# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2011**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

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

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

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

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

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

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

**1a** Name of plan
COMPOSITES HORIZONS INC, PROFIT SHARING & SALARY REDUCTION PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/1988

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

COMPOSITES HORIZONS INC.

1471 INDUSTRIAL PARK STREET
COVINA, CA 91722

**2b** Employer Identification Number (EIN) 95-3633752

**2c** Sponsor's telephone number 626-331-0861

**2d** Business code (see instructions) 325200

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/12/2012 | JEFFREY T HYNES |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address (if same as plan sponsor, enter "Same")
COMPOSITES HORIZONS INC.

1471 INDUSTRIAL PARK STREET
COVINA, CA 91722

**3b** Administrator's EIN
95-3633752

**3c** Administrator's telephone number
626-331-0861

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 128 |
| **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** | 109 |
| **b** | Retired or separated participants receiving benefits | **6b** | 3 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 18 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 130 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 130 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 104 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 4 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

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

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

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

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

**a Pension Schedules**

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

**b General Schedules**

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

# SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
COMPOSITES HORIZONS INC, PROFIT SHARING & SALARY REDUCTION PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
COMPOSITES HORIZONS INC.

**D** Employer Identification Number (EIN)
95-3633752

**Part I** **Information Concerning Insurance Contract Coverage, Fees, and Commissions** 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
ING INSURANCE

| (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 |
| 71-0294708 | 86509 | PH3768 | 116 | 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.

| (a) Total amount of commissions paid | (b) Total amount of fees paid |
|---|---|
| 7726 | |

**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
WELLS FARGO ADVISORS INS AGCY LLC D

| (b) Amount of sales and base commissions paid | Fees and other commissions paid | | (e) Organization code |
|---|---|---|---|
| | (c) Amount | (d) Purpose | |
| 7726 | | | 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)** 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)** 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)** 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)** 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)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** 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.

| | | | |
|---|---|---|---|
| 4 | Current value of plan's interest under this contract in the general account at year end | 4 | 72231 |
| 5 | Current value of plan's interest under this contract in separate accounts at year end | 5 | 112397 |

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

| | | | |
|---|---|---|---|
| b | Premiums paid to carrier | 6b | |
| c | Premiums due but unpaid at the end of the year | 6c | |
| d | 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. | 6d | |

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☒ other (specify) ▶ GROUP PENSION FUNDING

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 ▶

| | | | | | |
|---|---|---|---|---|---|
| b | Balance at the end of the previous year | | | 7b | 742013 |
| c | Additions: (1) Contributions deposited during the year | 7c(1) | 229452 | | |
| | (2) Dividends and credits | 7c(2) | 0 | | |
| | (3) Interest credited during the year | 7c(3) | 23662 | | |
| | (4) Transferred from separate account | 7c(4) | 72231 | | |
| | (5) Other (specify below) | 7c(5) | 112397 | | |
| | ▶ LOANS | | | | |
| | (6) Total additions | | | 7c(6) | 437742 |
| d | Total of balance and additions (add **b** and **c(6)**) | | | 7d | 1179755 |
| e | Deductions: | | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | 7e(1) | 67223 | | |
| | (2) Administration charge made by carrier | 7e(2) | 150 | | |
| | (3) Transferred to separate account | 7e(3) | 158779 | | |
| | (4) Other (specify below) | 7e(4) | 20908 | | |
| | ▶ LOANS | | | | |
| | (5) Total deductions | | | 7e(5) | 247060 |
| f | Balance at the end of the current year (subtract **e(5)** from **d**) | | | 7f | 932695 |

## 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: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in **c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **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. | | | **10b** | |

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. ▶

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

# DFE/Participating Plan 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
COMPOSITES HORIZONS INC, PROFIT SHARING & SALARY REDUCTION PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
COMPOSITES HORIZONS INC.

**D** Employer Identification Number (EIN)
95-3633752

## Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ING GRWTH & INCOME PORT CLASS I

**b** Name of sponsor of entity listed in (a): ING INSURANCE

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions) |
|---|---|---|
| 71-0294708-001 | P | 217312 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ING MONEY MRKT PORT CLASS I

**b** Name of sponsor of entity listed in (a): ING INSURANCE

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions) |
|---|---|---|
| 71-0294708-001 | P | 101676 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ING INTERMEDIATE BND PORT CLASS I

**b** Name of sponsor of entity listed in (a): ING INSURANCE

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| 71-0294708-001 | P | 132283 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ING BLNCED PORT CLASS I

**b** Name of sponsor of entity listed in (a): ING INSURANCE

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| 71-0294708-001 | P | 47837 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ING FIXED ACCOUNT

**b** Name of sponsor of entity listed in (a): ING INSURANCE

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| 71-0294708-001 | P | 932695 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ING STRATEGIC ALLOC MOD PORT CLAS I

**b** Name of sponsor of entity listed in (a): ING INSURANCE

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| 71-0294708-001 | P | 0 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ING STRATEGIC ALLOC MOD PORT CLS I

**b** Name of sponsor of entity listed in (a): ING INSURANCE

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| 71-0294708-001 | P | 9101 |

| | | |
|---|---|---|
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO V.I. CORE EQTY FND SERIES I | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 35596 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: ING AGG GRW PORT INITIAL CLASS | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: FIDELITY VIP INC PORT INT CLASS | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 77725 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: FIDELITY VIP GRW PORT INT CLASS | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 105240 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: ING TEMP FORGN EQ PORT INT CLASS | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13493 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: ING LRG CAP GRW PORT INST CLASS | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 33123 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: ING OPP GLB PORT INT CLASS | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 86555 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: ING DIV MID CAP GRW PORT INT CLASS | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 236359 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: ING LARGE CAP GROWTH PORTFOLIO | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 19720 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: ING STRATEGIC ALLOC PORTFOLIO | | |
| **b** Name of sponsor of entity listed in (a): ING INSURANCE | | |
| **c** EIN-PN 71-0294708-001 | **d** Entity code P | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 18417 |

## 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 |

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

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

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

OMB No. 1210-0110

**2011**

**This Form is Open to Public Inspection**

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

**A** Name of plan
COMPOSITES HORIZONS INC, PROFIT SHARING & SALARY REDUCTION PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
COMPOSITES HORIZONS INC.

