Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
AMERICAN PACIFIC MORTGAGE 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 02/01/1997

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

AMERICAN PACIFIC MORTGAGE

3000 LAVA RIDGE COURT SUITE 200
ROSEVILLE, CA 95661

2b Employer Identification Number (EIN)
68-0382674

2c Sponsor's telephone number
916-960-1254

2d Business code (see instructions)
522292

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2012	MADELAINE ANDERSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
AMERICAN PACIFIC MORTGAGE

3000 LAVA RIDGE COURT SUITE 200
ROSEVILLE, CA 95661

3b Administrator's EIN
68-0382674

3c Administrator's telephone number
916-960-1254

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

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	937
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**	714
b	Retired or separated participants receiving benefits	**6b**	3
c	Other retired or separated participants entitled to future benefits	**6c**	301
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1018
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	2
f	Total. Add lines **6d** and **6e**	**6f**	1020
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	525
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	196
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

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

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

A Name of plan
AMERICAN PACIFIC MORTGAGE 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AMERICAN PACIFIC MORTGAGE

D Employer Identification Number (EIN)
68-0382674

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

CAPITAL RESEARCH & MANAGEMENT CO.

95-1411037

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

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

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

CAPITAL RESEARCH & MANAGEMENT CO.

95-1411037

(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 52 60 62 25 49 72 37	RECORDKEEPER	1288	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

MORGAN STANLEY SMITH BARNEY

26-4310632

(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?
49 99	FINANCIAL PROFESSIONAL	0	Yes [X] No [ ]	Yes [X] No [ ]	308	Yes [X] No [ ]

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
MORGAN STANLEY SMITH BARNEY	49 99	308

(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.
AMERICAN FUNDS DISTRIBUTORS, INC. 95-2769620	ADDITIONAL COMPENSATION FROM AMERICAN FUNDS DISTRIBUTORS, INC. OF $307.73

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

(complete as many entries as needed)

a	Name: MCBRIDE EDWARDS, LLC	**b** EIN:	26-2696788
c	Position: AUDITOR		
d	Address: 111 WOODMERE ROAD, SUITE 120 FOLSOM, CA 95630	**e** Telephone:	916-965-6305

Explanation: WE HAVE CHOSEN TO NO LONGER DO BUSINESS WITH MCBRIDE EDWARDS AND HAVE REPLACED THEM WITH KSJG.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

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

A Name of plan
AMERICAN PACIFIC MORTGAGE 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AMERICAN PACIFIC MORTGAGE

D Employer Identification Number (EIN)
68-0382674

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1889332	1547172
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	464809	407932
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	5935825	6072353
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	8289966	8027457
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h		
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	8289966	8027457

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	0	
(B) Participants	2a(1)(B)	771615	
(C) Others (including rollovers)	2a(1)(C)	67596	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		839211
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	15543	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		15544
(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	67101	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		67101
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

			(a) Amount	(b) Total
2b	**(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-354581
c	Other income	2c		0
d	Total income. Add all **income** amounts in column (b) and enter total	2d		567275
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	743917	
	(2) To insurance carriers for the provision of benefits	2e(2)	0	
	(3) Other	2e(3)	0	
	(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		743917
f	Corrective distributions (see instructions)	2f		2748
g	Certain deemed distributions of participant loans (see instructions)	2g		81831
h	Interest expense	2h		0
i	Administrative expenses: **(1)** Professional fees	2i(1)	0	
	(2) Contract administrator fees	2i(2)	1288	
	(3) Investment advisory and management fees	2i(3)	0	
	(4) Other	2i(4)	0	
	(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		1288
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		829784
	Net Income and Reconciliation			
k	Net income (loss). Subtract line **2j** from line **2d**	2k		-262509
l	Transfers of assets:			
	(1) To this plan	2l(1)		0
	(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: KUSHNER,SMITH,JOANOU & GREGSON, LLP **(2)** EIN: 95-3322166

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	**4a**		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		3000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**		X	

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

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

A Name of plan
AMERICAN PACIFIC MORTGAGE 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
AMERICAN PACIFIC MORTGAGE

D Employer Identification Number (EIN)
68-0382674

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 20-3691658

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Kushner ■ Smith ■ Joanou ■ Gregson



