

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

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

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>LINC GOVERNMENT SERVICES 401K PLAN</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>04/01/1996</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>LINC GROUP, INC.</u> <u>101 WALTON WAY</u> <u>HOPKINSVILLE, KY 42240</u>	2b Employer Identification Number (EIN) <u>61-1198480</u> 2c Sponsor's telephone number <u>270-885-4642</u> 2d Business code (see instructions) <u>561210</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/15/2012</u>	<u>JEFFERY HUSSONG</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") LINC GROUP, INC. 101 WALTON WAY HOPKINSVILLE, KY 42240	3b Administrator's EIN 61-1198480 3c Administrator's telephone number 270-885-4642
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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	1026
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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	682
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	338
d Subtotal. Add lines 6a , 6b , and 6c	6d	1020
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
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	880
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

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 3H

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

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

a Pension Schedules

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

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☒ 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 <u>LINC GOVERNMENT SERVICES 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LINC GROUP, INC.</u>	D Employer Identification Number (EIN) <u>61-1198480</u>	

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
HARTFORD LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
<u>06-0974148</u>	<u>88072</u>	<u>GA-812800</u>	<u>880</u>	<u>01/01/2011</u>	<u>12/31/2011</u>

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
<u>32086</u>	<u>0</u>

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
INVEST FIN CORP INS AGENCY
8745 HENDERSON RD STE 300
TAMPA, FL 33634

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
<u>32086</u>			<u>3</u>

(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	3568516
5 Current value of plan's interest under this contract in separate accounts at year end	5	8379503

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 ▶ **GROUP ANNUITY CONTRACT**

b Balance at the end of the previous year	7b	3956234
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c Additions: (1) Contributions deposited during the year	7c(1)	769548	
(2) Dividends and credits	7c(2)	0	
(3) Interest credited during the year	7c(3)	109929	
(4) Transferred from separate account	7c(4)	94570	
(5) Other (specify below)	7c(5)	85022	

▶ **LOAN PYMT**

(6) Total additions	7c(6)	1059069
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d Total of balance and additions (add b and c(6))	7d	5015303
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1307591	
(2) Administration charge made by carrier	7e(2)	7376	
(3) Transferred to separate account	7e(3)	0	
(4) Other (specify below)	7e(4)	131820	

▶ **LOAN W/D**

(5) Total deductions	7e(5)	1446787
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f Balance at the end of the current year (subtract e(5) from d)	7f	3568516
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Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Specify nature of costs ▶

Part IV Provision of Information

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

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

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	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 LINC GOVERNMENT SERVICES 401K PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 LINC GROUP, INC.	D Employer Identification Number (EIN) 61-1198480	

Part I	Service Provider Information (see instructions)
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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
SEI TRUST COMPANY

06-1271230

(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)

HARTFORD LIFE INSURANCE COMPANY

06-0974148

(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?
15 23 37 38 49 50 54 55 56 59 60 62 63 64 65 66	N/A	25246	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
67 99			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

MORNINGSTAR ASSOCIATES, LLC

36-4317381

(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	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	44	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)

MESIROW FINANCIAL INVESTMENT MNGT

36-3429599

(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?
27 49	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	56	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
HARTFORD LIFE INSURANCE COMPANY	15 23 37 38 49 50 54 55 56 59 60 62 63 64 65 66 67 99	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.	
SEE FEE AND COMPENSATION DISCLOSURE 06-0974148	SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACHMENT	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MORNINGSTAR ASSOCIATES, LLC	49	44
(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.	
HARTFORD LIFE INSURANCE COMPANY 06-0974148	SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACHMENT	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
MESIROW FINANCIAL INVESTMENT MGNT	27 49	56
(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.	
HARTFORD LIFE INSURANCE COMPANY 06-0974148	SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACHMENT	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

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

A Name of plan <u>LINC GOVERNMENT SERVICES 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>LINC GROUP, INC.</u>	D Employer Identification Number (EIN) <u>61-1198480</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)
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a Name of MTIA, CCT, PSA, or 103-12 IE: HARTFORD ADVANTAGE TK2

b Name of sponsor of entity listed in (a): HARTFORD LIFE INSURANCE COMPANY

c EIN-PN <u>06-0974148-000</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>8379503</u>
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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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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)
-----------------	----------------------	---

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)**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)**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)**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)**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)**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)**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)**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)**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)**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)

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 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>LINC GOVERNMENT SERVICES 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LINC GROUP, INC.</u>	D Employer Identification Number (EIN) <u>61-1198480</u>	

Part I	Asset and Liability Statement
---------------	--------------------------------------

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(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)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	0	0
(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)	576108	691154
(9) Value of interest in common/collective trusts.....	1c(9)	0	0
(10) Value of interest in pooled separate accounts.....	1c(10)	0	0
(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)	9033505	8379503
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	3956234	3568516
(15) Other	1c(15)	0	0

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	13565847	12639173

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	13565847	12639173
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1723976	
(B) Participants	2a(1)(B)	798636	
(C) Others (including rollovers)	2a(1)(C)	165418	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2688030
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)	29435	
(F) Other	2b(1)(F)	1347	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		30782
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(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)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-1066
(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)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2717746

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3619174	
(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)		3619174
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)	25246	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		25246
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		3644420

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-926674
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) ☒ 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: MYRIAD CPA GROUP, LLC

(2) EIN: 61-1429497

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		20000
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.			
4n			

- 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>LINC GOVERNMENT SERVICES 401K PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LINC GROUP, INC.</u>	D Employer Identification Number (EIN) <u>61-1198480</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>06-0974148</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

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

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

Linc Government Services 401(k) Plan
Report on Limited Scope Audit of Financial Statements
And Supplemental Data
December 31, 2011 and 2010
EIN # 61-1198480



CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1
Statements of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4 - 12
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	13
Schedule H, Line 4j - Schedule of Reportable Transactions	14



Independent Auditors' Report

To the Trustees
Linc Government Services 401(k) Plan
Hopkinsville, Kentucky

We were engaged to audit the accompanying statement of net assets available for benefits of Linc Government Services 401(k) Plan as of December 31, 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedules of (1) Schedule H, Line 4i – Schedule of Assets, and (2) Schedule H, Line 4j – Schedule of Reportable Transactions as of or for the year ended December 31, 2011. These financial statements and supplemental 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 Notes 3 and 4, which was certified by The Hartford Life Insurance Company., the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2011 and for the year ended December 31, 2011, that the information provided to the plan administrator by the custodian is complete and accurate.

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

Owensboro, Kentucky
September 14, 2012

Linc Government Services 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Investments, at fair value	\$ 11,943,486	\$ 12,989,737
Receivables:		
Participant loans	<u>691,155</u>	<u>576,109</u>
Total assets	<u>12,634,641</u>	<u>13,565,846</u>
<u>LIABILITIES</u>		
Total liabilities	<u>-</u>	<u>-</u>
Net Assets Available for Benefits	<u><u>\$ 12,634,641</u></u>	<u><u>\$ 13,565,846</u></u>

The accompanying notes are an integral part of these financial statements.

Linc Government Services 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
December 31, 2011

	<u>2011</u>
Additions:	
Additions to net assets attributed to	
Investment Income:	
Net depreciation in fair value of investments	\$ (182)
Contributions:	
Participant	798,636
Employer	1,723,976
Rollover contributions	165,418
Participant loan interest	<u>29,435</u>
Total additions	<u>2,717,283</u>
Deductions:	
Deductions from net assets attributed to:	
Benefits paid to participants	3,619,174
Administrative fees	25,246
Fofeitures	<u>4,068</u>
Total deductions	<u>3,648,488</u>
Net increase	(931,205)
Net assets available for plan benefits:	
Beginning of year	<u>13,565,846</u>
End of year	<u><u>\$ 12,634,641</u></u>

The accompanying notes are an integral part of these financial statements.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 - DESCRIPTION OF PLAN:

The following brief description of the Linc Government Services 401(k) Plan (The Plan) is provided for general informational purposes only. Participants should refer to the Summary Plan Description or the Plan Document for more complete information. Effective January 1, 2009, the LINC Group, LLC, the Plan Sponsor, merged similar retirement plans of related companies, the Ferguson-Williams Retirement Plan and the Operational Support and Services Plan into the Linc Government Services 401(k) Plan. All participate in the Linc Government Services 401(k) Plan.

General:

LINC Government Services, LLC provides its employees a defined contribution plan under code section 401(K) of the Internal Revenue Code. The Plan has three components. The first is an employee salary deferral option. The second is a discretionary employer matching option on employee salary deferrals. The third is a discretionary employer profit sharing component. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). An employee who is at least eighteen years of age is eligible to participate immediately following the date of hire.

Contributions:

Each year, participants may contribute 1% to 75% of pretax salary up to a maximum of \$16,500 in the current year. Participants may also contribute rollover or transfer amounts representing distributions from other qualified defined benefit or contribution plans. The Company has the option to make discretionary matching contributions in an amount or percentage up to the first 6% deferred under the participant's salary deferral. Additional amounts may be contributed at the option of the Company's board of directors. Contributions are subject to certain limitations.

Participant Accounts:

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

Vesting:

Participants are immediately vested in their voluntary contributions plus actual earnings thereon.

Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on the schedule presented below:

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

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options:

Upon enrollment in the Plan, a participant may direct contributions in any of the following mutual fund investment options provided by the Hartford Life and Insurance Company.