**D** Employer Identification Number (EIN)
95-3633752

## 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 | 1371 | 265 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | 0 |
| **(2)** Participant contributions | 1b(2) | 5228 | 7354 |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(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) | 51138 | 48778 |
| **(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) | 1812146 | 2066866 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | | |
| **(2)** Employer real property | 1d(2) | | |
| **e** Buildings and other property used in plan operation | 1e | | |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 1869883 | 2123263 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | | |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | 89 |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | | 89 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 1869883 | 2123174 |

## 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) | 58037 | |
| **(B)** Participants | 2a(1)(B) | 173452 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 93166 | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 324655 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| **(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) | 2333 | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 2333 |
| **(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) | | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | |
| **(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) | | 46 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 327034 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 72293 | |
| (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) | | 72293 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | 1450 | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines 2i(1) through (4) | 2i(5) | | 1450 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 73743 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line 2j from line 2d | 2k | | 253291 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

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

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

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

(1) Name: KHO & PATEL, CPAS (2) EIN: 33-0381007

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

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

## Part IV Compliance Questions

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

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | **4a** | | X | |
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | **4b** | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | **4c** | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | **4d** | | X | |
| **e** | Was this plan covered by a fidelity bond? | **4e** | X | | 200000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | **4f** | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4g** | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4h** | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | **4i** | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | **4j** | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | **4k** | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | **4l** | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | **4m** | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | **4n** | | X | |

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

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

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

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

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

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

OMB No. 1210-0110

**2011**

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

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

**A** Name of plan
COMPOSITES HORIZONS INC, PROFIT SHARING & SALARY REDUCTION PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
COMPOSITES HORIZONS INC.

**D** Employer Identification Number (EIN)
95-3633752

## 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**

**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): 71-0294708 95-7006868

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. ..... **3**

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

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

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

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

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

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

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

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

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

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

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

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

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

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

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

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

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

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

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

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

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

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

# Marketon, Inc. 401(k) Plan

## Report, Financial Statements and Supplemental Schedule

## December 31, 2011 and 2010 and Year Ended December 31, 2011

LESLEY, THOMAS, SCHWARZ & POSTMA, INC.
CERTIFIED PUBLIC ACCOUNTANTS
*A Professional Accountancy Corporation*

***Principals***
*George M. Lesley*
*John Postma II*
*Thomas R. Madigan*
*Cory G. Youngberg*
*Mark D. Murphy*
*Doris D. Farinacci*
*Mark A. Simurda*
*Cyndi M. LeBerthon*

# Independent Auditors' Report

To the Plan Administrator of the
Marketon, Inc. 401(k) Plan

We were engaged to audit the statements of net assets available for benefits of the Marketon, Inc. 401(k) 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 5, which was certified by John Hancock Life Insurance Company (U.S.A.), the custodian, 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 execute investment transactions. The plan administrator has obtained certification from the custodian as of December 31, 2011 and 2010 and for the year ended December 31, 2011, that the information provided to the plan administrator by the 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 purposes of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian, has been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is 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.

Lesley, Thomas, Schwarz & Postma, Inc.
A Professional Accountancy Corporation
Newport Beach, California
October 9, 2012

**Marketon, Inc. 401(k) Plan**
**Statements of Net Assets Available for Benefits**

| | December 31, | |
|---|---|---|
| | **2011** | **2010** |
| Assets | | |
| Investments, at fair value | | |
| Insurance contracts | | |
| Guaranteed interest account | $ 523 | $ 525 |
| Pooled separate accounts | 1,111,364 | 1,284,740 |
| | 1,111,887 | 1,285,265 |
| Cash | 642 | 1,700 |
| Receivables | | |
| Employer contributions | - | 2,958 |
| Notes receivable from participants | 63,893 | 89,328 |
| | 63,893 | 92,286 |
| Total assets | 1,176,422 | 1,379,251 |
| Liability | | |
| Excess contributions payable | 4,204 | 8,148 |
| Net assets available for benefits | $ 1,172,218 | $ 1,371,103 |

See the accompanying notes to these financial statements

**Marketon, Inc. 401(k) Plan**
**Statement of Changes in Net Assets Available for Benefits**
**Year Ended December 31, 2011**

| | |
|---|---|
| Additions to net assets attributed to: | |
| Investment income | |
| Interest income | $ 4 |
| Interest income from notes receivable from participants | 3,237 |
| Contributions | |
| Participant | 68,667 |
| Total additions to net assets | 71,908 |
| Deductions from net assets attributed to: | |
| Net depreciation in fair value of investments | 33,395 |
| Benefits paid to participants | 218,434 |
| Administration fees | 18,964 |
| Total deductions from net assets | 270,793 |
| Net decrease in net assets available for benefits | (198,885) |
| Net assets available for benefits, beginning of year | 1,371,103 |
| Net assets available for benefits, end of year | $ 1,172,218 |

See the accompanying notes to these financial statements

## Note 1. Description of Plan

The following description of the Marketon, Inc. 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

### *General*

The Plan was adopted on January 1, 1998 to qualify as a defined contribution plan for eligible employees of Marketon, Inc. (the "Company"). The Plan has a pre-tax salary reduction provision as defined under Section 401(k) and an employer matching contribution under 401(m) of the Internal Revenue Code (the "IRC"). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Effective February 10, 2011, the Plan changed its name from King Ranch Market 401(k) Plan to Marketon, Inc. 401(k) Plan.

### *Participant Eligibility*

Each of the Company's employees is eligible to participate in the Plan upon the later date of attaining the age of 21 or completion of one year of with a minimum of 1,000 hours of service. An eligible participant may enter the Plan on January 1 or July 1 immediately following satisfaction of eligibility requirements.

### *Contributions*

The Company's eligible employees may contribute up to the limitations as defined by the IRC each year on a pre-tax basis by salary reduction. In addition, the Company may make matching contributions equal to a discretionary percentage, to be determined by the Company, of the participant's elective deferrals.

Participants direct the investment of all contributions to their accounts into various investment options offered by the Plan.

### *Participant Accounts*

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

**Note 1. Description of Plan (continued)**

***Allocation of Investment Activity***

Each investment fund is valued by John Hancock Life Insurance Company (U.S.A.). The net increase or decrease in such values resulting from fund income and allocated expenses, if any, are apportioned to each participant's account in proportion to the value of the participant's account as compared to the investment fund as a whole.

***Vesting***

Participants are 100% vested in their salary deferral contributions plus actual earnings thereon. Effective January 1, 2006, the Plan elected to be a Safe Harbor Plan according to IRC regulations. As a result, participants became 100% vested in their Company safe harbor matching contribution account for any contributions made from January 1, 2006 through December, 2009. Effective December 11, 2009, the Company discontinued its safe harbor matching contributions to all participants. For Company contributions made prior to January 1, 2006 and Company contributions made subsequent to December 11, 2009, each participant's interest in their Company contribution and related earnings are vested as follows:

| Years of Vesting Service | Vested Percentage |
|---|---|
| Less than two | 0% |
| Two but less than three | 20% |
| Three but less than four | 40% |
| Four but less than five | 60% |
| Five but less than six | 80% |
| Six or more | 100% |

***Payment of Benefits***

Upon termination of service due to death, disability, retirement or any other reason, a participant will receive a lump-sum distribution equal to the value of the participant's vested interest in his or her account as soon as administratively feasible following termination of employment.

***Forfeited Accounts***

Amounts forfeited from terminating participants' non-vested portion of their employer matching contribution account and employer discretionary contribution and earnings on Company contributions are used to pay administrative expenses and to reduce future employer contributions. During the year ended December 31, 2011, there was $1,712 of forfeitures used to off-set contributions. At December 31, 2011 and 2010, there were approximately $640 and $1,700, respectively, of forfeited non-vested accounts that were invested in the Plan.