CERTIFIED PUBLIC ACCOUNTANTS

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Financial Statements
and
Supplementary Information
Years Ended December 31, 2011 and 2010
(With Independent Auditors' Report Thereon)

Kushner, Smith, Joanou & Gregson, LLP
Licensed by the California Board of Accountancy, Member of AICPA
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Kushner ■ Smith ■ Joanou ■ Gregson

KSJG

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and the Board of Trustee of
American Pacific Mortgage 401(k) Plan

We were engaged to audit the financial statements and supplemental schedule of the American Pacific Mortgage 401(k) Plan (the Plan) as of December 31, 2011, and for the year then ended, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2010 were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by Capital Bank and Trust Company, the trustee of the Plan. Their report, dated October 7, 2011, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Capital Bank and Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2011 and for the year then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

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

Kushner Smith Joanou & Gregson, LLP

October 9, 2012

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AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Statements of Net Assets Available for Benefits
December 31, 2011 and 2010

ASSETS

	2011	2010
Investments, at fair value (Notes 2, 3, 4 and 5):		
Interest-bearing cash	$ 1,547,172	$ 1,889,332
Registered investment companies	6,072,353	5,935,825
Total investments	7,619,525	7,825,157
Notes receivable from participants	407,932	464,809

LIABILITIES

Corrective distributions payable	65,934	--
Net assets available for benefits	$ 7,961,523	$ 8,289,966

See accompanying notes to financial statements

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2011 and 2010

	2011	2010
Additions to net assets attributed to:		
Investment income (loss):		
Net (decline) appreciation in fair value of registered investment companies	$ (354,581)	$ 576,435
Interest and dividends	67,102	65,584
Total investment (loss) income	(287,479)	642,019
Interest income on notes receivable from participants	15,543	25,253
Contributions:		
Participants'	771,615	760,318
Rollovers	67,596	9,118
Total contributions	839,211	769,436
Total additions	567,275	1,436,708
Deductions from net assets attributed to:		
Benefits paid to participants	743,917	508,778
Corrective distributions	68,682	--
Deemed distributions of notes receivable from participants	81,831	65,744
Administrative fees	1,288	1,425
Total deductions	895,718	575,947
Net (decrease) increase	(328,443)	860,761
Net assets available for benefits:		
Beginning of year	8,289,966	7,429,205
End of year	$ 7,961,523	$ 8,289,966

See accompanying notes to financial statements

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
December 31, 2011 and 2010

NOTE 1 - DESCRIPTION OF PLAN

The following description of the American Pacific Mortgage 401(k) Plan (the Plan) is provided for general information purposes. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General - The Plan is a defined contribution profit sharing plan for the eligible employees of Cambium Business Group, Inc. dba American Pacific Mortgage (the "Company"). The Plan has a pre-tax salary reduction provision as defined under Section 401 of the Internal Revenue Code (IRC). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan was established on February 1, 1997.

Participant Eligibility - The Plan covers all full and part-time employees of the Company who are at least 21 years of age, and have completed 1 month of service. Eligible employees may enroll in the Plan on the first business day of the month following the date of eligibility.

Contributions - Participants may contribute a percentage of their pretax compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions (rollovers) from other qualified benefit plans. The Company may also match participant contributions in an amount set by the Company's Board of Directors which is determined and allocated at the end of the year. In addition, the Company, at its option, may contribute a portion of its current profits. For the years ended December 31, 2011 and 2010, the Company elected not to contribute any matching contributions or profit sharing contributions. Participants direct the investment of all contributions to their account into various investment options offered by the Plan.

Investments - Each participant directs the allocation of his or her contribution and employer matching contributions to one or more of 22 investment options. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis.

Forfeitures - Forfeitures result from nonvested benefit payments remaining in the Plan for all terminated employees. Upon reaching the break-in-service requirement, as defined in the Plan agreement, forfeitures generated may be used to reduce future company matching or discretionary contributions, or to pay plan expenses. At December 31, 2011 and 2010, forfeitures of $1,025 and $1,018, respectively were available. There were no forfeitures used to reduce employer contributions or play plan expenses during the years ended December 31, 2011 and 2010.

