

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____
B This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	<input type="checkbox"/>
D Check box if filing under:	<input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>LIFESTYLES COMBINED 401K PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2003</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>01/01/2003</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>01/01/2003</u>					
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>LIFESTYLES, SENIOR HOUSING MANAGERS, LLC</u> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <u>7600 NE 41ST STREET</u> <u>SUITE 330</u> <u>VANCOUVER, WA 98662</u> </div> <div style="width: 45%;"> <u>7600 NE 41ST STREET</u> <u>SUITE 330</u> <u>VANCOUVER, WA 98662</u> </div> </div>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>91-1674755</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>360-892-2920</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>623000</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>91-1674755</u>	2c Sponsor's telephone number <u>360-892-2920</u>	2d Business code (see instructions) <u>623000</u>	
2b Employer Identification Number (EIN) <u>91-1674755</u>					
2c Sponsor's telephone number <u>360-892-2920</u>					
2d Business code (see instructions) <u>623000</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	<u>10/15/2012</u>	<u>MARIA MILLER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") LIFESTYLES, SENIOR HOUSING MANAGERS, LLC 7600 NE 41ST STREET SUITE 330 VANCOUVER, WA 98662	3b Administrator's EIN 91-1674755 3c Administrator's telephone number 360-892-2920
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	507
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	669
b Retired or separated participants receiving benefits.....	6b	1
c Other retired or separated participants entitled to future benefits.....	6c	21
d Subtotal. Add lines 6a , 6b , and 6c	6d	691
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	691
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	144
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	6

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

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

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	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 <hr/> 2011 <hr/> This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning **01/01/2011** and ending **12/31/2011**

A Name of plan LIFESTYLES COMBINED 401K PLAN	B Three-digit plan number (PN)	002
C Plan sponsor's name as shown on line 2a of Form 5500 LIFESTYLES, SENIOR HOUSING MANAGERS, LLC	D Employer Identification Number (EIN) 91-1674755	

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.
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1 Coverage Information:

(a) Name of insurance carrier
JOHN HANCOCK USA

(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
01-0233346	65838	18940	507	01/01/2011	02/14/2011

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
	147

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

PENSION PLAN SPECIALISTS
805 BROADWAY, SUITE 600
VANCOUVER, WA 98660

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	147	ADMINISTRATION	5

(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	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	0

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. Specify nature of costs ▶	6d	

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

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

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

b Balance at the end of the previous year	7b	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	
(4) Transferred from separate account	7c(4)	
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions	7c(6)	0
d Total of balance and additions (add b and c(6))	7d	0
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account	7e(3)	
(4) Other (specify below)	7e(4)	
▶		
(5) Total deductions	7e(5)	0
f Balance at the end of the current year (subtract e(5) from d)	7f	0

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)	0
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)	0
(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)	0
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> 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 C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

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

A Name of plan LIFESTYLES COMBINED 401K PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 LIFESTYLES, SENIOR HOUSING MANAGERS, LLC	D Employer Identification Number (EIN) 91-1674755	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

04-2647786

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

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 65 37 25 60	RECORDKEEPER	6606	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

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

SYMETRA INVESTMENT SERVICES INC

91-1354455

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AM CENT EQ INC A - AMERICAN CENTURY 44-0619208	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
BLK RK INTL OPP A - BNY MELLON INV S P.O. BOX 9793 PROVIDENCE, RI 02940	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DREY INTL STOCK A - DREYFUS TRANSFE 13-5673135	0.35%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
INVS ENERGY A - INVESCO TRIMARK 5140 YONGE STREET SUITE 900 TORONTO, ON M2N6X CA	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
INVS MDCP CORE EQ A - INVESCO CANAD 5140 YONGE STREET, SUITE 900 TORONTO, ON M2N 6 CA	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
INVS S&P 500 INDEX A - INVESCO CANA 5140 YONGE STREET, SUITE 900 TORONTO, ON M2N 6 CA	0.25%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
IVK SM CAP GRTH A - INVESCO CANADA	5140 YONGE STREET, SUITE 900 TORONTO, ON M2N 6 CA	0.35%
(a) Enter service provider name as it appears on line 2		(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
IVK SMALL CAP VAL A - INVESCO CANAD	5140 YONGE STREET, SUITE 900 TORONTO, ON M2N 6 CA	0.35%
(a) Enter service provider name as it appears on line 2		(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JHANCOCK GLBL OPP A - JOHN HANCOCK	01-0233346	0.25%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>LD ABT SH DTN INC A - DST SYSTEMS,</p> <p>43-1581814</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>0.25%</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p> </div> <div style="width: 20%;"> <p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">60</p> </div> <div style="width: 20%;"> <p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>OPPHMR DEV MKTS A - P.O. BOX 5270 OPPENHEIMERFUND COLORADO, CO 80217</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>0.25%</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(a) Enter service provider name as it appears on line 2</p> <p>FIDELITY INVESTMENTS INSTITUTIONAL</p> </div> <div style="width: 20%;"> <p>(b) Service Codes (see instructions)</p> <p style="text-align: center;">60</p> </div> <div style="width: 20%;"> <p>(c) Enter amount of indirect compensation</p> <p style="text-align: center;">0</p> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>PIONEER MIDCAP VAL A - PIONEER INVE</p> <p>04-2890696</p> </div> <div style="width: 40%;"> <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>0.35%</p> </div> </div>		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
RS PARTNERS A - BOSTON FINANCIAL DA 04-2526037	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
SYMETRA INVESTMENT SERVICES INC	61	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
OPPHMR DEV MKTS A - OPPENHEIMERFUND 13-2953455	\$5M+=0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
SYMETRA INVESTMENT SERVICES INC	61	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIONEER MIDCAP VAL A - PIONEER FUND 04-3042318	\$0-<\$50M=0.50% \$50M+=0.25%	