***Contribution Funding***

The Company funds its participant contributions and Company matching contributions, if any, to the Plan on a weekly basis.

**Note 1. Description of Plan (continued)**

***Plan Administrative Expenses***

The Company provides or pays for certain accounting, legal, administrative and management services without charge to the Plan.

**Note 2. Summary of Significant Accounting Policies**

***Basis of Accounting***

The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America and present the net assets available for benefits and the changes in those net assets.

***Non-Distributed Benefits***

The Plan does not accrue non-distributed benefits related to participants who have withdrawn from the Plan, but recognizes such benefits as a deduction from net assets in the period in which such benefits are paid.

***Accounting Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Accordingly, actual results could differ from those estimates.

***Valuation of Investments***

All investments are carried at fair value or an approximation of 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 6 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date and interest is accrued as earned.

**Note 2. Summary of Significant Accounting Policies (continued)**

***Notes Receivable from Participants***

Participants may borrow from their accounts up to a maximum of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and must be repaid at a fixed interest rate which is commensurate with local prevailing rates as determined by the Plan. Generally, loans must be repaid within five years, unless the loan was for the purchase of a principal residence. In this case, the repayment period may be extended. Principal and interest is paid ratably through payroll deductions. Delinquent or defaulted notes receivables from participants are written off as "deemed" distributions at the end of the quarter following the quarter in which the default occurs.

The Plan classifies participant loans as notes receivable from participants in the statements of net assets available for benefits and measures them at their unpaid principal balance plus any accrued interest.

***Subsequent Events***

Subsequent events have been evaluated through October 9, 2012, the date the financial statements were available for issuance.

**Note 3. Insurance Contracts**

***Guaranteed Interest Account***

The Plan participates in a contract with John Hancock Life Insurance Company (U.S.A.) ("John Hancock") whereby the assets of the Plan are part of the general assets of John Hancock. This contract is identified and accounted for as a guaranteed interest account. The guaranteed interest account 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 accounts.

The guarantees made with regard to the guaranteed interest account are supported by John Hancock's general account. The general account is invested mostly in private placement bonds and other fixed income financial instruments. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The guaranteed interest account promises contract value for a benefit event (termination, death, disability and retirement), however, there are possible market value adjustments when funds are withdrawn prior to their maturity. There may be withdrawal restrictions associated with these contracts based on Plan level initiated transactions.

**Note 3. Insurance Contracts (continued)**

***Pooled Separate Accounts***

The Plan has entered into a contract with John Hancock Life Insurance Company (U.S.A.) ("John Hancock") whereby the assets under the contract are pooled with those of other investors in separate accounts. The Plan owns units of participation in the fair value of the account's underlying assets. John Hancock does not own the underlying assets, but only holds them in trust for the participating plans.

**Note 4. Investments**

At December 31, 2011 and 2010, the following investments represent 5% or more of the Plan's net assets:

| | December 31, | |
|---|---|---|
| | **2011** | **2010** |
| Pooled separate accounts | | |
| John Hancock Lifestyle Growth | $ 176,169 | $ 219,938 |
| John Hancock Lifestyle Balanced | $ 84,402 | $ 98,675 |
| John Hancock Lifestyle Conservative | $ 153,952 | $ 222,409 |
| John Hancock Lifestyle Aggressive | $ 103,273 | $ 111,510 |
| John Hancock Lifecycle 2030 | $ 66,209 | $ 80,089 |
| John Hancock Lifecycle 2040 | $ 87,355 | $ 100,971 |
| John Hancock Money Market Fund | $ 65,209 | $ 53,568* |

**Investment does not represent 5% or more of the Plan's net assets at the respective year end.*

During the year ended December 31, 2011, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by investment type, as follows:

| | **Year Ended December 31, 2011** |
|---|---|
| Net depreciation in fair value of investments | |
| Pooled separate accounts | $ (33,395) |

**Note 5. Information Certified by the Custodian**

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by John Hancock Life Insurance Company (U.S.A.), the custodian of the Plan, as complete and accurate, except for comparing such information certified by the custodian to information included in the Plan's financial statements and supplemental schedule:

a) Investments

| | December 31, | |
|---|---|---|
| | **2011** | **2010** |
| Guaranteed interest account | $ 523 | $ 525 |
| Pooled separate accounts | $ 1,111,364 | $ 1,284,740 |
| b) Notes receivable from participants* | $ 63,893 | $ 89,328 |

**Notes receivable from participants are participant loans allowed under the related regulations. The participant loans are certified by the custodian, and are included as investments on the supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.*

c) Investment income (loss) and other additions

| | **Year Ended December 31, 2011** |
|---|---|
| Interest income | $ 4 |
| Interest income from notes receivable from participants | $ 3,237 |
| Net depreciation in fair value of investments | $ (33,395) |

d) Supplemental Schedule:
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

**Note 6. Fair Value Measurements**

Fair value measurements are based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

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

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

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

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

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

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

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

*Guaranteed interest account:* This investment is part of the general assets of an insurance company. This investment is valued by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer.

*Pooled separate accounts*: These investments are public investment securities valued using the Net Asset Value ("NAV") provided by the investment custodian. The NAV is quoted on a private market that is not active, however, the unit price is based on the underlying investments. A majority of the investments held by each fund are traded on an active market.

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

**Note 6. Fair Value Measurements (continued)**

The following are the Plan's financial instruments carried at fair value categorized by the fair value hierarchy as of December 31, 2011 and 2010:

| December 31, 2011 | Fair Value Measurements Using Input Type | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Guaranteed interest account | $ --- | $ 523 | $ --- | $ 523 |
| Pooled separate accounts | | | | |
| Asset allocation – Lifecycle funds | --- | 332,970 | --- | 332,970 |
| Asset allocation – Lifestyle funds | --- | 548,554 | --- | 548,554 |
| Aggressive growth funds | --- | 56,675 | --- | 56,675 |
| Growth funds | --- | 27,293 | --- | 27,293 |
| Growth and income funds | --- | 30,412 | --- | 30,412 |
| Income funds | --- | 50,251 | --- | 50,251 |
| Conservative funds | --- | 65,209 | --- | 65,209 |
| Total investments measured at fair value | $ --- | $1,111,887 | $ --- | $1,111,887 |

| December 31, 2010 | Fair Value Measurements Using Input Type | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Guaranteed interest account | $ --- | $ 525 | $ --- | $ 525 |
| Pooled separate accounts | | | | |
| Asset allocation – Lifecycle funds | --- | 381,738 | --- | 381,738 |
| Asset allocation – Lifestyle funds | --- | 683,150 | --- | 683,150 |
| Aggressive growth funds | --- | 59,378 | --- | 59,378 |
| Growth funds | --- | 27,475 | --- | 27,475 |
| Growth and income funds | --- | 31,627 | --- | 31,627 |
| Income funds | --- | 47,804 | --- | 47,804 |
| Conservative funds | --- | 53,568 | --- | 53,568 |
| Total investments measured at fair value | $ --- | $1,285,265 | $ --- | $1,285,265 |