(Note 1 continued on the following page)

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
(Continued)
December 31, 2011 and 2010

NOTE 1 - DESCRIPTION OF PLAN (Continued)

Participant Accounts - Participant accounts are credited with the participant's contributions and allocations of (a) the Company's matching contributions, and (b) Plan earnings. Allocations are based on participant earnings, participant contributions, or account balances, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Participants are vested on their contributions plus earnings, immediately. Vesting in the Company's matching and profit sharing contributions is based on years of service. A year of vesting service is defined as any year in which a participant completes 1,000 hours in that year. The following schedule describes the vesting percentages for participants.

Years of Service	Vested Benefit Percentage
Less than 2 years	0%
2 years but less than 3	20%
3 years but less than 4	40%
4 years but less than 5	60%
5 years but less than 6	80%
6 years or more	100%

Notes Receivable from Participants - Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum of 50% of their vested account balance up to $50,000. The loans are secured by the vested balance in the participant's account, and bear interest at rates that are commensurate with local prevailing rates, as determined by the Plan administrator. Principal and interest is paid ratably through payroll deductions. The interest rates on borrowings ranged between 5.25% and 10.25% as of December 31, 2011.

Benefit Payments - On termination of service, a participant may elect to receive either a lump-sum distribution equal to the value of the participant's vested interest in his or her account, an annuity, or periodic installments over a period not to exceed certain prescribed life expectancy limits.

Administrative Expenses - Administrative expenses are paid by the Plan sponsor with the exception of payment of brokerage commissions and fees associated with management of the investment funds and certain administrative expenses paid to the agent, party-in-interest. Such costs are paid by the Plan.

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
(Continued)
December 31, 2011 and 2010

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Basis of Presentation - The financial statements have been prepared in compliance with the Department of Labor Rules and Regulations for reporting and disclosure under ERISA.

Basis of Accounting - The financial statements have been prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

Risks and Uncertainties - The Plan provides for various investment options in any combination of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investments securities, it is possible that changes in risks in the near term could materially affect participants account balances and the amounts reported in the Statements of Net Assets Available for Benefits and the Statements of Changes in Net Assets Available for Benefits.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

Reclassifications - The financial statements for the year ended December 31, 2010 reflect certain reclassifications, which have no effect on the statements of changes in net assets available for benefits, to conform to classifications adopted at the year ended December 31, 2011.

(Note 2 continued on the following page)

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
(Continued)
December 31, 2011 and 2010

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES (Continued)

Subsequent Events - The Plan evaluated subsequent events through October 9, 2012, the date these financial statements were issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

NOTE 3 - INVESTMENTS

The following participant directed accounts as of December 31, 2011 and 2010 are summarized as follows:

		2011	2010
Investments greater than five percent of the Plan's net assets:			
American Funds	Money Market Fund	$ 1,547,172	$ 1,889,332
American Funds	American Balanced Fund	421,194	398,626
American Funds	Bond Fund of America	665,592	630,068
American Funds	Europacific Growth Fund	641,804	758,722
American Funds	Growth Fund of America	631,189	626,243
American Funds	New Perspective Fund	483,935	487,488
American Funds	Washington Mutual Fund	414,094	392,766
Davis	New York Venture Fund	589,694	603,784
Oppenheimer	Small & Mid-Cap Value Fund	554,550	564,507
		5,949,224	6,351,536
Aggregate of investments less than five percent of the Plan's net assets.		1,670,301	1,473,621
		$ 7,619,525	$ 7,825,157

(Note 3 continued on the following page)

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
(Continued)
December 31, 2011 and 2010

NOTE 3 - INVESTMENTS (Continued)

During the year ended December 31, 2011 and 2010, the Plan's investments (including, gains and losses on investments bought, sold, and held during the year) (declined) increased in value as follows:

	2011	2010
Registered investment companies	$ (354,581)	$ 576,435
Interest and dividends	67,102	65,584
Net (decline) appreciation in fair value of investments	$ (287,479)	$ 642,019

NOTE 4 - FAIR VALUE MEASUREMENTS

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

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
Level 2	Inputs to the valuation methodology include: • quoted prices for similar assets or liabilities in active markets; • quoted prices for identical or similar assets or liabilities in inactive markets; • inputs other than quoted prices that are observable for the asset or liability; • inputs that are derived principally from or corroborated by observable market data by correlation or other means.

(Note 4 continued on the following page)

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
(Continued)
December 31, 2011 and 2010

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

Level 2 (continued)	If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value.