- Hartford Bond Fund HLS:

This fund is designed for investors looking for the opportunity of monthly income and growth of assets. The Fund seeks a high level of current income, consistent with a competitive total return, as compared to bond funds with similar investment objectives and policies, by investing primarily in debt securities.

- Hartford Small Company HLS:

The Fund seeks growth of capital by investing primarily in stocks selected on the basis of potential for capital appreciation. The Fund normally invests in stocks of companies with market capitalization within the range represented by the Russell 2000 Index.

- Investment Company of America:

The fund's objective is to provide current income and, secondarily, growth of capital through a flexible mix of equity and debt instruments.

- New Perspective:

This fund is primarily designed for investors seeking capital appreciation through stocks. The secondary objective of this fund is to provide long-term income.

- Hartford Capital Appreciation HLS:

This fund seeks growth of capital by investing in companies of all sizes based solely on the potential for capital appreciation by employing a bottom-up approach to investing.

- American Balanced Fund:

This fund consists of a balanced mix of equity and income producing securities. This fund invests in companies demonstrating a history of solid earnings, strong cash flows, and shareholder oriented management.

- Fundamental Investors:

This fund seeks to provide long term growth of capital and income primarily via investments in common stocks. The fund seeks undervalued and overlooked opportunities for the potential long-term growth.

- Hartford Dividend & Growth HLS:

The fund seeks a high level of current income consistent with growth of capital by investing primarily in stocks.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- The Bond Fund of America:

This fund seeks to provide a high level of current income as consistent with preservation of capital. This fund invests in corporate debt securities as well as United States and other government securities.

- Washington Mutual Investment:

This relatively conservative fund invests only in common stocks that have paid dividends in nine of the most recent 10 years. Its objectives are to hold for the long-term for the possibility of generating capital gains.

- Lord Abbet Bond Debenture:

This fund seeks current income and the opportunity for capital appreciation, intending to produce a high rate of return. This fund normally invests in high-yield and investment grade debt securities, securities convertible into common stock, and preferred stocks.

- Hartford Fixed Account:

The Money Market Sub-Account seeks maximum current income consistent with liquidity and preservation of capital.

- The New Economy Fund:

This fund seeks to provide long-term growth of capital via investing in service and information industries in the United States as well as around the world. Investments consist of primarily companies tied to the global economy in the areas of telecommunications, computer systems, software, broadcasting, financial services, and health care.

- Hartford Stock HLS:

The fund seeks long-term growth of capital, with income as a secondary consideration, by investing primarily in stocks of high quality growth companies.

- Pimco Total Return Fund:

This fund seeks maximum return and preservation of capital and prudent investment management.

- Franklin Small Cap Value Fund:

The fund's managers invest at least 80% of the fund's net assets in securities of mid-capitalization companies (defined as those similar in size to the Russell MidCap Index at the time of purchase) they believe are currently undervalued and have the potential for capital appreciation.

- Investco Real Estate Fund:

Investco Real Estate Fund. Investco Real Estate Fund's investment objective is high total return through growth of capital and current income.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- T. Rowe Price Investment Fund:

The fund generally looks for companies with an above-average rate of earnings and cash flow growth and a lucrative niche in the economy that gives them the ability to sustain earnings momentum even during times of slow economic growth.

- T. Rowe Price 2010, 2020, 2030, 2040 and 2050 Funds:

These funds seek the highest total return over time consistent with an emphasis on both capital growth and income. The fund invests in a set of underlying T. Rowe Price mutual funds representing various asset classes and sectors. Allocations between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The funds invest assets in stock funds and in fixed-income funds, based on the above targeted retirement date of each of the above funds.

- American Century Vista Fund:

The investment seeks long-term capital growth. The fund primarily invests in companies that management believes will increase in value over time. It normally invests in companies that are medium-sized and smaller at the time of purchase, although it may purchase companies of any size. The fund may also purchase domestic and foreign preferred stocks, convertible debt securities, equity-equivalent securities, non-leveraged stock index futures contracts and options, notes, bonds and other debt securities. It may invest in securities of foreign companies, including companies located in emerging markets.

- Columbia Mid Cap Value Fund:

The fund normally invests at least 80% of net assets in equity securities of companies that have market capitalizations in the range of the companies in the Russell Midcap Value index at the time of purchase, that the Advisor believes are undervalued and have the potential for long-term growth. It may invest up to 20% of total assets in foreign securities. The fund also may invest in real estate investment trusts.

- Franklin Templeton Growth Allocation A:

The investment seeks the highest level of long-term total return. The fund is a "fund of funds" meaning that it seeks to achieve its investment goal by investing its assets in other mutual funds, predominately other Franklin Templeton mutual funds (underlying funds). The investment manager uses the following as a general guide in allocating the fund's assets among the broad asset classes. These percentages may be changed from time to time by the fund's investment manager without the approval of shareholders, and may vary up to 5% from the stated allocations: 5% short-term investments; 80% equity funds; and 15% fixed-income funds.

- Franklin Templeton Moderate Allocation A:

The manager allocates each Fund's assets among the broad asset classes of equity, fixed-income and short-term (money market) investments by investing in a distinctly-weighted combination of Franklin Templeton mutual funds (underlying funds).

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- Invesco Small Capital Equity A:

This investment vehicle seeks capital appreciation. The fund normally invests at least 80% of assets in equity securities (see equity research) of small-sized growth companies. A small-sized company is defined as having a market value of under \$2.5 billion at the time of purchase. The Advisor seeks to purchase securities that the Adviser expects could increase in value 50% within two years.

- Alger Capital Appreciation Institutional I:

The investment seeks long-term capital appreciation. The fund normally invests at least 85% of its net assets, plus any borrowings for investment purposes, in equity securities of companies of any market capitalization that Fred Alger Management, Inc. believes demonstrate promising growth potential. It can leverage, that is, borrow money to buy additional securities. The fund can also invest in derivative instruments.

- Lord Abbett Developing Growth A:

The goal of this Fund is long-term growth of capital through investing in stocks of small companies. This Fund seeks well-run companies that have above-average earnings growth and are gaining market share in their respective industries.

- RidgeWorth Midcap Value Equity A:

The investment seeks capital appreciation; current income is secondary. The fund invests at least 80% of net assets (plus any borrowings for investment purposes) in U.S. traded equity securities of mid cap companies. U.S. traded equity securities may include American Depositary Receipts ("ADRs"). It targets companies with market capitalizations similar to those of companies in the Russell Midcap® Value Index.

- Lord Abbett Growth Opportunities A:

The goal of this Fund is long-term growth of capital through investing in stocks of mid-sized U.S. companies. This Fund seeks companies with strong relative growth prospects that we believe are well positioned to prosper in the anticipated economic environment.

Participants may change their investment options at anytime.

Participant Loans Receivable:

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of 50% of their vested salary deferral account. In order for a participant to borrow from his or her account, they must have a minimum of \$2,000 in their salary deferral account. Loans are not permitted from either the employer discretionary matching account or the employer discretionary profit sharing accounts. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loan terms range from one to five years. The loans are secured by the balance in the participant's account and bear an interest rate of 2 percent over prime. Principal and interest are paid through a weekly, bi-weekly, or semi-monthly payroll deduction. In the event of termination, retirement, or disability, the outstanding balance will be due 90 days from the date of termination, retirement, or disability. If not repaid, the loan will be treated as a taxable distribution.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Payment of Benefits:

Benefits are payable upon the occurrence of any of the following events:

- (1) Attainment of normal retirement age (age 65); attainment of early retirement age (age 59) and completion of years of service and retiring;
- (2) Death while employed by the employer;
- (3) Disability, when it is determined that an employee is totally and permanently disabled;
- (4) Termination of employment after satisfying the vesting requirements; and
- (5) Termination of the Plan;
- (6) Hardship withdrawals from participant deferral accounts are allowed only if one of the following criteria are met: payment for medical expenses, purchase of primary residence, payment of tuition and educational fees for post secondary education, and payments to prevent eviction and/or foreclosure on the mortgage of your primary residence.

On termination of service due to death, disability, retirement, or voluntary separation, a participant or beneficiary will receive a single lump sum cash payment equal to the vested value of the participant's account.

Forfeited Accounts:

Forfeited account balances are recognized at the end of the plan year in which the employee incurs a break in service or upon distribution of the entire vested account balance. Forfeited matching account balances are to be used to reduce the Employers current or future matching contributions. Amounts forfeited for the year ending December 31, 2011 and 2010 were \$4,068 and \$0, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements of the Plan are prepared using the accrual basis of accounting.

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:

The Plan's investments are stated at fair value except for its investment contracts, which are valued at contract value (Note 3). Quoted market prices are used to value investments. In accordance with the policy of stating investments at market value, net unrealized appreciation or depreciation for the year is reflected in the Statement of Changes in Net Assets Available for Benefits. Sales and purchases of securities are reflected on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Gains or losses are recognized on the date the investment is sold.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Payment of Benefits:

Benefits are recorded when paid.

NOTE 3 - INVESTMENTS:

The Plan's investments are held in a life insurance company administered trust fund.

During 2011 and 2010, the Plans investments, including investments bought, sold, and held during the year appreciated (depreciated) in value by (\$182) and \$1,415,708, respectively.

