended December 31, 2011.

NOTE F - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their Company contributions.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE G - INVESTMENTS AT FAIR VALUE

The following presents investments that represent 5 percent or more of the plan's net assets.

	<u>2011</u>	<u>2010</u>
Fidelity Freedom 2040 Fund	\$ 701,578	\$ 800,274
Mainstay Large Cap Growth Fund R1	460,407	619,133
Fidelity Freedom 2025 Fund	456,168	396,676
Morgan Stanley Institutional Mid Cap Growth Fund	387,613	362,367
PIMCO Total Return Fund Admin	320,232	272,215
Fidelity Money Market Trust Retirement Portfolio	296,486	512,274
Fidelity Freedom 2020 Fund	245,376	*

* Represents investments less than 5% of the Plan's net assets

NOTE H - FAIR VALUE MEASUREMENTS

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

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

Level 2 - Inputs to the valuation methodology include

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

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

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

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE H - FAIR VALUE MEASUREMENTS - Continued

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

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

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

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

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

Assets at Fair Value as of December 31, 2011				
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Target Date	\$ 2,218,371	\$ -	\$ -	\$ 2,218,371
Large Cap Equity	810,530	-	-	810,530
Small/Mid Cap Equity	705,958	-	-	705,958
Fixed Income	433,290	-	-	433,290
Money Market	296,486	-	-	296,486
International	202,023	-	-	202,023
Total assets at fair value	<u>\$ 4,666,658</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,666,658</u>

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE H - FAIR VALUE MEASUREMENTS – Continued

	Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Target Date	\$ 2,083,579	\$ -	\$ -	\$ 2,083,579
Large Cap Equity	967,142	-	-	967,142
Small/Mid Cap Equity	797,230	-	-	797,230
Money Market	512,274	-	-	512,274
Fixed Income	313,655	-	-	313,655
International	223,430	-	-	223,430
Total assets at fair value	\$ <u>4,897,310</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>4,897,310</u>

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The significance of transfers between levels was evaluated based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2011, there were no significant transfers in or out of levels 1, 2 or 3.

NOTE I - 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.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE J - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for Plan benefits per the financial statements to the Form 5500 at December 31, 2011:

Net assets available for Plan benefits per the financial statements	\$ 4,768,166
Company contributions receivable	(3,283)
Participant contributions receivable	<u>(3,083)</u>
Net assets per the Form 5500	\$ <u>4,761,800</u>

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

Decrease in net assets per financial statements	\$ (245,714)
Contributions receivable - current year	<u>(6,366)</u>
Net loss per the Form 5500	\$ <u>(252,080)</u>

SUPPLEMENTAL SCHEDULE

MICROGROUP, INC. 401(k) SAVINGS PLAN

Form 5500 - Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2011 and 2010

EIN 01-0667287

Plan Number 001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value
*	Fidelity Investment Co.	Fidelity Freedom 2040 Fund	**	\$ 701,578
	MainStay	Mainstay Large Cap Growth Fund R1	**	460,407
*	Fidelity Investment Co.	Fidelity Freedom 2025 Fund	**	456,168
	Morgan Stanley	Morgan Stanley Institutional Mid Cap Growth Fund	**	387,613
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*	Fidelity Investment Co.	Fidelity Freedom 2010 Fund	**	145,499
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*	Fidelity Investment Co.	Fidelity Government Income Fund	**	193
*	Participant Loans	Maturity dates through 2016 at interest rates from 3.25% to 8.25%	-	95,142
				<u>\$ 4,761,800</u>
*	Represents a party-in-interest to the Plan			
**	Cost information omitted for participant directed investments			

Financial Statements and Supplemental Schedule with
Report of Independent Certified Public Accountants

MicroGroup, Inc. 401(k) Savings Plan

December 31, 2011 and 2010

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Report of Independent Certified Public Accountants

Plan Administrator
MicroGroup, Inc. 401(k) Savings Plan

Grant Thornton LLP
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Westborough, MA 01581

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We were engaged to audit the accompanying statement of net assets available for benefits of MicroGroup, Inc. 401(k) Savings Plan (the "Plan") as of December 31, 2011, and the related statement of changes in net assets available for benefits for the year then ended, and the supplemental information in 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. The statement of net assets available for benefits of the Plan as of December 31, 2010, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed the other auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by the trustee. Their report, dated September 28, 2011, on those 2010 financial statements indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole, and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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 D, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the certified Plan assets and executes the related transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2011 and for the year then ended that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the 2011 information that we did not audit, we are unable to express, and we do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information 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 2011 financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Grant Thornton LLP