Interest-bearing cash: Valued at market value of corresponding currency at year end.

Registered investment companies (Mutual funds): Valued at the net asset value (NAV) of shares held by the Plan at year end.

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

(Note 4 continued on the following page)

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
(Continued)
December 31, 2011 and 2010

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

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

	Assets at Fair Value as of December 31, 2011			
	Level 1	*Level 2*	*Level 3*	*Total*
Registered investment companies:				
Balanced funds	$ 1,054,964	$ --	$ --	$ 1,054,964
Fixed income funds	665,592	--	--	665,592
Domestic funds	3,709,993	--	--	3,709,993
International funds	641,804	--	--	641,804
	6,072,353	--	--	6,072,353
Interest-bearing cash	1,547,172	--	--	1,547,172
Total assets at fair value	$ 7,619,525	$ --	$ --	$ 7,619,525

	Assets at Fair Value as of December 31, 2010			
	Level 1	*Level 2*	*Level 3*	*Total*
Registered investment companies:				
Balanced funds	$ 790,430	$ --	$ --	$ 790,430
Fixed income funds	630,068	--	--	630,068
Domestic funds	3,756,605	--	--	3,756,605
International funds	758,722	--	--	758,722
	5,935,825	--	--	5,935,825
Interest-bearing cash	1,889,332	--	--	1,889,332
Total assets at fair value	$ 7,825,157	$ --	$ --	$ 7,825,157

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
(Continued)
December 31, 2011 and 2010

NOTE 5 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Capital Bank and Trust Company, the trustee of the Plan, has certified to the completeness and accuracy of:

- Investments and notes receivable from participants reflected on the accompanying Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010.

- Net appreciation in fair value of investments, interest and dividends reflected on the accompanying Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2011 and 2010.

NOTE 6 - 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.

NOTE 7 - TAX STATUS

The Plan obtained its latest determination letter on 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. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011 and 2010, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Notes to Financial Statements
(Continued)
December 31, 2011 and 2010

NOTE 8 - PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are in registered investment companies and interest-bearing cash managed by American Funds. American Funds is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Additionally, notes receivable from participants are considered party-in-interest transactions.

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of (loss) income per the financial statements to the Form 5500:

	2011	2010
Total (loss) income per the financial statements	$ (328,443)	$ 860,761
Add: Current year corrective distributions payable	65,934	--
Total (loss) income per the Form 5500	$ (262,509)	$ 860,761

The following is a reconciliation of the corrective distributions per the financial statements to the Form 5500:

	2011	2010
Total corrective distributions per the financial statements	$ 68,682	$ --
Less: Current year corrective distributions payable	(65,934)	--
Total corrective distributions per the Form 5500	$ 2,748	$ --

The following is a reconciliation of the ending net assets per the financial statements to the Form 5500:

	2011	2010
Total net assets per the financial statements	$ 7,961,523	$ 8,289,966
Add: Corrective distributions	65,934	--
Total ending net assets per the Form 5500	$ 8,027,457	$ 8,289,966

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Supplementary Information
December 31, 2011

Schedule H, line 4i - Schedule of Assets (Held at End of Year)
EIN # 68-0382674
PN #001

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	**Description of investment including maturity date, rate of interest, collateral, par or maturity value**	**Cost**	**Current Value**
*	American Funds	Monety Market Fund	N/A	$ 1,547,172
*	American Funds	2010 Target Date Fund	N/A	73,400
*	American Funds	2015 Target Date Fund	N/A	73,759
*	American Funds	2020 Target Date Fund	N/A	10,334
*	American Funds	2025 Target Date Fund	N/A	231,496
*	American Funds	2030 Target Date Fund	N/A	74,818
*	American Funds	2035 Target Date Fund	N/A	43,956
*	American Funds	2040 Target Date Fund	N/A	81,612
*	American Funds	2045 Target Date Fund	N/A	21,497
*	American Funds	2050 Target Date Fund	N/A	2,772
*	American Funds	2055 Target Date Fund	N/A	20,126
*	American Funds	American Balanced Fund	N/A	421,194
*	American Funds	Bond Fund of America	N/A	665,592
*	American Funds	Europacific Growth Fund	N/A	641,804

(Schedule 1 continued on the following page)