## Note 6. Fair Value Measurements (continued)

The following table presents additional information relative to Plan investments reported on net asset value at December 31, 2011 and 2010:

| December 31, 2011 | Fair Value | Unfunded Commitment | Redemption Frequency | Other Redemption Restrictions | Redemption Notice Period |
|---|---|---|---|---|---|
| Retirement Living at 2010 (a) | $ 38,270 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2015 (a) | $ 12,230 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2020 (a) | $ 12,863 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2025 (a) | $ 2,652 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2030 (a) | $ 66,209 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2035 (a) | $ 58,012 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2040 (a) | $ 87,355 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2045 (a) | $ 55,378 | $ --- | 2 transactions per month | None | None |
| Lifestyle Conservative (b) | $ 153,952 | $ --- | 2 transactions per month | None | None |
| Lifestyle Moderate (c) | $ 30,757 | $ --- | 2 transactions per month | None | None |
| Lifestyle Balanced (d) | $ 84,402 | $ --- | 2 transactions per month | None | None |
| Lifestyle Growth (e) | $ 176,169 | $ --- | 2 transactions per month | None | None |
| Lifestyle Aggressive (f) | $ 103,273 | $ --- | 2 transactions per month | None | None |
| Money Market Fund (g) | $ 65,209 | $ --- | 2 transactions per month | None | None |
| Short-term Federal (h) | $ 3,374 | $ --- | 2 transactions per month | None | None |
| PIMCO Total Return (i) | $ 11,782 | $ --- | 2 transactions per month | None | None |
| Strategic Income Opp Fund (j) | $ 9,907 | $ --- | 2 transactions per month | None | None |
| T. Rowe Price Spectrum Inc (k) | $ 12,795 | $ --- | 2 transactions per month | None | None |
| PIMCO Real Return (l) | $ 3,420 | $ --- | 2 transactions per month | None | None |
| PIMCO Global Bond (m) | $ 8,974 | $ --- | 2 transactions per month | None | None |
| Mutual Global Discovery (n) | $ 5,249 | $ --- | 2 transactions per month | None | None |
| BlackRock Global Allocation (o) | $ 319 | $ --- | 2 transactions per month | None | None |
| Investment Company of America (p) | $ 7 | $ --- | 2 transactions per month | None | None |
| Washington Mutual Investors (q) | $ 1,019 | $ --- | 2 transactions per month | None | None |
| Mutual Beacon (r) | $ 23,122 | $ --- | 2 transactions per month | None | None |
| 500 Index Fund (s) | $ 295 | $ --- | 2 transactions per month | None | None |
| T. Rowe Price Equity Inc (t) | $ 2 | $ --- | 2 transactions per month | None | None |
| Davis New York Venture (u) | $ 400 | $ --- | 2 transactions per month | None | None |

## Note 6. Fair Value Measurements (continued)

| December 31, 2011 | Fair Value | Unfunded Commitment | Redemption Frequency | Other Redemption Restrictions | Redemption Notice Period |
|---|---|---|---|---|---|
| Fidelity ContraFund (v) | $ 454 | $ --- | 2 transactions per month | None | None |
| The Growth Fund of America (w) | $ 584 | $ --- | 2 transactions per month | None | None |
| MFS Utilities (x) | $ 6,868 | $ --- | 2 transactions per month | None | None |
| JPM MidCap Value Fund (y) | $ 462 | $ --- | 2 transactions per month | None | None |
| All Cap Value Fund (z) | $ 7,794 | $ --- | 2 transactions per month | None | None |
| Capital Appreciation Fund (aa) | $ 938 | $ --- | 2 transactions per month | None | None |
| Mid Value Fund (bb) | $ 5,345 | $ --- | 2 transactions per month | None | None |
| Oppenheimer Global (cc) | $ 310 | $ --- | 2 transactions per month | None | None |
| T. Rowe Price Small Cap Value (dd) | $ 3,854 | $ --- | 2 transactions per month | 90 day holding period | None |
| Mid Cap Index Fund (ee) | $ 684 | $ --- | 2 transactions per month | None | None |
| EuroPacific Growth Fund (ff) | $ 4,118 | $ --- | 2 transactions per month | None | None |
| American Century Heritage (gg) | $ 3,373 | $ --- | 2 transactions per month | None | None |
| Science & Technology Fund (hh) | $ 358 | $ --- | 2 transactions per month | None | None |
| Intl Equity Index Fund (ii) | $ 4 | $ --- | 2 transactions per month | None | None |
| T. Rowe Price Sci & Tech (jj) | $ 14,187 | $ --- | 2 transactions per month | None | None |
| Mid Cap Stock Fund (kk) | $ 14,154 | $ --- | 2 transactions per month | None | None |
| International Value Fund (ll) | $ 514 | $ --- | 2 transactions per month | None | None |
| Energy (mm) | $ 11,320 | $ --- | 2 transactions per month | 365 day holding period | None |
| Oppenheimer Developing Market (nn) | $ 8,647 | $ --- | 2 transactions per month | None | None |

| December 31, 2010 | Fair Value | Unfunded Commitment | Redemption Frequency | Other Redemption Restrictions | Redemption Notice Period |
|---|---|---|---|---|---|
| Retirement Living at 2010 (a) | $ 48,658 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2015 (a) | $ 12,511 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2020 (a) | $ 12,674 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2025 (a) | $ 2,209 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2030 (a) | $ 80,089 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2035 (a) | $ 57,297 | $ --- | 2 transactions per month | None | None |
| Retirement Living at 2040 (a) | $ 100,971 | $ --- | 2 transactions per month | None | None |