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	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 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2011</div> This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>LIFESTYLES COMBINED 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>LIFESTYLES, SENIOR HOUSING MANAGERS, LLC</u>	D Employer Identification Number (EIN) <u>91-1674755</u>	

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: <u>FA STABLE VALUE</u>				
b Name of sponsor of entity listed in (a): <u>FIDELITY MANAGEMENT TRUST COMPANY</u>				
c EIN-PN <u>04-3022712-026</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>107595</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>RETIREMENT LIVING AT 2010</u>				
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>				
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>RETIREMENT LIVING AT 2035</u>				
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>				
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LIFESTYLE CONSERVATIVE</u>				
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>				
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LIFESTYLE BALANCED</u>				
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>				
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INVESTMENT COMPANY OF AMERICA</u>				
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>				
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>EUROPACIFIC GROWTH FUND</u>				
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>				
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>REAL ESTATE SECURITIES FUND</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LIFESTYLE GROWTH</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MUTUAL BEACON</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>EXPLORER</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LIFESTYLE AGGRESSIVE</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>500 INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>BRIDGEWAY ULTRA-SMALL CO</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>JH STABLE VALUE</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>DAVIS NEW YORK VENTURE</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MID CAP STOCK FUND</u>		
b Name of sponsor of entity listed in (a): <u>JOHN HANCOCK LIFE INSURANCE CO</u>		
c EIN-PN <u>01-0233346-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: PIMCO TOTAL RETURN**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO

c EIN-PN 01-0233346-000	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: THE GROWTH FUND OF AMERICA**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO

c EIN-PN 01-0233346-000	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: ENERGY**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO

c EIN-PN 01-0233346-000	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: MUTUAL GLOBAL DISCOVERY**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO

c EIN-PN 01-0233346-000	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP VALUE FUND**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO

c EIN-PN 01-0233346-000	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: INTERNATIONAL OPPS FUND**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE CO

c EIN-PN 01-0233346-000	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

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)
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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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan LIFESTYLES COMBINED 401K PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 LIFESTYLES, SENIOR HOUSING MANAGERS, LLC	D Employer Identification Number (EIN) 91-1674755	

Part I	Asset and Liability Statement
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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	1763	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)	31	0
(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)	26110	59595
(9) Value of interest in common/collective trusts.....	1c(9)	0	107595
(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)	0	1203037
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	1109028	0
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1136932	1370227

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	1301	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1301	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1135631	1370227
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	39024	
(B) Participants	2a(1)(B)	241947	
(C) Others (including rollovers)	2a(1)(C)	112899	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		393870

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)	2213	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2213

(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)	20438	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		20438

(3) Rents	2b(3)		
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(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)		6685
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		12276
(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)		-89645
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		345837

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	103920	
(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)		103920
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	7321	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		7321
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		111241

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		234596
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):
 (1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

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

c Enter the name and EIN of the accountant (or accounting firm) below:
 (1) Name: **HOUCK EVARTS & COMPANY LLC** (2) EIN: **20-0361525**

d The opinion of an independent qualified public accountant is **not attached** because:
 (1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		

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

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

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

5b(1) Name of plan(s)

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

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

A Name of plan <u>LIFESTYLES COMBINED 401K PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LIFESTYLES, SENIOR HOUSING MANAGERS, LLC</u>	D Employer Identification Number (EIN) <u>91-1674755</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u> <u>01-0233346</u> Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> 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?.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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): _____

LIFESTYLES COMBINED 401(K) PLAN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
Years Ended December 31, 2011 and 2010

**HOUCK EVARTS
& COMPANY LLC**
CERTIFIED PUBLIC ACCOUNTANTS

October 10, 2012

Board of Trustees
LIFESTYLES COMBINED 401(K) PLAN
Portland, Oregon

INDEPENDENT AUDITORS' REPORT

We were engaged to audit the accompanying statements of net assets available for benefits of the Lifestyles Combined 401K Plan as of December 31, 2011 and 2010, the related statements of changes in assets available for benefits for the years then ended, and the supplemental schedule of assets held for investment purposes at December 31, 2011. These financial statements and schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Fidelity Management Trust Company and John Hancock Life Insurance Company (USA), the trustees of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the trustees is complete and accurate.

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

HOUCK EVARTS & COMPANY LLC

HOUCK EVARTS & COMPANY LLC
Certified Public Accountants
Lake Oswego, Oregon

LIFESTYLES COMBINED 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Investments:		
Cash, non-interest bearing	\$ --	\$ 1,763
Common/Collective trust	107,595	--
Pooled separate account	--	1,109,028
Mutual funds	<u>1,203,037</u>	<u>--</u>
	1,310,632	1,110,791
Receivables:		
Employee contributions	--	31
Participant loans	<u>59,595</u>	<u>26,110</u>
	<u>--</u>	<u>26,141</u>
TOTAL ASSETS	<u>1,370,227</u>	<u>1,136,932</u>
LIABILITIES		
Distribution payable	<u>--</u>	<u>1,301</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 1,370,227</u>	<u>\$ 1,135,631</u>

See accountants' report and notes to financial statements.