AMERICAN PACIFIC MORTGAGE
401(K) PLAN

Supplementary Information
December 31, 2011

Schedule H, line 4i - Schedule of Assets (Held at End of Year)
EIN # 68-0382674
PN #001

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	**Description of investment including maturity date, rate of interest, collateral, par or maturity value**	**Cost**	**Current Value**
*	American Funds	Growth Fund of America	N/A	631,189
*	American Funds	New Perspective Fund	N/A	483,935
*	American Funds	Washington Mutual Fund	N/A	414,094
	Columbia	Mid-Cap Valuel Fund	N/A	396,378
	Davis	New York Venture Fund	N/A	589,694
	Federated	Kaufman Fund	N/A	351,560
	Oppenheimer	Small & Mid-Cap Value Fund	N/A	554,550
	Vanguard	Stock Index Fund	N/A	288,593
	Total investments			7,619,525
*	Notes receivable from participants	Interest rates ranging from 5.25% - 10.25% with maturity dates through 2040	--	407,932
	Total assets held for investment purposes at end of year			$ 8,027,457

* - Party-in-interest as defined by ERISA for which a statutory exemption exists.
N/A - Information not required for participant-directed investments.

ASSETS HELD FOR INVESTMENT PURPOSES

American Pacific Mortgage 401(k) Plan
01-JAN-11 to 31-DEC-11

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
1RERBX			723,286.06	641,804.34
1RGABX			627,650.18	631,188.96
1RNPBX			495,952.31	483,935.43
1NATMCV			413,544.74	396,377.68
1DV-NYV			602,330.13	589,694.20
1KAUAX			384,459.11	351,559.81
1OP-QSC			586,597.62	554,549.96
1SSTIX			261,407.28	288,593.23
1RWMBX			407,328.70	414,093.72
1RLBBX			406,168.51	421,194.38
1RBFBX			658,935.95	665,591.49
1RABXX			1,546,147.10	1,546,147.09
1RBATX			73,393.29	73,399.89
1RBJTX			75,195.59	73,759.41
1RBCTX			10,277.05	10,334.16
1RBDTX			235,598.21	231,495.72
1RBETX			74,250.42	74,818.31
1RBFTX			44,114.28	43,955.97
1RBKTX			79,685.29	81,611.82
1RBHTX			21,708.44	21,497.46
1RBITX			2,837.53	2,771.69
1RBMTX			22,057.03	20,125.65
			7,752,924.82	**7,618,500.37**
PARTICIPANT LOANS	VARIOUS	5.250-10.250	387,691.82	407,931.98
FORFEITURES			1,025.10	1,025.10

Attachment to Form 5500, Schedule H, Part 4, Item I
EIN # 680382674

ASSETS HELD FOR INVESTMENT PURPOSES

American Pacific Mortgage 401(k) Plan
01-JAN-11 to 31-DEC-11

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE

LEGEND

INVESTMENT OPTION:

1RERBX	American Funds EuroPacific Growth Fd R2
1RNPBX	American Funds New Perspective Fund R2
1DV-NYV	Davis New York Venture Fund - A
1OP-QSC	Oppenheimer Small & Mid- Cap Value A
1RWMBX	American Funds Washington Mutual Fund R2
1RBFBX	American Funds Bond Fund of America R2
1RBATX	American Funds 2010 Target Date Fund R2
1RBCTX	American Funds 2020 Target Date Fund R2
1RBETX	American Funds 2030 Target Date Fund R2
1RBKTX	American Funds 2040 Target Date Fund R2
1RBITX	American Funds 2050 Target Date Fund R2
1RGABX	American Funds Growth Fund of America R2
1NATMCV	Columbia Mid Cap Value Fund A
1KAUAX	Federated Kaufmann Fund A
1SSTIX	Victory Stock Index Fund A
1RLBBX	American Funds American Balanced Fund R2
1RABXX	American Funds Money Market Fund R2
1RBJTX	American Funds 2015 Target Date Fund R2
1RBDTX	American Funds 2025 Target Date Fund R2
1RBFTX	American Funds 2035 Target Date Fund R2
1RBHTX	American Funds 2045 Target Date Fund R2
1RBMTX	American Funds 2055 Target Date Fund R2

COST OF ASSETS: The original cost of the assets in each investment option as of the last day of the plan year
CURRENT VALUE: The value of all assets in each investment option as of the last day of the plan year