## Note 6. Fair Value Measurements (continued)

| December 31, 2010 | Fair Value | Unfunded Commitment | Redemption Frequency | Other Redemption Restrictions | Redemption Notice Period |
|---|---|---|---|---|---|
| Retirement Living at 2045 (a) | $ 67,329 | $ --- | 2 transactions per month | None | None |
| Lifestyle Conservative (b) | $ 222,409 | $ --- | 2 transactions per month | None | None |
| Lifestyle Moderate (c) | $ 30,618 | $ --- | 2 transactions per month | None | None |
| Lifestyle Balanced (d) | $ 98,675 | $ --- | 2 transactions per month | None | None |
| Lifestyle Growth (e) | $ 219,938 | $ --- | 2 transactions per month | None | None |
| Lifestyle Aggressive (f) | $ 111,510 | $ --- | 2 transactions per month | None | None |
| Money Market Fund (g) | $ 53,568 | $ --- | 2 transactions per month | None | None |
| Short-term Federal (h) | $ 3,247 | $ --- | 2 transactions per month | None | None |
| PIMCO Total Return (i) | $ 12,167 | $ --- | 2 transactions per month | None | None |
| Strategic Income Opp Fund (j) | $ 9,733 | $ --- | 2 transactions per month | None | None |
| T. Rowe Price Spectrum Inc (k) | $ 11,362 | $ --- | 2 transactions per month | None | None |
| PIMCO Real Return (l) | $ 3,029 | $ --- | 2 transactions per month | None | None |
| PIMCO Global Bond (m) | $ 8,266 | $ --- | 2 transactions per month | None | None |
| Mutual Global Discovery (n) | $ 5,271 | $ --- | 2 transactions per month | None | None |
| BlackRock Global Allocation (o) | $ 138 | $ --- | 2 transactions per month | None | None |
| Investment Company of America (p) | $ 7 | $ --- | 2 transactions per month | None | None |
| Washington Mutual Investors (q) | $ 777 | $ --- | 2 transactions per month | None | None |
| Mutual Beacon (r) | $ 22,662 | $ --- | 2 transactions per month | None | None |
| 500 Index Fund (s) | $ 2,347 | $ --- | 2 transactions per month | None | None |
| Davis New York Venture (u) | $ 425 | $ --- | 2 transactions per month | None | None |
| Fidelity ContraFund (v) | $ 266 | $ --- | 2 transactions per month | None | None |
| The Growth Fund of America (w) | $ 626 | $ --- | 2 transactions per month | None | None |
| BlackRock Large Value (oo) | $ 2 | $ --- | 2 transactions per month | None | None |
| MFS Utilities (x) | $ 6,142 | $ --- | 2 transactions per month | None | None |
| JPM MidCap Value Fund (y) | $ 458 | $ --- | 2 transactions per month | None | None |
| All Cap Value Fund (z) | $ 7,267 | $ --- | 2 transactions per month | None | None |
| Capital Appreciation Fund (aa) | $ 755 | $ --- | 2 transactions per month | None | None |
| Mid Value Fund (bb) | $ 5,297 | $ --- | 2 transactions per month | None | None |
| Oppenheimer Global (cc) | $ 143 | $ --- | 2 transactions per month | None | None |
| T. Rowe Price Small Cap Value (dd) | $ 4,858 | $ --- | 2 transactions per month | 90 day holding period | None |

## Note 6. Fair Value Measurements (continued)

| December 31, 2010 | Fair Value | Unfunded Commitment | Redemption Frequency | Other Redemption Restrictions | Redemption Notice Period |
|---|---|---|---|---|---|
| Mid Cap Index Fund (ee) | $ 1,660 | $ --- | 2 transactions per month | None | None |
| T. Rowe Price Health Sci (pp) | $ 924 | $ --- | 2 transactions per month | None | None |
| EuroPacific Growth Fund (ff) | $ 3,821 | $ --- | 2 transactions per month | None | None |
| American Century Vista (qq) | $ 3,679 | $ --- | 2 transactions per month | None | None |
| Science & Technology Fund (hh) | $ 393 | $ --- | 2 transactions per month | None | None |
| Intl Equity Index Fund (ii) | $ 5 | $ --- | 2 transactions per month | None | None |
| T. Rowe Price Sci & Tech (jj) | $ 14,967 | $ --- | 2 transactions per month | None | None |
| Mid Cap Stock Fund (kk) | $ 14,515 | $ --- | 2 transactions per month | None | None |
| International Value Fund (ll) | $ 601 | $ --- | 2 transactions per month | None | None |
| Energy (mm) | $ 10,436 | $ --- | 2 transactions per month | 365 day holding period | None |
| Oppenheimer Developing Market (nn) | $ 10,038 | $ --- | 2 transactions per month | None | None |

The following additional information presents the fund strategy relative to Plan investments reported on net asset value at December 31, 2011 and 2010:

(a) Under normal market conditions, the Retirement Living Funds (2010, 2015, 2020, 2025, 2030, 2035, 2040, 2045) primarily invest its assets in underlying funds using an allocation strategy designed for investors based on the expected year of retirement. The expected year in which participants plan to retire and no longer make contributions is referred to as the target date. The Portfolio is managed to provide potential growth and income opportunity even in the years after retirement. The most conservative mix occurs about 20 years after the target date when the Portfolio has a 75% fixed income and 25% equity allocation. The principal value of an investment in this Portfolio is not guaranteed at any time, including at or after the target retirement date.

(b) The Lifestyle Conservative Fund seeks to achieve a high level of current income with some consideration given to growth of capital by investing approximately 80% of the portfolio's assets in underlying portfolios that invest primarily in fixed-income securities and 20% of its assets in underlying portfolios that invest primarily in equity securities.

(c) The Lifestyle Moderate Fund seeks to achieve a balance between a high level of current income and growth of capital, with a greater emphasis on income by investing approximately 60% of the portfolio's assets in underlying portfolios that invest primarily in fixed-income securities and 40% of its assets in portfolios that invest primarily in equity securities.

**Note 6. Fair Value Measurements (continued)**

(d) The Lifestyle Balanced Fund seeks to achieve a balance between a high level of current income and growth of capital, with a greater emphasis on growth of capital, by investing approximately 40% of the portfolio's assets in underlying portfolios that invest primarily in fixed-income securities and approximately 60% of its assets in underlying portfolios that invest primarily in equity securities.

(e) The Lifestyle Growth Fund seeks to achieve long-term growth of capital by investing approximately 80% of the portfolio's assets in underlying portfolios that invest primarily in equity securities and approximately 20% of its assets in portfolio's that invest primarily in fixed-income securities. Current income is also a consideration.

(f) The Lifestyle Aggressive Fund seeks to achieve long-term growth of capital by investing 100% of the portfolio's assets in underlying portfolios that invest primarily in equity securities. Current income is not a consideration.

(g) The Money Markey Fund seeks to achieve maximum current income consistent with preservation of principal and liquidity by investing in high-quality, U.S. dollar-denominated money market.

(h) The Short-Term Federal Fund seeks to provide current income while maintaining limited price volatility. The fund invests at least 80% of its assets in short-term bonds issued by the U.S. government and its agencies and instrumentalities, many of which are not backed by the full faith and credit of the U.S. government. The fund is expected to maintain a dollar-weighted average maturity of 1 to 4 years.

(i) The PIMCO Total Return Fund normally invests at least 65% of assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts, or swap agreements. It invests primarily in investment grade debt securities, but may invest up to 10% of total assets in high yield securities ("junk bonds"). The fund may invest all assets in derivative instruments, such as options, futures contracts or swap agreements, or in mortgage- or asset-backed securities.

(j) The Strategic Income Oppenheimer Fund seeks to maximize total return consisting of current income and capital appreciation through investing, under normal market conditions, at least 80% of its assets in the following types of securities, which may be denominated in U.S. dollars or non-U.S. currencies: foreign government and corporate debt securities from developed and emerging markets, U.S. government and agency securities, domestic high-yield bonds and investment grade corporate bonds, and currency instruments. The Fund may also invest in preferred stock and other types of debt securities.

(k) The T. Rowe Price Spectrum Inc. Fund seeks a high level of current income with moderate share price fluctuation. Invests in a diversified group of underlying T. Rowe Price domestic bond funds, foreign bond funds, a money market fund and an income-oriented stock fund.

(l) The PIMCO Real Return Fund seeks to achieve maximum real return (total return after inflation) consistent with preservation of real capital and prudent investment management. The portfolio seeks to achieve its objective by investing under normal circumstances, at least 80% of its net assets in inflation-indexed bonds of varying maturities issued by the U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations.