LIFESTYLES COMBINED 401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
CONTRIBUTIONS		
Participants	\$ 241,947	\$ 163,735
Rollovers	112,899	--
Employer	<u>39,024</u>	<u>33,093</u>
	393,870	196,828
INVESTMENT INCOME		
Net increase in fair value of investments	--	121,372
Interest and dividends	<u>22,651</u>	<u>1,127</u>
	<u>22,651</u>	<u>122,499</u>
TOTAL ADDITIONS	416,521	319,327
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Net decrease in fair value of investments	70,684	--
Benefits paid to participants	103,920	116,395
Investment and contract management fees	<u>7,321</u>	<u>7,546</u>
TOTAL DEDUCTIONS	<u>181,925</u>	<u>123,941</u>
NET INCREASE	234,596	195,386
NET ASSETS AVAILABLE FOR BENEFITS:		
BEGINNING OF YEAR	<u>1,135,631</u>	<u>940,245</u>
END OF YEAR	<u>\$ 1,370,227</u>	<u>\$ 1,135,631</u>

See accountants' report and notes to financial statements.

LIFESTYLES COMBINED 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 1. DESCRIPTION OF PLAN

The following description of the Lifestyles, Senior Housing Managers, LLC (the Company) Combined 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan's legal document for a more complete description of the Plan's provisions.

General

The Plan was established January 1, 2003 and is a multiple-employer defined contribution plan. Ten client companies of the plan sponsor, Lifestyles Senior Housing Managers, LLC (the Company) had adopted and were participating in the Plan during the years ended December 31, 2011 and 2010, respectively. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Amendments

The Plan was amended and restated on January 31, 2011 to adopt the Fidelity Volume Submitter document, as part of the change in investment and record keeping providers.

Contributions

Participants may contribute up to 100 percent of their annual compensation to the Plan but not to exceed and \$16,500 for the years ended December 31, 2011 and 2010. These contributions may be allocated a traditional 401(k) deferral account, a Roth 401(k) account or both at the participant's election. Participants age 50 and over may also contribute an additional \$5,500 of catch-up contributions for 2011 and 2010. The Plan permits rollover contributions from other qualified plans established under Sec. 401(a), 403(a), 403(b), and certain IRA accounts. Each participating employer may elect to make an employer matching or discretionary contribution. The employer matching contribution for the years ended December 31, 2011 and 2010 was \$39,024 and \$33,093, respectively.

Participants' Accounts

Each participant's account is credited with the participant's contribution, allocation of the employer's contribution and an allocation of the Company's matching and discretionary contributions and Plan earnings, and is charged with an allocation of administrative expenses. Allocations are based on participants' elective deferrals, earnings, and account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1. DESCRIPTION OF PLAN (Continued)

Eligibility

When an employee has completed three months of service they are eligible to make deferral contributions. Entry is on the first day of the quarter following completion of the eligibility requirement. For those participating companies that elect to make a matching or discretionary contribution, the eligible employee must also be actively employed on the last day of the Plan Year.

Vesting

Participants are immediately vested in their voluntary contributions plus earnings thereon, including rollover contributions. Vesting of employer contributions is based on service as follows:

<u>Years of Service</u>	<u>Percent Vested</u>
1	20%
2	40%
3	60%
4	80%
5	100%

Employees working at least 1,000 hours in a plan year earn a year of service. Employees become 100% vested on death, disability, or retirement at the later of age 65 or 5 years of employment.

Participant Loans

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum of \$50,000. Loans may not exceed 50 percent of the participant's vested account balance. The loans are secured by the vested balance in the participants' account and bear an interest at a rate equal to 1 percent above the prime rate. Principal and interest is paid ratably through payroll deductions. Loan terms may not exceed five years except for the purchase of a primary residence.

LIFESTYLES COMBINED 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 1. DESCRIPTION OF PLAN (Continued)

Payment of Benefits

On termination of service due to death, disability, or retirement, a participant may elect to receive a lump sum amount equal to the value of the participant's vested interest in his or her account. If the participant's vested account balance is less than \$5,000, the Plan has the option of distributing the amount in a lump sum payment.

Participants may elect to take a partial or total distribution when they reach age 59 ½ or at any time thereafter, even if they have not terminated employment with the Company.

Forfeitures

Forfeitures of unvested benefits are available to offset future employer contributions to the Plan. The non-vested forfeiture account balance as of December 31, 2011 and 2010, was \$0 and \$1,301, respectively.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Date of Management's Review

Subsequent events were evaluated through October 10, 2012, which is the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

All plan investments are participant-directed and are stated at fair market value as determined by Fidelity Management Trust Company (FMTc) for 2011 and by John Hancock Life Insurance Company (USA) for 2010. The change in value of assets is recorded by the Plan as appreciation or depreciation in fair value of investments. Unrealized appreciation or depreciation of the investments is included in current operations and in net assets available for benefits.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition (Continued)

Purchases and sales of securities are recorded on a trade date basis. Interest income is recognized on the accrual basis. Dividends are recorded on the ex-dividend date.