Investments which comprised more than five percent (5%) of plan assets as of December 31, 2011 and 2010 were:

2011	2010
Hartford Dividend & Growth HLS	Growth Fund of America
Hartford Fixed Account	New Perspective
Pimco Total Return	Hartford Capital Appreciation HLS
Alger Capital App Institutional I	Hartford Dividend & Growth HLS
	Hartford Fixed Account

NOTE 4 - FAIR VALUE MEASUREMENT:

Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements, establishes a framework for measuring fair values. That framework provides a fair value hierarchy that prioritizes inputs to fair value 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 Measurement) and the lowest priority to unobservable inputs (Level 3 Measurement) The three levels of fair value hierarchy are as follows under the standard:

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

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

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

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 4 - FAIR VALUE MEASUREMENT, CONTINUED:

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

Mutual funds: Valued at the net asset value of shares held by the Plan as of the year end.

Participant loans: Valued at the amortized cost, which approximates fair value.

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 Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

2011				
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Mutual funds	11,943,486	-	-	11,943,486
Total assets at fair value	<u>\$ 11,943,486</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,943,486</u>
2010				
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 372	\$ -	\$ -	\$ 372
Mutual funds	12,989,365	-	-	12,989,365
Total assets at fair value	<u>\$ 12,989,737</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,989,737</u>

NOTE 5 - TAX STATUS:

The Internal Revenue Service has determined and informed LINC Government Services, LLC by a favorable determination letter dated April 21, 1997, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC).

NOTE 6 - CERTIFIED INFORMATION BY TRUSTEE:

The Hartford Life Insurance Company was the custodian of the Plan at December 31, 2011 and held substantially all of the Plan's investment assets effective as of and executed transactions therein. Financial information relating to those assets is included in the accompanying financial statements and schedules based upon information provided by Hartford Life Insurance Company as of December 31, 2011 and 2010.

NOTE 7 - PLAN TERMINATION:

Although it has not expressed intent to do so, the Company has the right, under the Plan, to discontinue or terminate the Plan at any time, subject to the provisions of Employee Retirement Income Security Act (ERISA). In the event of Plan termination, participants will become 100 percent vested in their accounts.

Linc Government Services 401(k) Plan
Notes to Financial Statements

NOTE 8 - ADMINISTRATIVE EXPENSE:

The Plan allows for the administrative expenses to be paid out of the Plan. Administrative expenses absorbed by the plan were \$25,246 for the year ended December 31, 2011 and \$27,176 for 2010.

NOTE 9 - AMOUNTS ALLOCATED TO TERMINATED PARTICIPANTS:

Amounts allocated to individuals who had withdrawn from the Plan but had not received their distributions as of December 31, 2011 and 2010 was \$532,570 and \$693,343

NOTE 10 - RECONCILIATION TO FORM 5500:

Certain amounts on the Form 5500 may differ due to participant loans receipts and disbursements being reflected at net in the Statement of Changes in Net Assets Available for Benefits at December 31, 2011 and 2010, and reported at gross amounts in the corresponding tax return.

NOTE 11 - RISKS AND UNCERTAINTIES:

The Plan invests in certain mutual funds offered by The Hartford. These securities are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of certain investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of net assets available for benefits.

NOTE 12 - SUBSEQUENT EVENTS:

In accordance with ASC Topic 855, the Plan evaluated subsequent events through September 14, 2012, the date these financial statements were issued. There have been no subsequent events that required recognition or additional disclosure in these financial statements.

Linc Government Services 401(k) Plan
Schedule H Line 4j – Schedule of Reportable Transactions
December 31, 2011
EIN # 61-1198480

The Plan had no reportable transactions for the year ended December 31, 2011.

Linc Government Services 401(k) Plan
Schedule H Line 4i – Schedule of Assets Held for Investment Purposes
December 31, 2011
EIN # 61-1198480

(b)	(c)	(e)
Identity of Issuer	Description of Investments	Market Value
Hartford Bond HLS	Other Investments	\$ 1
Hartford Small Companies HLS	Other Investments	84
Investment Company of America	Other Investments	282,790
Growth Fund of America	Other Investments	698
New Perspective	Other Investments	677,590
Hartford Capital Appreciation HLS	Other Investments	587,080
American Balanced	Other Investments	3
Fundamental Investors	Other Investments	402,016
Hartford Dividend & Growth HLS	Other Investments	857,072
Bond Fund of America	Other Investments	1
Washington Mutual	Other Investments	362,587
Lord Abbet Bond Debenture	Other Investments	253,060
Hartford Fixed Account	Other Investments	3,563,984
The New Economy	Other Investments	179,620
Hartford Stock HLS	Other Investments	35,837
Pimco Total Return	Other Investments	1,523,385
Frankling Small Cap Value	Other Investments	120,093
Ivestco Real Real Estate A	Other Investments	168,025
T. Rowe Price Retirement, Inc.	Other Investments	53,886
T. Rowe Price Retirement 2010	Other Investments	201,982
T. Rowe Price Retirement 2020	Other Investments	228,545
T. Rowe Price Retirement 2030	Other Investments	145,516
T. Rowe Price Retirement 2040	Other Investments	90,133
T. Rowe Price Retirement 2050	Other Investments	22,506
American Century Vista	Other Investments	118
Columbia Mid Cap Value	Other Investments	123
Franklin Templeton Growth Allocation A	Other Investments	261,753
Franklin Templeton Model Allocation A	Other Investments	336,270
Invesco Small Capital Equity A	Other Investments	175,797
Alger Capital App Institutional I	Other Investments	745,664
Lord Abbett Developing Growth A	Other Investments	472,541
RidgeWorth Midcap Value Equity A	Other Investments	93,485
Lord Abbett Growth Opps A	Other Investments	101,241
Participant Notes Receivable	Other Investments	691,155
		\$ 12,634,641

Fee and Compensation Disclosure Report

This document is intended to assist a plan administrator (“you”) in completing the Form 5500 Schedule C¹ by identifying different types of compensation paid with respect to the Hartford product utilized by your plan.

As permitted under the Schedule C rules, compensation is disclosed in the attached report as an actual dollar amount, an estimate or a formula or rate.

- Where an actual dollar amount of compensation is disclosed, no further notation regarding compensation calculations is generally provided.
- Where an estimate of the compensation amount is disclosed, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount.
- Where a formula or rate is provided to report compensation, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount. This formula or rate may be disclosed to describe the compensation to which it applies under the Schedule C rules. Alternatively, for purposes of Schedule C disclosure or in connection with your fiduciary review of the compensation paid with respect to the services, products and investment options utilized by the plan, you may calculate and disclose an actual or estimated dollar amount by multiplying the rate by the total assets to which it applies.

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2011 - 12/31/2011 and indirect compensation is presented on a calendar year basis ending 12/31/2011.

This report includes compensation actually paid to or by the Hartford within the indicated plan year as part of your Hartford product. *(Note: If the plan year period or plan year end indicated in this Schedule C reporting package is incorrect, please notify your Hartford customer service representative immediately).* This report does not include amounts deducted from plan assets and paid to third parties (other than Hartford). In addition, the report does not include compensation related to investments held by the plan that are not serviced on our recordkeeping system. You should contact your other service providers for reportable compensation information. You may also receive information on the compensation reported here from other service providers as is described below.

Please note that we have provided suggested service codes with respect to services provided through our Hartford product. Please review all Schedule C and other Form 5500 materials with your experienced benefits counsel and other professionals to determine the most appropriate codes for your plan. In addition, please note that because plans with fewer than 100 participants (as of the beginning of the plan year) are generally not required to file Schedule C, you should refer to the instructions provided by the IRS for Schedule C and/or review the applicability of Schedule C to your plan with your experienced tax/benefits counsel, to determine whether it is necessary for the plan to report the information contemplated by this report.

Please contact your Hartford Service Team should you require additional information regarding the compensation paid to or by Hartford with respect to your plan.

Information provided in this document and related materials we provide are not intended to be and shall not be deemed tax advice, tax form preparation services, legal advice, advice to plans regarding compliance with ERISA reporting compliance, or accounting or other professional services. As described above, the information contained in this report may not cover all of the compensation received by the plan’s service providers. We strongly encourage you to review all Schedule C and other Form 5500 materials with experienced benefits counsel and other professionals.

¹ Please refer to the Schedule C of the Form 5500 and its instructions (available at: <http://www.dol.gov/ebsa/5500main.html>), and please confer with experienced benefits counsel and other professionals, to determine the applicability of Schedule C to your plan.

FORM 5500 SCHEDULE C REPORT
SCHEDULE C, LINE 2(h) AND LINE 3(e) FORMULA DESCRIPTION
LINC GOVERNMENT SERVICES 401K PLAN (812800)
EIN #: 61-1198480

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2011 - 12/31/2011 and indirect compensation is presented on a calendar year basis ending 12/31/2011.

For use with lines 2(h), 3(c), 3(d), 3(e)

Total Direct Compensation Paid **\$25,245.93**

The total amount identified above reflects all fees deducted from plan assets at the plan administrator's direction for the plan year. Service providers which have received portions of these direct fees are listed below, along with the amount of fees they received. Please note that if there is a discrepancy between the total direct fees reported above and the sum of the direct fees reported below, you should contact your other service providers or your plan records to identify the recipient(s) of the fees and any other information relevant to your Schedule C filing.