**Note 6. Fair Value Measurements (continued)**

(m) The PIMCO Global Bond Fund seeks to achieve maximum total return, investing for both current income (bond coupons and dividends) and capital appreciation (bond price movements), consistent with preservation of capital and prudent investment management, by investing primarily in U.S. and non-U.S. intermediate maturity fixed income securities. The Fund will normally hold these securities on a currency unhedged basis.

(n) The Mutual Global Discovery Fund seeks to achieve capital appreciation by focusing primarily on undervalued equity securities and, to a lesser extent, distressed securities and merger arbitrage opportunities of companies from around the world.

(o) The investment objective of the BlackRock Global Allocation Fund is to provide high total investment return through a fully managed investment policy utilizing United States and foreign equity securities, debt and money market securities, the combination of which will be varied from time to time both with respect to types of securities and markets in response to changing market and economic trends.

(p) The Investment Company of America Fund seeks to achieve long-term growth of capital and income, by investing in solid companies with the greatest potential for future dividends, rather than current income. The portfolio principally invests in common stocks, but may also hold securities convertible into common stocks, as well as bonds, U.S. government securities, nonconvertible preferred stocks, and cash and equivalents. The portfolio may also invest in securities of issuers domiciled outside the United States typically not exceeding 15% of assets.

(q) The Washington Mutual Investors Fund portfolio, under normal circumstances, will invest at least 95% of its assets in equity securities. The Fund invests in stocks that meet strict standards evolving from requirements originally established by the U.S. District Court for the District of Columbia for the investment of trust funds. The portfolio may invest a portion of its assets in securities of issuers domiciled outside the U.S. and not included in the Standard & Poor's 500 Composite Index.

(r) The Mutual Beacon Fund seeks capital appreciation with income as a secondary goal by focusing primarily on undervalued equity securities and, to a lesser extent, distressed securities and arbitrage opportunities.

(s) The 500 Index Fund seeks to achieve the approximate aggregate total return of a broad U.S. domestic equity market index.

(t) The T. Rowe Price Equity Inc Fund seeks to provide substantial dividend income and long-term capital appreciation by investing primarily in common stocks of well-established companies. T. Rowe Price will normally invest at least 80% of the fund's net assets in common stocks, with 65% in the common stocks of well-established companies paying above-average dividends.

(u) The Davis New York Venture Fund seeks to achieve long-term growth of capital by investing primarily in common stocks of U.S. companies with market capitalizations of at least $10 billion. The fund may invest a significant portion of its assets in companies operating, incorporated, or principally traded in foreign countries. The fund typically invests a significant portion of its assets in the financial services sector.

**Note 6. Fair Value Measurements (continued)**

(v) The Fidelity Contra Fund seeks to achieve capital appreciation by investing primarily in common stocks. The portfolio seeks to invest in growth as well as value stocks of both U.S. and foreign companies.

(w) The Growth Fund of America seeks to achieve growth of capital by investing primarily in common stocks of companies that appear to offer superior opportunities for growth. The Growth portfolio may also invest up to 15% of its assets in equity securities of issuers domiciled outside the U.S. and Canada and not included in the S&P 500 Composite Index.

(x) The MFS Utilities Fund investment objective is to seek total return. The fund's objective may be changed without shareholder approval.

(y) The investment objective of the JPM MidCap Value Fund is to seek capital appreciation by investing in equity securities that are believed to be undervalued and therefore represent an investment value.

(z) The All Cap Value Fund will invest primarily in equity securities of U.S. and multinational companies that Lord Abbett & Co. LLC believes are under-valued in all market capitalization ranges. Under normal circumstances, the portfolio will invest at least 50% of its net assets in equity securities of large, seasoned companies with market capitalizations that fall within the market capitalization range of the Russell 1000 Index at the time of purchase.

(aa) The Capital Appreciation Fund seeks to achieve long-term growth of capital by investing primarily in equity-related securities of companies that exceed $1 billion in market capitalization and that Jennison Associates LLC believes have above-average growth prospects.

(bb) The Mid Value Fund portfolio invests, under normal market conditions, primarily in a diversified mix of common stocks of mid-size U.S. companies that are believed to be undervalued by various measures and offer good prospects for capital appreciation. Under normal market conditions, the fund invests at least 80% of its net assets in companies with market capitalizations that are within the S&P Mid Cap 400 Index ($42 million to $4.6 billion as of February 28, 2009) or the Russell MidCap Value Index ($41 million to $13.8 billion as of February 28, 2009).

(cc) The Oppenheimer Global Fund seeks to achieve capital appreciation, by investing mainly in common stocks of companies in the U.S. and foreign countries.

(dd) The T. Rowe Price Sml Cap Value Fund seeks to achieve long-term growth of capital by investing primarily in small companies whose common stocks are believed to be undervalued. Reflecting a value approach to investing, the fund will seek the stocks of companies whose current stock prices do not appear to adequately reflect their underlying value as measured by assets, earnings, cash flow, or business franchises. Normally, the fund will invest at least 80% of its net assets in companies with a market capitalization that is within or below the range of companies in the Russell 2000 Index.

**Note 6. Fair Value Measurements (continued)**

(ee) Under normal market conditions, the Mid Cap Index Fund invests at least 80% of its net assets (plus any borrowings for investment purposes) at the time of investment in (a) the common stocks that are included in the S&P 400 Mid Cap Index and (b) securities (which may or may not be included in the S&P Mid Cap 400 Index) that the subadviser believes as a group will behave in a manner similar to the index.

(ff) The EuroPacific Growth Fund seeks to achieve long-term growth of capital by investing in securities of growing companies based primarily in Europe and the Pacific Basin. Holdings may range from small firms to large corporations. Under normal market conditions, the portfolio will invest almost all its assets in securities of issuers based outside the United States. The portfolio may invest in securities of issuers based in developing countries.

(gg) The American Century Heritage Fund seeks long term growth of capital by investing in companies the manager believes will increase in value over time, using a growth investment strategy developed by American Century.

(hh) Under normal market conditions, the Science & Technology Fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in the common stocks of companies expected to benefit from the development, advancement, and/or use of science and technology. For purposes of satisfying this requirement, common stock may include equity linked notes and derivatives relating to common stocks, such as options on equity linked notes. Current income is incidental to the portfolio's objective.

(ii) Under normal market conditions, the International Equity Index Fund invests at least 80% of its assets in securities listed in the Morgan Stanley Capital International All Country World Excluding U.S. Index or American Depository Receipts or Global Depository Receipts representing such securities.

(jj) The T. Rowe Price Science & Technology Fund seeks to achieve long-term growth of capital by investing primarily in the common stocks of companies expected to benefit from the development, advancement and use of science and technology.

(kk) Under normal market conditions, the Mid Cap Stock Fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of medium-sized companies with significant capital appreciation potential.

(ll) The International Value Fund seeks to achieve long-term growth of capital by investing primarily in equity securities of companies located outside the United States, including those in emerging markets.

(mm) The Energy Fund seeks to achieve long-term capital appreciation by investing at least 80% of its assets in the common stocks of companies engaged in energy-related activities.