Westborough, Massachusetts
October 4, 2012

MICROGROUP, INC. 401(k) SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2011 and 2010

	2011	2010
ASSETS		
Investments at fair value (notes G and H)	\$ 4,666,658	\$ 4,897,310
Receivables		
Notes receivable from participants	95,142	116,570
Company contributions	3,283	-
Participant contributions	3,083	-
	<u>101,508</u>	<u>116,570</u>
NET ASSETS AVAILABLE FOR BENEFITS	\$ <u>4,768,166</u>	\$ <u>5,013,880</u>

The accompanying notes are an integral part of these financial statements

MICROGROUP, INC. 401(k) SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits

December 31, 2011 and 2010

ADDITIONS:

Additions to net assets attributed to:

Investment income:

Net depreciation in fair value of investments in mutual funds	\$ (235,730)
Interest and dividends	160,899

Interest income on notes receivable from participants	6,109
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Contributions:

Participant contributions	439,285
Company contributions	67,504
Rollovers	28,144

Total additions	466,211
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DEDUCTIONS:

Deductions from net assets attributed to:

Benefits paid to participants	700,819
Administration expenses	11,106

Total deductions	711,925
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Net decrease	(245,714)
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NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year	5,013,880
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End of year	\$ 4,768,166
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The accompanying notes are an integral part of these financial statements

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE A – PLAN DESCRIPTION

The following description of MicroGroup, Inc. 401(k) Savings Plan, (the Plan), is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan, established May 28, 2002, is a defined contribution plan covering all employees of MicroGroup, Inc. and Bolt Holding Company, which are both subsidiaries of MicroGroup Holding Company (the Company), who are age 21 or older and have one month of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Contributions

Participants may elect to contribute up to 90 percent of their annual pre or post tax compensation, as defined by the Plan and limited by the Internal Revenue Code (the Code). Participants who attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of their accounts into various investment options offered by the Plan.

During the year ended December 31, 2011, at its discretion, the Company contributed a matching amount equal to 50 percent of the first 2 percent of employee compensation contributed to the Plan. The Company may also elect to make additional discretionary profit sharing contributions. There were no additional profit sharing contributions for the year ended December 31, 2011.

Contributions are directed by participants across various investment options offered by the Plan. The Plan currently offers various Mutual Funds as investment options for participants.

Participant Accounts

Each participant's account is credited with the participant's contributions, the Company's discretionary matching and/or profit sharing contributions and an allocation of Plan earnings and is charged with an allocation of administrative expenses, as required. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Company's discretionary contributions plus actual earnings thereon occurs ratably over three years of credited service, as defined in the Plan.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE A – PLAN DESCRIPTION (Continued)

Participant Loans

Participants may borrow from their account a minimum of \$1,000, up to a maximum of \$50,000 or 50 percent of their vested account balance, whichever is less. Loan terms range from 1 to 5 years or up to 10 years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest equal to regional bank rates for similar loans, as determined by the plan administrator. Principal and interest are repaid ratably through payroll deductions.

Benefit Payments and Plan Withdrawals

Upon termination of service due to death, disability, retirement or other reasons, a participant or beneficiary may receive the value of the vested interest in the participant's account as a lump-sum distribution. Withdrawals may be made under certain other circumstances in accordance with the Plan document.

Forfeitures

Forfeitures represent non-vested Company discretionary contributions forfeited by employees who terminate their employment or who withdraw from the Plan. Forfeitures are retained by the Plan and first used to pay administrative expenses, then used to reduce future Company contributions. At December 31, 2011 and 2010 forfeited non-vested accounts totaled \$3,479 and \$3,155, respectively. For the year ended December 31, 2011, zero forfeitures were used to reduce employer contributions.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Use of Estimates

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

Investment Valuation

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note H for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions in accordance with the provisions of the Plan.

Administrative Expenses

Certain administrative expenses related to custody and recordkeeping of the Plan are paid by the Company and others are charged to participants. Loan and other transaction fees are charged to participants. The Company provides certain accounting and management services to the Plan at no charge and pays for the annual audit of the Plan.

New Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (FASB) issued amended guidance for fair value measurements and disclosures. The amended guidance changes fair value measurements principles primarily regarding the application of the “highest and best use” concept to be used only in the measurement of fair value of nonfinancial instruments. The amended guidance also enhances the disclosure requirements, particularly for level 3 fair value measurements. The guidance is effective for the first annual reporting period beginning on or after December 15, 2011. The Plan will adopt the guidance effective January 1, 2012 and is evaluating the impact of this guidance on its financial statements.

Mutual Fund Fees

Investments in mutual funds are subject to sales charges in the form of front-end loads, back-end loads or 12b-1 fees. 12b-1 fees, which are ongoing fees allowable under Section 12b-1 of the Investment Company Act of 1940, are annual fees deducted to pay for marketing and distribution costs of the funds. These fees are deducted prior to the allocation of the Plan’s investment earning activity and thus are not separately identifiable as a Plan expense.

Subsequent Events

The Plan has evaluated subsequent events through October 4, 2012, the date the Financial Statements were available to be issued.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE C - TAX STATUS

The Plan has adopted a prototype plan which has been determined by the Internal Revenue Service, in an opinion letter dated March 31, 2008, to be in accordance with the applicable sections of the Internal Revenue Code (the Code). The Plan has since been amended, however, the Plan administrator believes that the Plan is currently designed and being operated in compliance with applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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

NOTE D - SUMMARY OF FINANCIAL DATA CERTIFIED BY THE TRUSTEE

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity Management Trust Company, the trustee, has certified that the following data included in the financial statements and supplemental schedule is complete and accurate:

- Investments and note receivable from participants, as shown in the statements of net assets available for benefits as of December 31, 2011 and 2010.
- Investment income and interest income on note receivables from participants, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2011.
- The schedule of assets (held at end of year) as of December 31, 2011.

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

NOTE E - RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by Fidelity Investments. Fidelity Management Trust Company, a related entity to Fidelity Investments, is the trustee as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for investment management services amounted to \$11,106 for the year ended December 31, 2011.

NOTE F - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their Company contributions.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE G - INVESTMENTS AT FAIR VALUE

The following presents investments that represent 5 percent or more of the plan's net assets.

	<u>2011</u>	<u>2010</u>
Fidelity Freedom 2040 Fund	\$ 701,578	\$ 800,274
Mainstay Large Cap Growth Fund R1	460,407	619,133
Fidelity Freedom 2025 Fund	456,168	396,676
Morgan Stanley Institutional Mid Cap Growth Fund	387,613	362,367
PIMCO Total Return Fund Admin	320,232	272,215
Fidelity Money Market Trust Retirement Portfolio	296,486	512,274
Fidelity Freedom 2020 Fund	245,376	*

* Represents investments less than 5% of the Plan's net assets

NOTE H - FAIR VALUE MEASUREMENTS

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

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

Level 2 - Inputs to the valuation methodology include

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

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

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

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE H - FAIR VALUE MEASUREMENTS - Continued

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

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

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

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

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

Assets at Fair Value as of December 31, 2011				
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Target Date	\$ 2,218,371	\$ -	\$ -	\$ 2,218,371
Large Cap Equity	810,530	-	-	810,530
Small/Mid Cap Equity	705,958	-	-	705,958
Fixed Income	433,290	-	-	433,290
Money Market	296,486	-	-	296,486
International	202,023	-	-	202,023
Total assets at fair value	<u>\$ 4,666,658</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,666,658</u>

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

NOTE H - FAIR VALUE MEASUREMENTS – Continued

	Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Target Date	\$ 2,083,579	\$ -	\$ -	\$ 2,083,579
Large Cap Equity	967,142	-	-	967,142
Small/Mid Cap Equity	797,230	-	-	797,230
Money Market	512,274	-	-	512,274
Fixed Income	313,655	-	-	313,655
International	223,430	-	-	223,430
Total assets at fair value	\$ <u>4,897,310</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>4,897,310</u>

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The significance of transfers between levels was evaluated based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2011, there were no significant transfers in or out of levels 1, 2 or 3.

NOTE I - 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.

MICROGROUP, INC. 401(k) SAVINGS PLAN

Notes to Financial Statements

For the Year Ended December 31, 2011

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December 31, 2011 and 2010

EIN 01-0667287

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