Recipient: Hartford Life Insurance Company EIN: 06-0974148

Service Codes: 15, 23, 37, 38, 54, 55, 59, 60, 62, 63, 64, 65, 66, 99, 50 (if direct compensation amount reflected below)

Direct Compensation **\$25,245.93**

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2011 plan year for the above named recipient. Please review other service providers, below, to determine whether direct fees were also paid to them. Also, please review your records to determine whether other service providers may have received any compensation not reported below (e.g., a reimbursement paid to any plan fiduciary, your employee benefits counsel, or a plan auditor).

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation and amounts reported as paid to Hartford Life Insurance Company are the net result of aggregating direct compensation after the effects of adjustments processed in 2011, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation

Float compensation **\$9.67**

Bank accounts and investments associated with short-term investment pool, 200 Hopmeadow Road, Simsbury, CT 06089

This is an estimate based on the annual average rate of float (0.01% for 2011) earned on the bank accounts and investments associated with the short-term investment pool for the 2011 calendar year multiplied by an estimate of the assets related to uncashed checks.* This estimate does not include float earned for any other reason (e.g., if amounts remitted to The Hartford cannot be immediately invested because they are not in good order). Please review or request a copy of the current float disclosure for more information about the other circumstances in which float is earned.

* A complete listing of distribution checks that remain outstanding is available on the Retirement Plan Access web site under the Standard Reports section (Report R03998-Outstanding Distribution Checks). Uncashed check assets will continue to remain in a float-earning bank account until such time direction is received from the Plan Sponsor. The Plan Sponsor should consult with their tax advisor or benefits counsel to determine if assets attributable to uncashed checks should be included on the Form 5500 filing.

Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. Hartford's Code of Ethics and Business Conduct generally restricts Hartford employees from giving to or receiving gifts from customers and/or business partners having a value of over \$100, in any individual situation, without prior approval. However, it is possible that one or more of your service providers for the calendar year, including Hartford, engaged in transactions generating nonmonetary compensation. Information concerning reportable transactions undertaken between or among non-Hartford parties may not be available to The Hartford.

Please consult with your legal or tax advisors if you have any questions.

Compensation paid with respect to Funds

<i>Investment Option Name</i>	<i>EIN</i>	<i>Revenue Sharing Rate (%) Paid to The Hartford (rates as of 12/31/2011)</i>	<i>Underlying Fund Gross Expense Ratio as of the Fund's Year End*</i>	<i>Separate Account Charge **</i>
ALGER CAP APP INSTITUTIONAL I	13-2665689	0.55% x assets	1.17%	0.00%
AMERICAN CENTURY VISTA A	44-6006315	0.50% x assets	1.26%	0.10%
AMERICAN FUNDS AMERICAN BAL R3	94-6050854	0.65% x assets	0.94%	0.00%
AMERICAN FUNDS BND FD OF AMER R3	95-2884967	0.65% x assets	0.93%	0.00%
AMERICAN FUNDS CAP INC BUILDR R3	95-1411037	0.65% x assets	0.97%	0.00%
AMERICAN FUNDS FUNDAMENTL INV R3	22-1557722	0.65% x assets	0.96%	0.00%
AMERICAN FUNDS GR FD OF AMER R3	52-0792143	0.65% x assets	0.97%	0.10%
AMERICAN FUNDS INV CO OF AMER R3	95-1426645	0.65% x assets	0.97%	0.00%
AMERICAN FUNDS NEW PERSPECTIV R3	95-2817150	0.65% x assets	1.11%	0.00%
AMERICAN FUNDS THE NEW ECONMY R3	95-6799669	0.65% x assets	1.18%	0.00%
AMERICAN FUNDS WASHMUTUAL INV R3	66-0793788	0.65% x assets	0.97%	0.00%
COLUMBIA MID CAP VALUE A	36-3376651	0.55% x assets	1.15%	0.10%
FIXED ACCOUNT	06-0974148		0.00%	0.00%
FRANKLIN SMALL CAP VALUE A	13-3151768	0.35% x assets plus \$12/participant	1.32%	0.00%
FRANKLIN TEMPLETON GROWTH ALLO A	13-3151768	0.35% x assets plus \$12/participant	1.38%	0.00%
FRANKLIN TEMPLETON MOD ALLOC A	13-3151768	0.35% x assets plus \$12/participant	1.27%	0.00%
HARTFORD ADVISERS HLS IB	22-2937447	0.50% x assets	0.90%	0.00%
HARTFORD DIVIDEND & GRTH HLS IB	22-2937447	0.50% x assets	0.93%	0.00%
HARTFORD SMALL COMPANY HLS IB	22-2937447	0.50% x assets	0.98%	0.10%
HARTFORD STOCK HLS IB	22-2937447	0.50% x assets	0.75%	0.00%
HARTFORD TOTAL RET BOND HLS IB	22-2937447	0.50% x assets	0.75%	0.00%
INVESCO REAL ESTATE A	76-0343427	0.60% x assets	1.31%	0.00%
INVESCO SMALL CAP EQUITY A	06-0841973	0.60% x assets	1.38%	0.00%
LORD ABBETT BOND DEBENTURE A	13-2669319	0.50% x assets	0.97%	0.00%
LORD ABBETT DEVELOPING GROWTH A	13-2958970	0.50% x assets	1.09%	0.00%
LORD ABBETT GROWTH OPPTS A	13-6995863	0.50% x assets	1.50%	0.00%
OPPENHEIMER MAIN ST SM &MD CAP A	84-1501338	0.55% x assets	1.25%	0.10%
PIMCO TOTAL RETURN A	33-0629048	0.40% x assets	0.85%	0.00%
RIDGEWORTH MIDCAP VALUE EQUITY A	23-2678674	0.75% x assets	1.35%	0.00%
T ROWE PRICE RETIRE 2050 R	52-1151266	0.65% x assets	1.26%	0.00%
T. ROWE PRICE RETIRE 2010 R	52-1151266	0.65% x assets	1.11%	0.00%
T. ROWE PRICE RETIRE 2020 R	52-1151266	0.65% x assets	1.19%	0.00%
T. ROWE PRICE RETIRE 2030 R	52-1151266	0.65% x assets	1.24%	0.00%

<i>Investment Option Name</i>	<i>EIN</i>	<i>Revenue Sharing Rate (%) Paid to The Hartford (rates as of 12/31/2011)</i>	<i>Underlying Fund Gross Expense Ratio as of the Fund's Year End*</i>	<i>Separate Account Charge **</i>
T. ROWE PRICE RETIRE 2040 R	52-1151266	0.65% x assets	1.26%	0.00%
T. ROWE PRICE RETIRE INCOME R	52-1151266	0.65% x assets	1.06%	0.00%
THE HARTFORD CAP APPRECIATION R5	22-2937447	0.25% x assets	0.80%	0.00%
UNALLOCATED GENERAL ACCOUNT	NA ¹		0.00%	0.00%

¹ At the time this report was generated this information was not available.

Under the variable investment options available through your plan's group annuity contract or funding agreement, contract values are invested in Hartford Life Insurance Company separate accounts that, in turn, invest in underlying registered investment companies (i.e., mutual funds) and collective investment funds.

The list includes any investment option held by the plan on at least one month end during the 2011 calendar year. To arrive at an estimate of the dollar amount that Hartford received from each investment option, multiply the rate of fees received from each investment option by your plan's year-end balance (or if the investment option was liquidated prior to year end, the balance on the liquidation date) and, if applicable, the per participant fee by the number of participants in the investment option at year end (or the liquidation date if earlier). This will be an estimate because your plan's balance and number of participants will vary over the course of the year, so the year-end balance and number of participants may be higher or lower than the daily balance. In addition, these fees are calculated on a daily basis.

* This amount is the sum of the fund's distribution, management and other fees, which are also identified in the fund's prospectus. Please note that affiliates of Hartford Life Insurance Company act as advisor to the Hartford funds. Such affiliates are identified in the fund's prospectus and receive management fees in the following amounts:

Hartford Advisers HLS IB	0.61% x assets
Hartford Capital Appreciation R5	0.65% x assets
Hartford Dividend & Growth HLS IB	0.64% x assets
Hartford Small Company HLS IB	0.69% x assets
Hartford Stock HLS IB	0.47% x assets
Hartford Total Return Bond HLS IB	0.46% x assets

****Separate Account Charge**

[see fund chart]% per annum of the daily Sub-Account values (pursuant to the group annuity contract or funding agreement)

Hartford Life Insurance Company Separate Accounts, 200 Hopmeadow Road, Simsbury, CT 06089

Recipient: INVEST FIN CORP INS AGENCY INC OF IL EIN: 36-3325488

Service Codes:

Please contact your Service Provider for the list of applicable services performed and Service Codes.

Direct Compensation **\$0.00**

Our records indicate that this recipient did not receive any Direct Compensation. Please review your records to determine whether this service provider may have received any compensation not reported.

Indirect Compensation

* **Sales commission** Payor: Hartford Life Insurance Company EIN: 06-0974148 **\$32,086.28**

* *Sales Commissions are reported on a Plan Year basis.*

Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. Hartford's Code of Ethics and Business Conduct generally restricts Hartford employees from giving to or receiving gifts from customers and/or business partners having a value of over \$100, in any individual situation, without prior approval. However, it is possible that one or more of your service providers for the 2011 calendar year, including Hartford, engaged in transactions generating nonmonetary compensation. Information concerning reportable transactions undertaken between or among non-Hartford parties may not be available to The Hartford.