(nn) The Oppenheimer Developing Market Fund seeks to achieve capital appreciation by investing primarily in the common stock of issuers in emerging and developing markets throughout the world.

**Note 6. Fair Value Measurements (continued)**

(oo) The BlackRock Large Value Fund seeks long-term capital growth. The fund is a fund that invests all of its assets in Master Value Portfolio, which has the same investment objective and strategies as the fund. It invests at least 80% of its assets in equity securities, primarily common stock, of large cap companies located in the United States that BlackRock selects from among those that are, at the time of purchase, included in the fund&, the Russell 1000 ValueÂ(R) Index.

(pp) The T. Rowe Price Health Science Fund invests at least 80% of net assets in common stocks of companies engaged in the research, development, production, or distribution of products or services related to health care, medicine, or the life sciences. While the fund can invest in companies of any size, the majority of fund assets are expected to be invested in large- and mid-capitalization companies.

(qq) The American Century Vista Fund seeks long-term capital growth. The fund normally invests in stocks of medium-sized and smaller companies that the adviser believes will increase in value over time, using an investment strategy developed by American Century Investments. In implementing this strategy, the portfolio managers make their investment decisions based primarily on their analysis of individual companies, rather than on broad economic forecasts. Management of the fund is based on the belief that, over the long term, stock price movements follow growth in earnings and revenues.

**Note 7. Excess Contributions**

Contributions received from participants for the plan years ended December 31, 2011 and 2010 include $4,204 and $8,148, respectively, of excess contributions (net of corresponding gains and losses) that were distributed in March 2012 and October 2011, respectively, to certain active participants. The excess deferral contributions, originally contributed during the years ended December 31, 2011 and 2010, were returned to comply with the participants' applicable maximum annual contributions permitted under the Internal Revenue Code. The amounts are included in the Plan's statements of net assets available for benefits as excess contributions payable at December 31, 2011 and 2010.

**Note 8. 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 possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

**Note 9. 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, all unvested account balances, if any, would become fully vested.

**Note 10. Party-In-Interest Transactions**

Certain Plan investments are units in pooled separate accounts which are managed by John Hancock Life Insurance Company (U.S.A.) ("John Hancock"). The Plan also has an investment in a guaranteed interest account which is part of the general assets of John Hancock. John Hancock is the custodian as defined by the Plan. These transactions qualify as party-in-interest transactions for which there is a statutory exemption.

The Plan also allows for the issuance of notes receivable to participants in accordance with the related regulations. These transactions also qualify as party-in-interest transactions for which there is a statutory exemption.

**Note 11. Tax Status**

The Company has adopted a standardized prototype plan which received a favorable opinion letter dated March 31, 2008 from the Internal Revenue Service qualifying the Plan under Section 401(a) of the Internal Revenue Code. The Plan has been amended since receiving the opinion letter, however, the Company and the plan administrator believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the 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 has recognized no interest or penalties related to uncertain tax positions. 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.

# Supplemental Schedule

**Marketon, Inc. 401(k) Plan**
**Supplemental Schedule**
**December 31, 2011**
**FEIN: 95-4614718**
**Plan: #001**

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

| (a) | (b) Identity of Issue Borrower, Lessor or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **Guaranteed Interest Account** | | | |
| * | John Hancock Life Insurance Company | 3-Year Compound | ** | $ 523 |
| | **Pooled Separate Accounts** | | | |
| * | John Hancock Life Insurance Company | Retirement Living at 2010 | ** | $ 38,270 |
| * | John Hancock Life Insurance Company | Retirement Living at 2015 | ** | $ 12,230 |
| * | John Hancock Life Insurance Company | Retirement Living at 2020 | ** | $ 12,863 |
| * | John Hancock Life Insurance Company | Retirement Living at 2025 | ** | $ 2,652 |
| * | John Hancock Life Insurance Company | Retirement Living at 2030 | ** | $ 66,209 |
| * | John Hancock Life Insurance Company | Retirement Living at 2035 | ** | $ 58,012 |
| * | John Hancock Life Insurance Company | Retirement Living at 2040 | ** | $ 87,355 |
| * | John Hancock Life Insurance Company | Retirement Living at 2045 | ** | $ 55,378 |
| * | John Hancock Life Insurance Company | Lifestyle Conservative | ** | $ 153,952 |
| * | John Hancock Life Insurance Company | Lifestyle Moderate | ** | $ 30,757 |
| * | John Hancock Life Insurance Company | Lifestyle Balanced | ** | $ 84,402 |
| * | John Hancock Life Insurance Company | Lifestyle Growth | ** | $ 176,169 |
| * | John Hancock Life Insurance Company | Lifestyle Aggressive | ** | $ 103,273 |
| * | John Hancock Life Insurance Company | Money Market Fund | ** | $ 65,209 |
| * | John Hancock Life Insurance Company | Short-term Federal | ** | $ 3,374 |
| * | John Hancock Life Insurance Company | PIMCO Total Return | ** | $ 11,782 |
| * | John Hancock Life Insurance Company | Strategic Income Opp Fund | ** | $ 9,907 |
| * | John Hancock Life Insurance Company | T. Rowe Price Spectrum Inc | ** | $ 12,795 |
| * | John Hancock Life Insurance Company | PIMCO Real Return | ** | $ 3,420 |
| * | John Hancock Life Insurance Company | PIMCO Global Bond | ** | $ 8,974 |
| * | John Hancock Life Insurance Company | Mutual Global Discovery | ** | $ 5,249 |
| * | John Hancock Life Insurance Company | BlackRock Global Allocation | ** | $ 319 |
| * | John Hancock Life Insurance Company | Investment Company of America | ** | $ 7 |
| * | John Hancock Life Insurance Company | Washington Mutual Investors | ** | $ 1,019 |
| * | John Hancock Life Insurance Company | Mutual Beacon | ** | $ 23,122 |
| * | John Hancock Life Insurance Company | 500 Index Fund | ** | $ 295 |
| * | John Hancock Life Insurance Company | T. Rowe Price Equity Inc | ** | $ 2 |
| * | John Hancock Life Insurance Company | Davis New York Venture | ** | $ 400 |
| * | John Hancock Life Insurance Company | Fidelity ContraFund | ** | $ 454 |
| * | John Hancock Life Insurance Company | The Growth Fund of America | ** | $ 584 |