The Plan invests in a common/collective trust contract in the Fidelity Advisor Stable Value Portfolio (SVP). The Plan's interest in the SVP is based on the fair value of the collective trusts' underlying investments based on information reported by the investment advisor using the audited financial statements of the SVP at year-end. As required by Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, "Reporting of Fully Benefit-Responsible Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans", the statement of net assets available for benefits presents the fair value of the investment in the SVP. Contract value as of December 31, 2011 was \$104,160. The weighted average yield earned by the Plan for the SVP for the years ended December 31, 2011 was 1.74%. This also approximates the actual interest rate credited to Plan participants.

Certified Financial Data

The Plan administrator has elected the method of compliance permitted by Section 2520.203-8 of the Department of Labor Rules and Regulations for Reporting and Disclosures under ERISA. Accordingly, information with respect to investments and investment transactions for the plan year ended December 31, 2011, which was certified by the Plan's trustee, Fidelity Management Trust Company, and for the plan year ended December 31, 2010, which was certified by John Hancock Life Insurance Company (USA), as complete and accurate, have not been audited by independent accountants. This information includes: a) the current value of investments, b) interest income, and c) net appreciation (depreciation) in fair market value of investments.

Participant loans

Loans to participants are carried at amortized cost. No valuation allowance is required for the years ended December 31, 2011 and 2010. All loans are current.

Administrative Expenses

As provided in the Plan agreement, administrative expenses of the Plan may be paid either by the Plan or the Company.

LIFESTYLES COMBINED 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Administrative Expenses (continued)

The Company historically has paid substantially all the third party expenses for the Plan. Certain investment management fees are paid directly from the Plan assets to Fidelity Management Trust Company.

Participants pay a loan administration fee to the Plan's third party administrator. Such fees are withheld from loan proceeds.

Certain expenses of plan administration, including computer services, office supplies and payroll expenses of administration and clerical personnel are provided by the Company without charge to the Plan.

Payment of Benefits

Benefits are recorded when paid.

Uncertain Tax Positions

The Plan evaluates all significant tax positions as required by generally accepted accounting principles in the United States. As of December 31, 2011, the plan does not believe that it has taken any tax positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. The Plan's annual returns are subject to examination by the appropriate regulatory authorities, and these Federal benefit plan returns generally remain open for 6 years.

NOTE 3. FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

		Fair Value Measurements Using:	
		Quoted prices in active markets for identical assets (Level 1)	Significant Unobservable Inputs (Level 3)
	<u>Fair Value</u>		
<u>December 31, 2011</u>			
Mutual Funds:			
Large Cap Funds	\$ 109,641	\$ 109,641	\$ --
Mid-Cap Funds	13,897	13,897	--
Small Cap Funds	7,071	7,071	--
International Funds	47,917	47,917	--
Specialty Funds	50,764	50,764	--
Blended Funds	934,704	934,704	--
Bond Funds	<u>39,043</u>	<u>39,043</u>	<u>--</u>
	1,203,037	1,203,037	--
Pooled Separate Account:			
Stable Value Portfolio	<u>107,595</u>	<u>--</u>	<u>107,595</u>
Total	<u>\$ 1,310,632</u>	<u>\$ 1,203,037</u>	<u>\$ 107,595</u>
		Fair Value Measurements Using:	
		Fair Value	Observable Inputs (Level 2)
<u>December 31, 2010</u>			
Pooled Separate Account funds:			
Conservative Funds		\$ 99,282	\$ 99,282
Moderate Funds		176,286	176,286
Balanced Funds		310,281	310,281
Growth Funds		341,445	341,445
Aggressive Growth Funds		91,864	91,864
Target Date Funds		8,353	8,353
Stable Value Funds		<u>81,517</u>	<u>81,517</u>
Total		<u>\$ 1,109,028</u>	<u>\$ 1,109,028</u>

LIFESTYLES COMBINED 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net assets value of the shares held by the Plan at year end. These investments are public investments securities valued using the Net Asset Value (NAV) provided by Fidelity. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is quoted in an active market.

Level 2 Fair Value Measurements

The fair value for pooled separate accounts are determined using other significant observable inputs. Observable inputs are inputs that other market participants would use in valuing a portfolio instrument. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3 Fair Value Measurements

The Fidelity Advisor Stable Value Portfolio (SVP) is not actively traded and significant other observable inputs are not available. Thus, the fair value of the SVP is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations. The following table provides further details of the Level 3 fair value measurements.

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

	<u>SVP</u>	<u>Total</u>
<u>December 31, 2011</u>		
Beginning balance	\$ --	\$ --
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	6,685	6,685
Purchases, sales, issuances, and settlements (net)	<u>100,910</u>	<u>100,910</u>
Ending balance	<u>\$ 107,595</u>	<u>\$ 107,595</u>

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the year ended December 31, 2011 are reported in net appreciation in fair value of investments.

NOTE 4. INVESTMENTS

The following presents the fair value of the investments. Investments that represent five percent or more of the net assets available for benefits are separately identified.