Please consult with your legal or tax advisors if you have any questions.

Recipient: Morningstar Associates, LLC EIN: 36-4317381

Service Code: 49

Indirect Compensation

"Managed by You" services fee Payor: Hartford Life Insurance Company EIN: 06-0974148 **\$43.60**

This is an estimate determined by dividing a flat annual fee paid to Morningstar by the number of plans to whom this feature is made available.

Recipient: Mesirow Financial Investment Management, Inc. EIN: 36-3429599

Indirect Compensation

Annual fee and basis point fee for Mesirow plan fiduciary service **\$30.58**
Service code: 27

Payor: Hartford Life Insurance Company EIN: 06-0974148

This is an estimate based on the annual flat fee plus the basis point fee paid to Mesirow divided by the number of plans using this feature.

Annual platform package fee ("Model My Goals") **\$25.42**
Service code: 49

Payor: Hartford Life Insurance Company EIN: 06-0974148

This is an estimate based on the annual platform package fee paid to Mesirow divided by the number of plans using this feature.

Direct Revenue Detail

Recipient: *Hartford Life Insurance Company*

<u>Fee Description</u>	<u>Dollar Amount</u>
Participant Fee	\$17,981.93
Loan Set-up Fee	\$4,800.00
Loan Administration Fee	\$2,464.00
Total Direct Revenue:	<hr/> \$25,245.93
 Grand Total Direct Fees:	 <hr/> \$25,245.93

Linc Government Services 401(k) Plan
Report on Limited Scope Audit of Financial Statements
And Supplemental Data
December 31, 2011 and 2010
EIN # 61-1198480



CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1
Statements of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4 - 12
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	13
Schedule H, Line 4j - Schedule of Reportable Transactions	14



Independent Auditors' Report

To the Trustees
Linc Government Services 401(k) Plan
Hopkinsville, Kentucky

We were engaged to audit the accompanying statement of net assets available for benefits of Linc Government Services 401(k) Plan as of December 31, 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedules of (1) Schedule H, Line 4i – Schedule of Assets, and (2) Schedule H, Line 4j – Schedule of Reportable Transactions as of or for the year ended December 31, 2011. These financial statements and supplemental 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 Notes 3 and 4, which was certified by The Hartford Life Insurance Company., the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2011 and for the year ended December 31, 2011, that the information provided to the plan administrator by the custodian is complete and accurate.

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

Owensboro, Kentucky
September 14, 2012

Linc Government Services 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Investments, at fair value	\$ 11,943,486	\$ 12,989,737
Receivables:		
Participant loans	<u>691,155</u>	<u>576,109</u>
Total assets	<u>12,634,641</u>	<u>13,565,846</u>
<u>LIABILITIES</u>		
Total liabilities	<u>-</u>	<u>-</u>
Net Assets Available for Benefits	<u><u>\$ 12,634,641</u></u>	<u><u>\$ 13,565,846</u></u>

The accompanying notes are an integral part of these financial statements.

Linc Government Services 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
December 31, 2011

	<u>2011</u>
Additions:	
Additions to net assets attributed to	
Investment Income:	
Net depreciation in fair value of investments	\$ (182)
Contributions:	
Participant	798,636
Employer	1,723,976
Rollover contributions	165,418
Participant loan interest	<u>29,435</u>
Total additions	<u>2,717,283</u>
Deductions:	
Deductions from net assets attributed to:	
Benefits paid to participants	3,619,174
Administrative fees	25,246
Fofeitures	<u>4,068</u>
Total deductions	<u>3,648,488</u>
Net increase	(931,205)
Net assets available for plan benefits:	
Beginning of year	<u>13,565,846</u>
End of year	<u><u>\$ 12,634,641</u></u>

The accompanying notes are an integral part of these financial statements.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 - DESCRIPTION OF PLAN:

The following brief description of the Linc Government Services 401(k) Plan (The Plan) is provided for general informational purposes only. Participants should refer to the Summary Plan Description or the Plan Document for more complete information. Effective January 1, 2009, the LINC Group, LLC, the Plan Sponsor, merged similar retirement plans of related companies, the Ferguson-Williams Retirement Plan and the Operational Support and Services Plan into the Linc Government Services 401(k) Plan. All participate in the Linc Government Services 401(k) Plan.

General:

LINC Government Services, LLC provides its employees a defined contribution plan under code section 401(K) of the Internal Revenue Code. The Plan has three components. The first is an employee salary deferral option. The second is a discretionary employer matching option on employee salary deferrals. The third is a discretionary employer profit sharing component. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). An employee who is at least eighteen years of age is eligible to participate immediately following the date of hire.

Contributions:

Each year, participants may contribute 1% to 75% of pretax salary up to a maximum of \$16,500 in the current year. Participants may also contribute rollover or transfer amounts representing distributions from other qualified defined benefit or contribution plans. The Company has the option to make discretionary matching contributions in an amount or percentage up to the first 6% deferred under the participant's salary deferral. Additional amounts may be contributed at the option of the Company's board of directors. Contributions are subject to certain limitations.

Participant Accounts:

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

Vesting:

Participants are immediately vested in their voluntary contributions plus actual earnings thereon.

Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on the schedule presented below:

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

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options:

Upon enrollment in the Plan, a participant may direct contributions in any of the following mutual fund investment options provided by the Hartford Life and Insurance Company.

- Hartford Bond Fund HLS:

This fund is designed for investors looking for the opportunity of monthly income and growth of assets. The Fund seeks a high level of current income, consistent with a competitive total return, as compared to bond funds with similar investment objectives and policies, by investing primarily in debt securities.

- Hartford Small Company HLS:

The Fund seeks growth of capital by investing primarily in stocks selected on the basis of potential for capital appreciation. The Fund normally invests in stocks of companies with market capitalization within the range represented by the Russell 2000 Index.

- Investment Company of America:

The fund's objective is to provide current income and, secondarily, growth of capital through a flexible mix of equity and debt instruments.

- New Perspective:

This fund is primarily designed for investors seeking capital appreciation through stocks. The secondary objective of this fund is to provide long-term income.

- Hartford Capital Appreciation HLS:

This fund seeks growth of capital by investing in companies of all sizes based solely on the potential for capital appreciation by employing a bottom-up approach to investing.

- American Balanced Fund:

This fund consists of a balanced mix of equity and income producing securities. This fund invests in companies demonstrating a history of solid earnings, strong cash flows, and shareholder oriented management.

- Fundamental Investors:

This fund seeks to provide long term growth of capital and income primarily via investments in common stocks. The fund seeks undervalued and overlooked opportunities for the potential long-term growth.

- Hartford Dividend & Growth HLS:

The fund seeks a high level of current income consistent with growth of capital by investing primarily in stocks.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- The Bond Fund of America:

This fund seeks to provide a high level of current income as consistent with preservation of capital. This fund invests in corporate debt securities as well as United States and other government securities.

- Washington Mutual Investment:

This relatively conservative fund invests only in common stocks that have paid dividends in nine of the most recent 10 years. Its objectives are to hold for the long-term for the possibility of generating capital gains.

- Lord Abbet Bond Debenture:

This fund seeks current income and the opportunity for capital appreciation, intending to produce a high rate of return. This fund normally invests in high-yield and investment grade debt securities, securities convertible into common stock, and preferred stocks.

- Hartford Fixed Account:

The Money Market Sub-Account seeks maximum current income consistent with liquidity and preservation of capital.

- The New Economy Fund:

This fund seeks to provide long-term growth of capital via investing in service and information industries in the United States as well as around the world. Investments consist of primarily companies tied to the global economy in the areas of telecommunications, computer systems, software, broadcasting, financial services, and health care.

- Hartford Stock HLS:

The fund seeks long-term growth of capital, with income as a secondary consideration, by investing primarily in stocks of high quality growth companies.

- Pimco Total Return Fund:

This fund seeks maximum return and preservation of capital and prudent investment management.

- Franklin Small Cap Value Fund:

The fund's managers invest at least 80% of the fund's net assets in securities of mid-capitalization companies (defined as those similar in size to the Russell MidCap Index at the time of purchase) they believe are currently undervalued and have the potential for capital appreciation.

- Investco Real Estate Fund:

Investco Real Estate Fund. Investco Real Estate Fund's investment objective is high total return through growth of capital and current income.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- T. Rowe Price Investment Fund:

The fund generally looks for companies with an above-average rate of earnings and cash flow growth and a lucrative niche in the economy that gives them the ability to sustain earnings momentum even during times of slow economic growth.

- T. Rowe Price 2010, 2020, 2030, 2040 and 2050 Funds:

These funds seek the highest total return over time consistent with an emphasis on both capital growth and income. The fund invests in a set of underlying T. Rowe Price mutual funds representing various asset classes and sectors. Allocations between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The funds invest assets in stock funds and in fixed-income funds, based on the above targeted retirement date of each of the above funds.

- American Century Vista Fund:

The investment seeks long-term capital growth. The fund primarily invests in companies that management believes will increase in value over time. It normally invests in companies that are medium-sized and smaller at the time of purchase, although it may purchase companies of any size. The fund may also purchase domestic and foreign preferred stocks, convertible debt securities, equity-equivalent securities, non-leveraged stock index futures contracts and options, notes, bonds and other debt securities. It may invest in securities of foreign companies, including companies located in emerging markets.