**Marketon, Inc. 401(k) Plan**
**Supplemental Schedule**
**December 31, 2011**
**FEIN: 95-4614718**
**Plan: #001**

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

| (a) | (b) Identity of Issue Borrower, Lessor or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **Pooled Separate Accounts (continued)** | | | |
| * | John Hancock Life Insurance Company | MFS Utilities | ** | $ 6,868 |
| * | John Hancock Life Insurance Company | JPM MidCap Value Fund | ** | $ 462 |
| * | John Hancock Life Insurance Company | All Cap Value Fund | ** | $ 7,794 |
| * | John Hancock Life Insurance Company | Capital Appreciation Fund | ** | $ 938 |
| * | John Hancock Life Insurance Company | Mid Value Fund | ** | $ 5,345 |
| * | John Hancock Life Insurance Company | Oppenheimer Global | ** | $ 310 |
| * | John Hancock Life Insurance Company | T. Rowe Price Small Cap Value | ** | $ 3,854 |
| * | John Hancock Life Insurance Company | Mid Cap Index Fund | ** | $ 684 |
| * | John Hancock Life Insurance Company | EuroPacific Growth Fund | ** | $ 4,118 |
| * | John Hancock Life Insurance Company | American Century Heritage | ** | $ 3,373 |
| * | John Hancock Life Insurance Company | Science & Technology Fund | ** | $ 358 |
| * | John Hancock Life Insurance Company | Intl Equity Index Fund | ** | $ 4 |
| * | John Hancock Life Insurance Company | T. Rowe Price Sci & Tech | ** | $ 14,187 |
| * | John Hancock Life Insurance Company | Mid Cap Stock Fund | ** | $ 14,154 |
| * | John Hancock Life Insurance Company | International Value Fund | ** | $ 514 |
| * | John Hancock Life Insurance Company | Energy | ** | $ 11,320 |
| * | John Hancock Life Insurance Company | Oppenheimer Developing Market | ** | $ 8,647 |
| * | **Participant Loans** | Interest rates ranging from 4.25% to 6.00% | $ - | $ 63,893 |

* Party-in-interest
** Historical cost is not required for participant

See Independent Auditors' Report
and the accompanying notes to the financial statements

# Supplemental Schedule

**Marketon, Inc. 401(k) Plan**
**Supplemental Schedule**
**December 31, 2011**
**FEIN: 95-4614718**
**Plan: #001**

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

| (a) | (b) Identity of Issue Borrower, Lessor or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **Guaranteed Interest Account** | | | |
| * | John Hancock Life Insurance Company | 3-Year Compound | ** | $ 523 |
| | **Pooled Separate Accounts** | | | |
| * | John Hancock Life Insurance Company | Retirement Living at 2010 | ** | $ 38,270 |
| * | John Hancock Life Insurance Company | Retirement Living at 2015 | ** | $ 12,230 |
| * | John Hancock Life Insurance Company | Retirement Living at 2020 | ** | $ 12,863 |
| * | John Hancock Life Insurance Company | Retirement Living at 2025 | ** | $ 2,652 |
| * | John Hancock Life Insurance Company | Retirement Living at 2030 | ** | $ 66,209 |
| * | John Hancock Life Insurance Company | Retirement Living at 2035 | ** | $ 58,012 |
| * | John Hancock Life Insurance Company | Retirement Living at 2040 | ** | $ 87,355 |
| * | John Hancock Life Insurance Company | Retirement Living at 2045 | ** | $ 55,378 |
| * | John Hancock Life Insurance Company | Lifestyle Conservative | ** | $ 153,952 |
| * | John Hancock Life Insurance Company | Lifestyle Moderate | ** | $ 30,757 |
| * | John Hancock Life Insurance Company | Lifestyle Balanced | ** | $ 84,402 |
| * | John Hancock Life Insurance Company | Lifestyle Growth | ** | $ 176,169 |
| * | John Hancock Life Insurance Company | Lifestyle Aggressive | ** | $ 103,273 |
| * | John Hancock Life Insurance Company | Money Market Fund | ** | $ 65,209 |
| * | John Hancock Life Insurance Company | Short-term Federal | ** | $ 3,374 |
| * | John Hancock Life Insurance Company | PIMCO Total Return | ** | $ 11,782 |
| * | John Hancock Life Insurance Company | Strategic Income Opp Fund | ** | $ 9,907 |
| * | John Hancock Life Insurance Company | T. Rowe Price Spectrum Inc | ** | $ 12,795 |
| * | John Hancock Life Insurance Company | PIMCO Real Return | ** | $ 3,420 |
| * | John Hancock Life Insurance Company | PIMCO Global Bond | ** | $ 8,974 |
| * | John Hancock Life Insurance Company | Mutual Global Discovery | ** | $ 5,249 |
| * | John Hancock Life Insurance Company | BlackRock Global Allocation | ** | $ 319 |
| * | John Hancock Life Insurance Company | Investment Company of America | ** | $ 7 |
| * | John Hancock Life Insurance Company | Washington Mutual Investors | ** | $ 1,019 |
| * | John Hancock Life Insurance Company | Mutual Beacon | ** | $ 23,122 |
| * | John Hancock Life Insurance Company | 500 Index Fund | ** | $ 295 |
| * | John Hancock Life Insurance Company | T. Rowe Price Equity Inc | ** | $ 2 |
| * | John Hancock Life Insurance Company | Davis New York Venture | ** | $ 400 |
| * | John Hancock Life Insurance Company | Fidelity ContraFund | ** | $ 454 |
| * | John Hancock Life Insurance Company | The Growth Fund of America | ** | $ 584 |

**Marketon, Inc. 401(k) Plan**
**Supplemental Schedule**
**December 31, 2011**
**FEIN: 95-4614718**
**Plan: #001**

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

| (a) | (b) Identity of Issue Borrower, Lessor or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **Pooled Separate Accounts (continued)** | | | |
| * | John Hancock Life Insurance Company | MFS Utilities | ** | $ 6,868 |
| * | John Hancock Life Insurance Company | JPM MidCap Value Fund | ** | $ 462 |
| * | John Hancock Life Insurance Company | All Cap Value Fund | ** | $ 7,794 |
| * | John Hancock Life Insurance Company | Capital Appreciation Fund | ** | $ 938 |
| * | John Hancock Life Insurance Company | Mid Value Fund | ** | $ 5,345 |
| * | John Hancock Life Insurance Company | Oppenheimer Global | ** | $ 310 |
| * | John Hancock Life Insurance Company | T. Rowe Price Small Cap Value | ** | $ 3,854 |
| * | John Hancock Life Insurance Company | Mid Cap Index Fund | ** | $ 684 |
| * | John Hancock Life Insurance Company | EuroPacific Growth Fund | ** | $ 4,118 |
| * | John Hancock Life Insurance Company | American Century Heritage | ** | $ 3,373 |
| * | John Hancock Life Insurance Company | Science & Technology Fund | ** | $ 358 |
| * | John Hancock Life Insurance Company | Intl Equity Index Fund | ** | $ 4 |
| * | John Hancock Life Insurance Company | T. Rowe Price Sci & Tech | ** | $ 14,187 |
| * | John Hancock Life Insurance Company | Mid Cap Stock Fund | ** | $ 14,154 |
| * | John Hancock Life Insurance Company | International Value Fund | ** | $ 514 |
| * | John Hancock Life Insurance Company | Energy | ** | $ 11,320 |
| * | John Hancock Life Insurance Company | Oppenheimer Developing Market | ** | $ 8,647 |
| * | **Participant Loans** | Interest rates ranging from 4.25% to 6.00% | $ - | $ 63,893 |

* Party-in-interest
** Historical cost is not required for participant

See Independent Auditors' Report
and the accompanying notes to the financial statements