<u>Investments held by Fidelity Management Trust Company</u>	<u>2011</u>	<u>2010</u>
Fidelity Advisor Stable Value Portfolio	\$ 107,595	--
Fidelity Advisor Asset Manager 40%	218,836	--
Fidelity Advisor Asset Manager 60%	223,592	--
Fidelity Advisor Asset Manager 70%	349,694	--
<u>Investments held by John Hancock Life Insurance Company</u>		
JH Lifestyle Conservative	\$ --	\$ 61,587
JH Lifestyle Moderate	--	176,286
JH Lifestyle Balanced	--	230,437
JH Lifestyle Growth	--	305,566
JH Stable Value Fund	<u>--</u>	<u>81,517</u>
	899,717	855,393
Other investments not separately identified	<u>410,915</u>	<u>255,398</u>
Total investments	<u>\$ 1,310,632</u>	<u>\$ 1,110,791</u>

LIFESTYLES COMBINED 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 4. INVESTMENTS (Continued)

Investment custodian, trustee, participant recordkeeping and third party administration services were transitioned to Fidelity Investments and Fidelity Management Trust Company effective January 26, 2011. A “blackout period”, where participants were temporarily unable to access their accounts or direct their investments, began on January 26, 2011 and ended on March 10, 2011.

NOTE 5. PARTY IN INTEREST TRANSACTIONS

Fidelity Management Trust Company manages certain plan investments, maintains individual participant accounts, provides all administration and tax services, and is also the trust of the Plan. In 2010, John Hancock Life Insurance Company (USA) managed certain plan investments, maintained individual participant accounts and was also the trustee of the Plan. Pension Plan Specialists was the third party administrator in 2010. These transactions qualify as party-in-interest transactions. Fees paid for investment and contract management and third party administration were \$7,321 and \$7,546, for the years ended December 31, 2011 and 2010, respectively.

NOTE 6. CONCENTRATIONS OF CREDIT RISK

The Plan had placed its investments with Fidelity Management Trust Company. In 2010, the investments were held by John Hancock Life Insurance Company (USA). These institutions and their related companies have professionally managed money market and investment funds whose investments consist of a very numerous and diverse product mix. As part of the Plan’s investment strategy, the trustees perform periodic evaluations of the relative credit standing and investment performance of financial institutions.

NOTE 7. TAX STATUS

The Plan uses a volume submitter document. The volume submitter obtained its latest opinion letter, dated March 31, 2008, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the opinion letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

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 at least reasonably possible that changes in the values of the investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement 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, participants would become 100% vested in their employer contributions.

SUPPLEMENTARY INFORMATION

LIFESTYLES COMBINED 401(K) PLAN
EIN NO. 91-1674755, PN 002
SUPPLEMENTARY INFORMATION
December 31, 2011

SCHEDULE I: SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR INVESTMENT
PURPOSES AT END OF YEAR

(a) Party In Interest	(b) Identity of Issue	(c) Description of Investment	(d) Cost**	(e) Current Value
*	Fidelity Advisor	Health Care Fund	\$ --	\$ 5,693
*	Fidelity Advisor	Strategic Income Fund	--	29,166
*	Fidelity Advisor	Strategic Growth Fund	--	2,894
*	Fidelity Advisor	Dividend Growth Fund	--	65,701
*	Fidelity Advisor	Emerging Asia Fund	--	2,892
*	Fidelity Advisor	Stable Value Portfolio	--	107,595
*	Fidelity Advisor	Freedom 2010 Fund	--	2,433
*	Fidelity Advisor	Freedom 2015 Fund	--	1,867
*	Fidelity Advisor	Freedom 2020 Fund	--	6,885
*	Fidelity Advisor	Freedom 2025 Fund	--	1,050
*	Fidelity Advisor	Freedom 2030 Fund	--	3,973
*	Fidelity Advisor	Freedom 2035 Fund	--	10,558
*	Fidelity Advisor	Freedom 2040 Fund	--	2,524
*	Fidelity Advisor	Freedom 2045 Fund	--	1,855
*	Fidelity Advisor	Freedom 2050 Fund	--	728
*	Fidelity Advisor	Asset Manager 20%	--	38,485
*	Fidelity Advisor	Asset Manager 30%	--	12,080
*	Fidelity Advisor	Asset Manager 40%	--	218,836
*	Fidelity Advisor	Asset Manager 50%	--	14,873
*	Fidelity Advisor	Asset Manager 60%	--	223,592
*	Fidelity Advisor	Asset Manager 70%	--	349,694
*	Fidelity Advisor	Asset Manager 85%	--	45,271
*	Fidelity Advisor	New Insights Fund	--	36,877
*	Fidelity Advisor	Mid Cap II Fund	--	10,697
*	Fidelity Advisor	Real Estate Income Fund	--	21,462
	Lord Abbett	Short Duration Income	--	9,878
	Dreyfus	International Stock	--	7,954
	American Century	Equity Income	--	3,056
	Invesco	Energy	--	23,609
	John Hancock	Global Opportunities	--	12,358
	Pioneer	Mid Cap Value	--	3,014
	Invesco	S&P 500 Index	--	1,113
	Invesco	Mid Cap Core Equity	--	186
	Invesco	Van Kampen Small Cap Growth	--	1,417
	Oppenheimer	Developing Market	--	67
	Invesco	Van Kampen Small Cap Value	--	2,479
	RS	Partners Fund	--	3,175
	BlackRock	International Oppts	--	24,645
Total Investments			\$ --	\$ 1,310,632

*Party in interest

**Cost information is omitted under the ERISA regulations, as these investments are participant directed.

LIFESTYLES COMBINED 401(K) PLAN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
Years Ended December 31, 2011 and 2010

**HOUCK EVARTS
& COMPANY LLC**
CERTIFIED PUBLIC ACCOUNTANTS

October 10, 2012

Board of Trustees
LIFESTYLES COMBINED 401(K) PLAN
Portland, Oregon

INDEPENDENT AUDITORS' REPORT

We were engaged to audit the accompanying statements of net assets available for benefits of the Lifestyles Combined 401K Plan as of December 31, 2011 and 2010, the related statements of changes in assets available for benefits for the years then ended, and the supplemental schedule of assets held for investment purposes at December 31, 2011. These financial statements and schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Fidelity Management Trust Company and John Hancock Life Insurance Company (USA), the trustees of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the trustees is complete and accurate.