- Columbia Mid Cap Value Fund:

The fund normally invests at least 80% of net assets in equity securities of companies that have market capitalizations in the range of the companies in the Russell Midcap Value index at the time of purchase, that the Advisor believes are undervalued and have the potential for long-term growth. It may invest up to 20% of total assets in foreign securities. The fund also may invest in real estate investment trusts.

- Franklin Templeton Growth Allocation A:

The investment seeks the highest level of long-term total return. The fund is a "fund of funds" meaning that it seeks to achieve its investment goal by investing its assets in other mutual funds, predominately other Franklin Templeton mutual funds (underlying funds). The investment manager uses the following as a general guide in allocating the fund's assets among the broad asset classes. These percentages may be changed from time to time by the fund's investment manager without the approval of shareholders, and may vary up to 5% from the stated allocations: 5% short-term investments; 80% equity funds; and 15% fixed-income funds.

- Franklin Templeton Moderate Allocation A:

The manager allocates each Fund's assets among the broad asset classes of equity, fixed-income and short-term (money market) investments by investing in a distinctly-weighted combination of Franklin Templeton mutual funds (underlying funds).

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- Invesco Small Capital Equity A:

This investment vehicle seeks capital appreciation. The fund normally invests at least 80% of assets in equity securities (see equity research) of small-sized growth companies. A small-sized company is defined as having a market value of under \$2.5 billion at the time of purchase. The Advisor seeks to purchase securities that the Adviser expects could increase in value 50% within two years.

- Alger Capital Appreciation Institutional I:

The investment seeks long-term capital appreciation. The fund normally invests at least 85% of its net assets, plus any borrowings for investment purposes, in equity securities of companies of any market capitalization that Fred Alger Management, Inc. believes demonstrate promising growth potential. It can leverage, that is, borrow money to buy additional securities. The fund can also invest in derivative instruments.

- Lord Abbett Developing Growth A:

The goal of this Fund is long-term growth of capital through investing in stocks of small companies. This Fund seeks well-run companies that have above-average earnings growth and are gaining market share in their respective industries.

- RidgeWorth Midcap Value Equity A:

The investment seeks capital appreciation; current income is secondary. The fund invests at least 80% of net assets (plus any borrowings for investment purposes) in U.S. traded equity securities of mid cap companies. U.S. traded equity securities may include American Depositary Receipts ("ADRs"). It targets companies with market capitalizations similar to those of companies in the Russell Midcap® Value Index.

- Lord Abbett Growth Opportunities A:

The goal of this Fund is long-term growth of capital through investing in stocks of mid-sized U.S. companies. This Fund seeks companies with strong relative growth prospects that we believe are well positioned to prosper in the anticipated economic environment.

Participants may change their investment options at anytime.

Participant Loans Receivable:

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of 50% of their vested salary deferral account. In order for a participant to borrow from his or her account, they must have a minimum of \$2,000 in their salary deferral account. Loans are not permitted from either the employer discretionary matching account or the employer discretionary profit sharing accounts. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loan terms range from one to five years. The loans are secured by the balance in the participant's account and bear an interest rate of 2 percent over prime. Principal and interest are paid through a weekly, bi-weekly, or semi-monthly payroll deduction. In the event of termination, retirement, or disability, the outstanding balance will be due 90 days from the date of termination, retirement, or disability. If not repaid, the loan will be treated as a taxable distribution.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Payment of Benefits:

Benefits are payable upon the occurrence of any of the following events:

- (1) Attainment of normal retirement age (age 65); attainment of early retirement age (age 59) and completion of years of service and retiring;
- (2) Death while employed by the employer;
- (3) Disability, when it is determined that an employee is totally and permanently disabled;
- (4) Termination of employment after satisfying the vesting requirements; and
- (5) Termination of the Plan;
- (6) Hardship withdrawals from participant deferral accounts are allowed only if one of the following criteria are met: payment for medical expenses, purchase of primary residence, payment of tuition and educational fees for post secondary education, and payments to prevent eviction and/or foreclosure on the mortgage of your primary residence.

On termination of service due to death, disability, retirement, or voluntary separation, a participant or beneficiary will receive a single lump sum cash payment equal to the vested value of the participant's account.

Forfeited Accounts:

Forfeited account balances are recognized at the end of the plan year in which the employee incurs a break in service or upon distribution of the entire vested account balance. Forfeited matching account balances are to be used to reduce the Employers current or future matching contributions. Amounts forfeited for the year ending December 31, 2011 and 2010 were \$4,068 and \$0, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements of the Plan are prepared using the accrual basis of accounting.

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:

The Plan's investments are stated at fair value except for its investment contracts, which are valued at contract value (Note 3). Quoted market prices are used to value investments. In accordance with the policy of stating investments at market value, net unrealized appreciation or depreciation for the year is reflected in the Statement of Changes in Net Assets Available for Benefits. Sales and purchases of securities are reflected on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Gains or losses are recognized on the date the investment is sold.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Payment of Benefits:

Benefits are recorded when paid.

NOTE 3 - INVESTMENTS:

The Plan's investments are held in a life insurance company administered trust fund.

During 2011 and 2010, the Plans investments, including investments bought, sold, and held during the year appreciated (depreciated) in value by (\$182) and \$1,415,708, respectively.

Investments which comprised more than five percent (5%) of plan assets as of December 31, 2011 and 2010 were:

2011	2010
Hartford Dividend & Growth HLS	Growth Fund of America
Hartford Fixed Account	New Perspective
Pimco Total Return	Hartford Capital Appreciation HLS
Alger Capital App Institutional I	Hartford Dividend & Growth HLS
	Hartford Fixed Account

NOTE 4 - FAIR VALUE MEASUREMENT:

Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements, establishes a framework for measuring fair values. That framework provides a fair value hierarchy that prioritizes inputs to fair value 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 Measurement) and the lowest priority to unobservable inputs (Level 3 Measurement) The three levels of fair value hierarchy are as follows under the standard:

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

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

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

Linc Government Services 401(k) Plan
Notes to Financial Statements

NOTE 4 - FAIR VALUE MEASUREMENT, CONTINUED:

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

Mutual funds: Valued at the net asset value of shares held by the Plan as of the year end.

Participant loans: Valued at the amortized cost, which approximates fair value.

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 Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

2011				
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Mutual funds	11,943,486	-	-	11,943,486
Total assets at fair value	<u>\$ 11,943,486</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,943,486</u>
2010				
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 372	\$ -	\$ -	\$ 372
Mutual funds	12,989,365	-	-	12,989,365
Total assets at fair value	<u>\$ 12,989,737</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,989,737</u>

NOTE 5 - TAX STATUS:

The Internal Revenue Service has determined and informed LINC Government Services, LLC by a favorable determination letter dated April 21, 1997, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC).

NOTE 6 - CERTIFIED INFORMATION BY TRUSTEE:

The Hartford Life Insurance Company was the custodian of the Plan at December 31, 2011 and held substantially all of the Plan's investment assets effective as of and executed transactions therein. Financial information relating to those assets is included in the accompanying financial statements and schedules based upon information provided by Hartford Life Insurance Company as of December 31, 2011 and 2010.

NOTE 7 - PLAN TERMINATION:

Although it has not expressed intent to do so, the Company has the right, under the Plan, to discontinue or terminate the Plan at any time, subject to the provisions of Employee Retirement Income Security Act (ERISA). In the event of Plan termination, participants will become 100 percent vested in their accounts.

Linc Government Services 401(k) Plan
Notes to Financial Statements

NOTE 8 - ADMINISTRATIVE EXPENSE:

The Plan allows for the administrative expenses to be paid out of the Plan. Administrative expenses absorbed by the plan were \$25,246 for the year ended December 31, 2011 and \$27,176 for 2010.

NOTE 9 - AMOUNTS ALLOCATED TO TERMINATED PARTICIPANTS:

Amounts allocated to individuals who had withdrawn from the Plan but had not received their distributions as of December 31, 2011 and 2010 was \$532,570 and \$693,343

NOTE 10 - RECONCILIATION TO FORM 5500:

Certain amounts on the Form 5500 may differ due to participant loans receipts and disbursements being reflected at net in the Statement of Changes in Net Assets Available for Benefits at December 31, 2011 and 2010, and reported at gross amounts in the corresponding tax return.

NOTE 11 - RISKS AND UNCERTAINTIES:

The Plan invests in certain mutual funds offered by The Hartford. These securities are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of certain investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of net assets available for benefits.

NOTE 12 - SUBSEQUENT EVENTS:

In accordance with ASC Topic 855, the Plan evaluated subsequent events through September 14, 2012, the date these financial statements were issued. There have been no subsequent events that required recognition or additional disclosure in these financial statements.

Linc Government Services 401(k) Plan
Schedule H Line 4j – Schedule of Reportable Transactions
December 31, 2011
EIN # 61-1198480

The Plan had no reportable transactions for the year ended December 31, 2011.

Linc Government Services 401(k) Plan
Schedule H Line 4i – Schedule of Assets Held for Investment Purposes
December 31, 2011
EIN # 61-1198480

(b)	(c)	(e)
Identity of Issuer	Description of Investments	Market Value
Hartford Bond HLS	Other Investments	\$ 1
Hartford Small Companies HLS	Other Investments	84
Investment Company of America	Other Investments	282,790
Growth Fund of America	Other Investments	698
New Perspective	Other Investments	677,590
Hartford Capital Appreciation HLS	Other Investments	587,080
American Balanced	Other Investments	3
Fundamental Investors	Other Investments	402,016
Hartford Dividend & Growth HLS	Other Investments	857,072
Bond Fund of America	Other Investments	1
Washington Mutual	Other Investments	362,587
Lord Abbet Bond Debenture	Other Investments	253,060
Hartford Fixed Account	Other Investments	3,563,984
The New Economy	Other Investments	179,620
Hartford Stock HLS	Other Investments	35,837
Pimco Total Return	Other Investments	1,523,385
Frankling Small Cap Value	Other Investments	120,093
Ivestco Real Real Estate A	Other Investments	168,025
T. Rowe Price Retirement, Inc.	Other Investments	53,886
T. Rowe Price Retirement 2010	Other Investments	201,982
T. Rowe Price Retirement 2020	Other Investments	228,545
T. Rowe Price Retirement 2030	Other Investments	145,516
T. Rowe Price Retirement 2040	Other Investments	90,133
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American Century Vista	Other Investments	118
Columbia Mid Cap Value	Other Investments	123
Franklin Templeton Growth Allocation A	Other Investments	261,753
Franklin Templeton Model Allocation A	Other Investments	336,270
Invesco Small Capital Equity A	Other Investments	175,797
Alger Capital App Institutional I	Other Investments	745,664
Lord Abbett Developing Growth A	Other Investments	472,541
RidgeWorth Midcap Value Equity A	Other Investments	93,485
Lord Abbett Growth Opps A	Other Investments	101,241
Participant Notes Receivable	Other Investments	691,155
		<u>\$ 12,634,641</u>

Linc Government Services 401(k) Plan
Report on Limited Scope Audit of Financial Statements
And Supplemental Data
December 31, 2011 and 2010
EIN # 61-1198480



CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1
Statements of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4 - 12
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	13
Schedule H, Line 4j - Schedule of Reportable Transactions	14



Independent Auditors' Report

To the Trustees
Linc Government Services 401(k) Plan
Hopkinsville, Kentucky

We were engaged to audit the accompanying statement of net assets available for benefits of Linc Government Services 401(k) Plan as of December 31, 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedules of (1) Schedule H, Line 4i – Schedule of Assets, and (2) Schedule H, Line 4j – Schedule of Reportable Transactions as of or for the year ended December 31, 2011. These financial statements and supplemental 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 Notes 3 and 4, which was certified by The Hartford Life Insurance Company., the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2011 and for the year ended December 31, 2011, that the information provided to the plan administrator by the custodian is complete and accurate.

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

Owensboro, Kentucky
September 14, 2012

Linc Government Services 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Investments, at fair value	\$ 11,943,486	\$ 12,989,737
Receivables:		
Participant loans	<u>691,155</u>	<u>576,109</u>
Total assets	<u>12,634,641</u>	<u>13,565,846</u>
<u>LIABILITIES</u>		
Total liabilities	<u>-</u>	<u>-</u>
Net Assets Available for Benefits	<u><u>\$ 12,634,641</u></u>	<u><u>\$ 13,565,846</u></u>

The accompanying notes are an integral part of these financial statements.

Linc Government Services 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
December 31, 2011

	<u>2011</u>
Additions:	
Additions to net assets attributed to	
Investment Income:	
Net depreciation in fair value of investments	\$ (182)
Contributions:	
Participant	798,636
Employer	1,723,976
Rollover contributions	165,418
Participant loan interest	<u>29,435</u>
Total additions	<u>2,717,283</u>
Deductions:	
Deductions from net assets attributed to:	
Benefits paid to participants	3,619,174
Administrative fees	25,246
Fofeitures	<u>4,068</u>
Total deductions	<u>3,648,488</u>
Net increase	(931,205)
Net assets available for plan benefits:	
Beginning of year	<u>13,565,846</u>
End of year	<u><u>\$ 12,634,641</u></u>

The accompanying notes are an integral part of these financial statements.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 - DESCRIPTION OF PLAN:

The following brief description of the Linc Government Services 401(k) Plan (The Plan) is provided for general informational purposes only. Participants should refer to the Summary Plan Description or the Plan Document for more complete information. Effective January 1, 2009, the LINC Group, LLC, the Plan Sponsor, merged similar retirement plans of related companies, the Ferguson-Williams Retirement Plan and the Operational Support and Services Plan into the Linc Government Services 401(k) Plan. All participate in the Linc Government Services 401(k) Plan.

General:

LINC Government Services, LLC provides its employees a defined contribution plan under code section 401(K) of the Internal Revenue Code. The Plan has three components. The first is an employee salary deferral option. The second is a discretionary employer matching option on employee salary deferrals. The third is a discretionary employer profit sharing component. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). An employee who is at least eighteen years of age is eligible to participate immediately following the date of hire.

Contributions:

Each year, participants may contribute 1% to 75% of pretax salary up to a maximum of \$16,500 in the current year. Participants may also contribute rollover or transfer amounts representing distributions from other qualified defined benefit or contribution plans. The Company has the option to make discretionary matching contributions in an amount or percentage up to the first 6% deferred under the participant's salary deferral. Additional amounts may be contributed at the option of the Company's board of directors. Contributions are subject to certain limitations.

Participant Accounts:

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

Vesting:

Participants are immediately vested in their voluntary contributions plus actual earnings thereon.

Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on the schedule presented below:

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

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options:

Upon enrollment in the Plan, a participant may direct contributions in any of the following mutual fund investment options provided by the Hartford Life and Insurance Company.

- Hartford Bond Fund HLS:

This fund is designed for investors looking for the opportunity of monthly income and growth of assets. The Fund seeks a high level of current income, consistent with a competitive total return, as compared to bond funds with similar investment objectives and policies, by investing primarily in debt securities.

- Hartford Small Company HLS:

The Fund seeks growth of capital by investing primarily in stocks selected on the basis of potential for capital appreciation. The Fund normally invests in stocks of companies with market capitalization within the range represented by the Russell 2000 Index.

- Investment Company of America:

The fund's objective is to provide current income and, secondarily, growth of capital through a flexible mix of equity and debt instruments.

- New Perspective:

This fund is primarily designed for investors seeking capital appreciation through stocks. The secondary objective of this fund is to provide long-term income.

- Hartford Capital Appreciation HLS:

This fund seeks growth of capital by investing in companies of all sizes based solely on the potential for capital appreciation by employing a bottom-up approach to investing.

- American Balanced Fund:

This fund consists of a balanced mix of equity and income producing securities. This fund invests in companies demonstrating a history of solid earnings, strong cash flows, and shareholder oriented management.

- Fundamental Investors:

This fund seeks to provide long term growth of capital and income primarily via investments in common stocks. The fund seeks undervalued and overlooked opportunities for the potential long-term growth.

- Hartford Dividend & Growth HLS:

The fund seeks a high level of current income consistent with growth of capital by investing primarily in stocks.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- The Bond Fund of America:

This fund seeks to provide a high level of current income as consistent with preservation of capital. This fund invests in corporate debt securities as well as United States and other government securities.

- Washington Mutual Investment:

This relatively conservative fund invests only in common stocks that have paid dividends in nine of the most recent 10 years. Its objectives are to hold for the long-term for the possibility of generating capital gains.

- Lord Abbet Bond Debenture:

This fund seeks current income and the opportunity for capital appreciation, intending to produce a high rate of return. This fund normally invests in high-yield and investment grade debt securities, securities convertible into common stock, and preferred stocks.

- Hartford Fixed Account:

The Money Market Sub-Account seeks maximum current income consistent with liquidity and preservation of capital.

- The New Economy Fund:

This fund seeks to provide long-term growth of capital via investing in service and information industries in the United States as well as around the world. Investments consist of primarily companies tied to the global economy in the areas of telecommunications, computer systems, software, broadcasting, financial services, and health care.

- Hartford Stock HLS:

The fund seeks long-term growth of capital, with income as a secondary consideration, by investing primarily in stocks of high quality growth companies.

- Pimco Total Return Fund:

This fund seeks maximum return and preservation of capital and prudent investment management.

- Franklin Small Cap Value Fund:

The fund's managers invest at least 80% of the fund's net assets in securities of mid-capitalization companies (defined as those similar in size to the Russell MidCap Index at the time of purchase) they believe are currently undervalued and have the potential for capital appreciation.

- Investco Real Estate Fund:

Investco Real Estate Fund. Investco Real Estate Fund's investment objective is high total return through growth of capital and current income.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- T. Rowe Price Investment Fund:

The fund generally looks for companies with an above-average rate of earnings and cash flow growth and a lucrative niche in the economy that gives them the ability to sustain earnings momentum even during times of slow economic growth.

- T. Rowe Price 2010, 2020, 2030, 2040 and 2050 Funds:

These funds seek the highest total return over time consistent with an emphasis on both capital growth and income. The fund invests in a set of underlying T. Rowe Price mutual funds representing various asset classes and sectors. Allocations between T. Rowe Price stock and bond funds will change over time in relation to its target retirement date. The funds invest assets in stock funds and in fixed-income funds, based on the above targeted retirement date of each of the above funds.