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

HOUCK EVARTS & COMPANY LLC

HOUCK EVARTS & COMPANY LLC
Certified Public Accountants
Lake Oswego, Oregon

LIFESTYLES COMBINED 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Investments:		
Cash, non-interest bearing	\$ --	\$ 1,763
Common/Collective trust	107,595	--
Pooled separate account	--	1,109,028
Mutual funds	<u>1,203,037</u>	<u>--</u>
	1,310,632	1,110,791
Receivables:		
Employee contributions	--	31
Participant loans	<u>59,595</u>	<u>26,110</u>
	<u>--</u>	<u>26,141</u>
TOTAL ASSETS	<u>1,370,227</u>	<u>1,136,932</u>
LIABILITIES		
Distribution payable	<u>--</u>	<u>1,301</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 1,370,227</u>	<u>\$ 1,135,631</u>

See accountants' report and notes to financial statements.

LIFESTYLES COMBINED 401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
CONTRIBUTIONS		
Participants	\$ 241,947	\$ 163,735
Rollovers	112,899	--
Employer	<u>39,024</u>	<u>33,093</u>
	393,870	196,828
INVESTMENT INCOME		
Net increase in fair value of investments	--	121,372
Interest and dividends	<u>22,651</u>	<u>1,127</u>
	<u>22,651</u>	<u>122,499</u>
TOTAL ADDITIONS	416,521	319,327
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Net decrease in fair value of investments	70,684	--
Benefits paid to participants	103,920	116,395
Investment and contract management fees	<u>7,321</u>	<u>7,546</u>
TOTAL DEDUCTIONS	<u>181,925</u>	<u>123,941</u>
NET INCREASE	234,596	195,386
NET ASSETS AVAILABLE FOR BENEFITS:		
BEGINNING OF YEAR	<u>1,135,631</u>	<u>940,245</u>
END OF YEAR	<u>\$ 1,370,227</u>	<u>\$ 1,135,631</u>

See accountants' report and notes to financial statements.

LIFESTYLES COMBINED 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 1. DESCRIPTION OF PLAN

The following description of the Lifestyles, Senior Housing Managers, LLC (the Company) Combined 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan's legal document for a more complete description of the Plan's provisions.

General

The Plan was established January 1, 2003 and is a multiple-employer defined contribution plan. Ten client companies of the plan sponsor, Lifestyles Senior Housing Managers, LLC (the Company) had adopted and were participating in the Plan during the years ended December 31, 2011 and 2010, respectively. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Amendments

The Plan was amended and restated on January 31, 2011 to adopt the Fidelity Volume Submitter document, as part of the change in investment and record keeping providers.

Contributions

Participants may contribute up to 100 percent of their annual compensation to the Plan but not to exceed and \$16,500 for the years ended December 31, 2011 and 2010. These contributions may be allocated a traditional 401(k) deferral account, a Roth 401(k) account or both at the participant's election. Participants age 50 and over may also contribute an additional \$5,500 of catch-up contributions for 2011 and 2010. The Plan permits rollover contributions from other qualified plans established under Sec. 401(a), 403(a), 403(b), and certain IRA accounts. Each participating employer may elect to make an employer matching or discretionary contribution. The employer matching contribution for the years ended December 31, 2011 and 2010 was \$39,024 and \$33,093, respectively.

Participants' Accounts

Each participant's account is credited with the participant's contribution, allocation of the employer's contribution and an allocation of the Company's matching and discretionary contributions and Plan earnings, and is charged with an allocation of administrative expenses. Allocations are based on participants' elective deferrals, earnings, and account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1. DESCRIPTION OF PLAN (Continued)

Eligibility

When an employee has completed three months of service they are eligible to make deferral contributions. Entry is on the first day of the quarter following completion of the eligibility requirement. For those participating companies that elect to make a matching or discretionary contribution, the eligible employee must also be actively employed on the last day of the Plan Year.

Vesting

Participants are immediately vested in their voluntary contributions plus earnings thereon, including rollover contributions. Vesting of employer contributions is based on service as follows:

<u>Years of Service</u>	<u>Percent Vested</u>
1	20%
2	40%
3	60%
4	80%
5	100%

Employees working at least 1,000 hours in a plan year earn a year of service. Employees become 100% vested on death, disability, or retirement at the later of age 65 or 5 years of employment.

Participant Loans

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum of \$50,000. Loans may not exceed 50 percent of the participant's vested account balance. The loans are secured by the vested balance in the participants' account and bear an interest at a rate equal to 1 percent above the prime rate. Principal and interest is paid ratably through payroll deductions. Loan terms may not exceed five years except for the purchase of a primary residence.

LIFESTYLES COMBINED 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 1. DESCRIPTION OF PLAN (Continued)

Payment of Benefits

On termination of service due to death, disability, or retirement, a participant may elect to receive a lump sum amount equal to the value of the participant's vested interest in his or her account. If the participant's vested account balance is less than \$5,000, the Plan has the option of distributing the amount in a lump sum payment.

Participants may elect to take a partial or total distribution when they reach age 59 ½ or at any time thereafter, even if they have not terminated employment with the Company.

Forfeitures

Forfeitures of unvested benefits are available to offset future employer contributions to the Plan. The non-vested forfeiture account balance as of December 31, 2011 and 2010, was \$0 and \$1,301, respectively.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Date of Management's Review

Subsequent events were evaluated through October 10, 2012, which is the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

All plan investments are participant-directed and are stated at fair market value as determined by Fidelity Management Trust Company (FMT) for 2011 and by John Hancock Life Insurance Company (USA) for 2010. The change in value of assets is recorded by the Plan as appreciation or depreciation in fair value of investments. Unrealized appreciation or depreciation of the investments is included in current operations and in net assets available for benefits.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition (Continued)

Purchases and sales of securities are recorded on a trade date basis. Interest income is recognized on the accrual basis. Dividends are recorded on the ex-dividend date.

The Plan invests in a common/collective trust contract in the Fidelity Advisor Stable Value Portfolio (SVP). The Plan's interest in the SVP is based on the fair value of the collective trusts' underlying investments based on information reported by the investment advisor using the audited financial statements of the SVP at year-end. As required by Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, "Reporting of Fully Benefit-Responsible Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans", the statement of net assets available for benefits presents the fair value of the investment in the SVP. Contract value as of December 31, 2011 was \$104,160. The weighted average yield earned by the Plan for the SVP for the years ended December 31, 2011 was 1.74%. This also approximates the actual interest rate credited to Plan participants.

Certified Financial Data

The Plan administrator has elected the method of compliance permitted by Section 2520.203-8 of the Department of Labor Rules and Regulations for Reporting and Disclosures under ERISA. Accordingly, information with respect to investments and investment transactions for the plan year ended December 31, 2011, which was certified by the Plan's trustee, Fidelity Management Trust Company, and for the plan year ended December 31, 2010, which was certified by John Hancock Life Insurance Company (USA), as complete and accurate, have not been audited by independent accountants. This information includes: a) the current value of investments, b) interest income, and c) net appreciation (depreciation) in fair market value of investments.

Participant loans

Loans to participants are carried at amortized cost. No valuation allowance is required for the years ended December 31, 2011 and 2010. All loans are current.

Administrative Expenses

As provided in the Plan agreement, administrative expenses of the Plan may be paid either by the Plan or the Company.

LIFESTYLES COMBINED 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Administrative Expenses (continued)

The Company historically has paid substantially all the third party expenses for the Plan. Certain investment management fees are paid directly from the Plan assets to Fidelity Management Trust Company.

Participants pay a loan administration fee to the Plan's third party administrator. Such fees are withheld from loan proceeds.

Certain expenses of plan administration, including computer services, office supplies and payroll expenses of administration and clerical personnel are provided by the Company without charge to the Plan.

Payment of Benefits

Benefits are recorded when paid.

Uncertain Tax Positions

The Plan evaluates all significant tax positions as required by generally accepted accounting principles in the United States. As of December 31, 2011, the plan does not believe that it has taken any tax positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. The Plan's annual returns are subject to examination by the appropriate regulatory authorities, and these Federal benefit plan returns generally remain open for 6 years.

NOTE 3. FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

		Fair Value Measurements Using:	
		Quoted prices in active markets for identical assets (Level 1)	Significant Unobservable Inputs (Level 3)
	<u>Fair Value</u>		
<u>December 31, 2011</u>			
Mutual Funds:			
Large Cap Funds	\$ 109,641	\$ 109,641	\$ --
Mid-Cap Funds	13,897	13,897	--
Small Cap Funds	7,071	7,071	--
International Funds	47,917	47,917	--
Specialty Funds	50,764	50,764	--
Blended Funds	934,704	934,704	--
Bond Funds	<u>39,043</u>	<u>39,043</u>	<u>--</u>
	1,203,037	1,203,037	--
Pooled Separate Account:			
Stable Value Portfolio	<u>107,595</u>	<u>--</u>	<u>107,595</u>
Total	<u>\$ 1,310,632</u>	<u>\$ 1,203,037</u>	<u>\$ 107,595</u>
			Fair Value Measurements Using:
			Observable Inputs (Level 2)
		<u>Fair Value</u>	<u>(Level 2)</u>
<u>December 31, 2010</u>			
Pooled Separate Account funds:			
Conservative Funds		\$ 99,282	\$ 99,282
Moderate Funds		176,286	176,286
Balanced Funds		310,281	310,281
Growth Funds		341,445	341,445
Aggressive Growth Funds		91,864	91,864
Target Date Funds		8,353	8,353
Stable Value Funds		<u>81,517</u>	<u>81,517</u>
Total		<u>\$ 1,109,028</u>	<u>\$ 1,109,028</u>

LIFESTYLES COMBINED 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net assets value of the shares held by the Plan at year end. These investments are public investments securities valued using the Net Asset Value (NAV) provided by Fidelity. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is quoted in an active market.