- American Century Vista Fund:

The investment seeks long-term capital growth. The fund primarily invests in companies that management believes will increase in value over time. It normally invests in companies that are medium-sized and smaller at the time of purchase, although it may purchase companies of any size. The fund may also purchase domestic and foreign preferred stocks, convertible debt securities, equity-equivalent securities, non-leveraged stock index futures contracts and options, notes, bonds and other debt securities. It may invest in securities of foreign companies, including companies located in emerging markets.

- Columbia Mid Cap Value Fund:

The fund normally invests at least 80% of net assets in equity securities of companies that have market capitalizations in the range of the companies in the Russell Midcap Value index at the time of purchase, that the Advisor believes are undervalued and have the potential for long-term growth. It may invest up to 20% of total assets in foreign securities. The fund also may invest in real estate investment trusts.

- Franklin Templeton Growth Allocation A:

The investment seeks the highest level of long-term total return. The fund is a "fund of funds" meaning that it seeks to achieve its investment goal by investing its assets in other mutual funds, predominately other Franklin Templeton mutual funds (underlying funds). The investment manager uses the following as a general guide in allocating the fund's assets among the broad asset classes. These percentages may be changed from time to time by the fund's investment manager without the approval of shareholders, and may vary up to 5% from the stated allocations: 5% short-term investments; 80% equity funds; and 15% fixed-income funds.

- Franklin Templeton Moderate Allocation A:

The manager allocates each Fund's assets among the broad asset classes of equity, fixed-income and short-term (money market) investments by investing in a distinctly-weighted combination of Franklin Templeton mutual funds (underlying funds).

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Investment Options, continued:

- Invesco Small Capital Equity A:

This investment vehicle seeks capital appreciation. The fund normally invests at least 80% of assets in equity securities (see equity research) of small-sized growth companies. A small-sized company is defined as having a market value of under \$2.5 billion at the time of purchase. The Advisor seeks to purchase securities that the Adviser expects could increase in value 50% within two years.

- Alger Capital Appreciation Institutional I:

The investment seeks long-term capital appreciation. The fund normally invests at least 85% of its net assets, plus any borrowings for investment purposes, in equity securities of companies of any market capitalization that Fred Alger Management, Inc. believes demonstrate promising growth potential. It can leverage, that is, borrow money to buy additional securities. The fund can also invest in derivative instruments.

- Lord Abbett Developing Growth A:

The goal of this Fund is long-term growth of capital through investing in stocks of small companies. This Fund seeks well-run companies that have above-average earnings growth and are gaining market share in their respective industries.

- RidgeWorth Midcap Value Equity A:

The investment seeks capital appreciation; current income is secondary. The fund invests at least 80% of net assets (plus any borrowings for investment purposes) in U.S. traded equity securities of mid cap companies. U.S. traded equity securities may include American Depositary Receipts ("ADRs"). It targets companies with market capitalizations similar to those of companies in the Russell Midcap® Value Index.

- Lord Abbett Growth Opportunities A:

The goal of this Fund is long-term growth of capital through investing in stocks of mid-sized U.S. companies. This Fund seeks companies with strong relative growth prospects that we believe are well positioned to prosper in the anticipated economic environment.

Participants may change their investment options at anytime.

Participant Loans Receivable:

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of 50% of their vested salary deferral account. In order for a participant to borrow from his or her account, they must have a minimum of \$2,000 in their salary deferral account. Loans are not permitted from either the employer discretionary matching account or the employer discretionary profit sharing accounts. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loan terms range from one to five years. The loans are secured by the balance in the participant's account and bear an interest rate of 2 percent over prime. Principal and interest are paid through a weekly, bi-weekly, or semi-monthly payroll deduction. In the event of termination, retirement, or disability, the outstanding balance will be due 90 days from the date of termination, retirement, or disability. If not repaid, the loan will be treated as a taxable distribution.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 1 – DESCRIPTION OF PLAN, CONTINUED:

Payment of Benefits:

Benefits are payable upon the occurrence of any of the following events:

- (1) Attainment of normal retirement age (age 65); attainment of early retirement age (age 59) and completion of years of service and retiring;
- (2) Death while employed by the employer;
- (3) Disability, when it is determined that an employee is totally and permanently disabled;
- (4) Termination of employment after satisfying the vesting requirements; and
- (5) Termination of the Plan;
- (6) Hardship withdrawals from participant deferral accounts are allowed only if one of the following criteria are met: payment for medical expenses, purchase of primary residence, payment of tuition and educational fees for post secondary education, and payments to prevent eviction and/or foreclosure on the mortgage of your primary residence.

On termination of service due to death, disability, retirement, or voluntary separation, a participant or beneficiary will receive a single lump sum cash payment equal to the vested value of the participant's account.

Forfeited Accounts:

Forfeited account balances are recognized at the end of the plan year in which the employee incurs a break in service or upon distribution of the entire vested account balance. Forfeited matching account balances are to be used to reduce the Employers current or future matching contributions. Amounts forfeited for the year ending December 31, 2011 and 2010 were \$4,068 and \$0, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements of the Plan are prepared using the accrual basis of accounting.

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:

The Plan's investments are stated at fair value except for its investment contracts, which are valued at contract value (Note 3). Quoted market prices are used to value investments. In accordance with the policy of stating investments at market value, net unrealized appreciation or depreciation for the year is reflected in the Statement of Changes in Net Assets Available for Benefits. Sales and purchases of securities are reflected on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Gains or losses are recognized on the date the investment is sold.

**Linc Government Services 401(k) Plan
Notes to Financial Statements**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Payment of Benefits:

Benefits are recorded when paid.

NOTE 3 - INVESTMENTS:

The Plan's investments are held in a life insurance company administered trust fund.

During 2011 and 2010, the Plans investments, including investments bought, sold, and held during the year appreciated (depreciated) in value by (\$182) and \$1,415,708, respectively.

Investments which comprised more than five percent (5%) of plan assets as of December 31, 2011 and 2010 were:

2011	2010
Hartford Dividend & Growth HLS	Growth Fund of America
Hartford Fixed Account	New Perspective
Pimco Total Return	Hartford Capital Appreciation HLS
Alger Capital App Institutional I	Hartford Dividend & Growth HLS
	Hartford Fixed Account

NOTE 4 - FAIR VALUE MEASUREMENT:

Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements, establishes a framework for measuring fair values. That framework provides a fair value hierarchy that prioritizes inputs to fair value 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 Measurement) and the lowest priority to unobservable inputs (Level 3 Measurement) The three levels of fair value hierarchy are as follows under the standard:

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

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

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

Linc Government Services 401(k) Plan
Notes to Financial Statements

NOTE 4 - FAIR VALUE MEASUREMENT, CONTINUED:

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

Mutual funds: Valued at the net asset value of shares held by the Plan as of the year end.

Participant loans: Valued at the amortized cost, which approximates fair value.

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 Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

2011				
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Mutual funds	11,943,486	-	-	11,943,486
Total assets at fair value	<u>\$ 11,943,486</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,943,486</u>
2010				
	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 372	\$ -	\$ -	\$ 372
Mutual funds	12,989,365	-	-	12,989,365
Total assets at fair value	<u>\$ 12,989,737</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,989,737</u>

NOTE 5 - TAX STATUS:

The Internal Revenue Service has determined and informed LINC Government Services, LLC by a favorable determination letter dated April 21, 1997, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC).

NOTE 6 - CERTIFIED INFORMATION BY TRUSTEE:

The Hartford Life Insurance Company was the custodian of the Plan at December 31, 2011 and held substantially all of the Plan's investment assets effective as of and executed transactions therein. Financial information relating to those assets is included in the accompanying financial statements and schedules based upon information provided by Hartford Life Insurance Company as of December 31, 2011 and 2010.

NOTE 7 - PLAN TERMINATION:

Although it has not expressed intent to do so, the Company has the right, under the Plan, to discontinue or terminate the Plan at any time, subject to the provisions of Employee Retirement Income Security Act (ERISA). In the event of Plan termination, participants will become 100 percent vested in their accounts.

Linc Government Services 401(k) Plan
Notes to Financial Statements

NOTE 8 - ADMINISTRATIVE EXPENSE:

The Plan allows for the administrative expenses to be paid out of the Plan. Administrative expenses absorbed by the plan were \$25,246 for the year ended December 31, 2011 and \$27,176 for 2010.

NOTE 9 - AMOUNTS ALLOCATED TO TERMINATED PARTICIPANTS:

Amounts allocated to individuals who had withdrawn from the Plan but had not received their distributions as of December 31, 2011 and 2010 was \$532,570 and \$693,343

NOTE 10 - RECONCILIATION TO FORM 5500:

Certain amounts on the Form 5500 may differ due to participant loans receipts and disbursements being reflected at net in the Statement of Changes in Net Assets Available for Benefits at December 31, 2011 and 2010, and reported at gross amounts in the corresponding tax return.

NOTE 11 - RISKS AND UNCERTAINTIES:

The Plan invests in certain mutual funds offered by The Hartford. These securities are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of certain investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of net assets available for benefits.

NOTE 12 - SUBSEQUENT EVENTS:

In accordance with ASC Topic 855, the Plan evaluated subsequent events through September 14, 2012, the date these financial statements were issued. There have been no subsequent events that required recognition or additional disclosure in these financial statements.

Linc Government Services 401(k) Plan
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EIN # 61-1198480

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