Level 2 Fair Value Measurements

The fair value for pooled separate accounts are determined using other significant observable inputs. Observable inputs are inputs that other market participants would use in valuing a portfolio instrument. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

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The Fidelity Advisor Stable Value Portfolio (SVP) is not actively traded and significant other observable inputs are not available. Thus, the fair value of the SVP is determined by discounting the related cash flows based on current yields of similar instruments with comparable durations. The following table provides further details of the Level 3 fair value measurements.

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

	<u>SVP</u>	<u>Total</u>
<u>December 31, 2011</u>		
Beginning balance	\$ --	\$ --
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	6,685	6,685
Purchases, sales, issuances, and settlements (net)	<u>100,910</u>	<u>100,910</u>
Ending balance	<u>\$ 107,595</u>	<u>\$ 107,595</u>

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the year ended December 31, 2011 are reported in net appreciation in fair value of investments.

NOTE 4. INVESTMENTS

The following presents the fair value of the investments. Investments that represent five percent or more of the net assets available for benefits are separately identified.

<u>Investments held by Fidelity Management Trust Company</u>	<u>2011</u>	<u>2010</u>
Fidelity Advisor Stable Value Portfolio	\$ 107,595	--
Fidelity Advisor Asset Manager 40%	218,836	--
Fidelity Advisor Asset Manager 60%	223,592	--
Fidelity Advisor Asset Manager 70%	349,694	--
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JH Lifestyle Conservative	\$ --	\$ 61,587
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JH Stable Value Fund	<u>--</u>	<u>81,517</u>
	899,717	855,393
Other investments not separately identified	<u>410,915</u>	<u>255,398</u>
Total investments	<u>\$ 1,310,632</u>	<u>\$ 1,110,791</u>

LIFESTYLES COMBINED 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2011 and 2010

NOTE 4. INVESTMENTS (Continued)

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NOTE 6. CONCENTRATIONS OF CREDIT RISK

The Plan had placed its investments with Fidelity Management Trust Company. In 2010, the investments were held by John Hancock Life Insurance Company (USA). These institutions and their related companies have professionally managed money market and investment funds whose investments consist of a very numerous and diverse product mix. As part of the Plan’s investment strategy, the trustees perform periodic evaluations of the relative credit standing and investment performance of financial institutions.

NOTE 7. TAX STATUS

The Plan uses a volume submitter document. The volume submitter obtained its latest opinion letter, dated March 31, 2008, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the opinion letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

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The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement 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, participants would become 100% vested in their employer contributions.

SUPPLEMENTARY INFORMATION

LIFESTYLES COMBINED 401(K) PLAN
EIN NO. 91-1674755, PN 002
SUPPLEMENTARY INFORMATION
December 31, 2011

SCHEDULE I: SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS HELD FOR INVESTMENT
PURPOSES AT END OF YEAR

(a) Party In Interest	(b) Identity of Issue	(c) Description of Investment	(d) Cost**	(e) Current Value
*	Fidelity Advisor	Health Care Fund	\$ --	\$ 5,693
*	Fidelity Advisor	Strategic Income Fund	--	29,166
*	Fidelity Advisor	Strategic Growth Fund	--	2,894
*	Fidelity Advisor	Dividend Growth Fund	--	65,701
*	Fidelity Advisor	Emerging Asia Fund	--	2,892
*	Fidelity Advisor	Stable Value Portfolio	--	107,595
*	Fidelity Advisor	Freedom 2010 Fund	--	2,433
*	Fidelity Advisor	Freedom 2015 Fund	--	1,867
*	Fidelity Advisor	Freedom 2020 Fund	--	6,885
*	Fidelity Advisor	Freedom 2025 Fund	--	1,050
*	Fidelity Advisor	Freedom 2030 Fund	--	3,973
*	Fidelity Advisor	Freedom 2035 Fund	--	10,558
*	Fidelity Advisor	Freedom 2040 Fund	--	2,524
*	Fidelity Advisor	Freedom 2045 Fund	--	1,855
*	Fidelity Advisor	Freedom 2050 Fund	--	728
*	Fidelity Advisor	Asset Manager 20%	--	38,485
*	Fidelity Advisor	Asset Manager 30%	--	12,080
*	Fidelity Advisor	Asset Manager 40%	--	218,836
*	Fidelity Advisor	Asset Manager 50%	--	14,873
*	Fidelity Advisor	Asset Manager 60%	--	223,592
*	Fidelity Advisor	Asset Manager 70%	--	349,694
*	Fidelity Advisor	Asset Manager 85%	--	45,271
*	Fidelity Advisor	New Insights Fund	--	36,877
*	Fidelity Advisor	Mid Cap II Fund	--	10,697
*	Fidelity Advisor	Real Estate Income Fund	--	21,462
	Lord Abbett	Short Duration Income	--	9,878
	Dreyfus	International Stock	--	7,954
	American Century	Equity Income	--	3,056
	Invesco	Energy	--	23,609
	John Hancock	Global Opportunities	--	12,358
	Pioneer	Mid Cap Value	--	3,014
	Invesco	S&P 500 Index	--	1,113
	Invesco	Mid Cap Core Equity	--	186
	Invesco	Van Kampen Small Cap Growth	--	1,417
	Oppenheimer	Developing Market	--	67
	Invesco	Van Kampen Small Cap Value	--	2,479
	RS	Partners Fund	--	3,175
	BlackRock	International Oppts	--	24,645
Total Investments			\$ --	\$ 1,310,632

*Party in interest

**Cost information is omitted under the ERISA regulations, as these investments are participant directed.