

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:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____
B This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	<input type="checkbox"/>
D Check box if filing under:	<input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input checked="" type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

Part II	Basic Plan Information —enter all requested information						
1a Name of plan <u>PACIFIC RESEARCH LABORATORIES, INC. 401(K) RETIREMENT PLAN</u>	<table border="1"> <tr> <td>1b Three-digit plan number (PN) ►</td> <td><u>001</u></td> </tr> <tr> <td>1c Effective date of plan</td> <td><u>01/01/1995</u></td> </tr> </table>	1b Three-digit plan number (PN) ►	<u>001</u>	1c Effective date of plan	<u>01/01/1995</u>		
1b Three-digit plan number (PN) ►	<u>001</u>						
1c Effective date of plan	<u>01/01/1995</u>						
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>PACIFIC RESEARCH LABORATORIES, INC</u> <u>10221 SW 188TH ST.</u> <u>VASHON, WA 98070</u>	<table border="1"> <tr> <td>2b Employer Identification Number (EIN)</td> <td><u>91-1127121</u></td> </tr> <tr> <td>2c Sponsor's telephone number</td> <td><u>206-463-5551</u></td> </tr> <tr> <td>2d Business code (see instructions)</td> <td><u>326100</u></td> </tr> </table>	2b Employer Identification Number (EIN)	<u>91-1127121</u>	2c Sponsor's telephone number	<u>206-463-5551</u>	2d Business code (see instructions)	<u>326100</u>
2b Employer Identification Number (EIN)	<u>91-1127121</u>						
2c Sponsor's telephone number	<u>206-463-5551</u>						
2d Business code (see instructions)	<u>326100</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>10/18/2012</u>	<u>NORINE MARTINSEN</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") PACIFIC RESEARCH LABORATORIES, INC 10221 SW 188TH ST. VASHON, WA 98070	3b Administrator's EIN 91-1127121 3c Administrator's telephone number 206-463-5551
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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	136
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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	136
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	6
d Subtotal. Add lines 6a , 6b , and 6c	6d	142
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	142
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	97
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	1

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:
 2F 2G 2J 2K 2T 3D

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

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	(1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

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

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

A Name of plan PACIFIC RESEARCH LABORATORIES, INC. 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 PACIFIC RESEARCH LABORATORIES, INC	D Employer Identification Number (EIN) 91-1127121	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65	RECORDKEEPER	1875	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="font-size: 24pt; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>PACIFIC RESEARCH LABORATORIES, INC. 401(K) RETIREMENT 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>PACIFIC RESEARCH LABORATORIES, INC</u>	D Employer Identification Number (EIN) <u>91-1127121</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
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)	94183	249932
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	89872	95117
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	3708023	3877448
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	3892078	4222497

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	3892078	4222497
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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)	124420	
(B) Participants	2a(1)(B)	344343	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		468763
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	16	
(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)	3277	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		3293
(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)	93828	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		93828
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-88468
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		477416

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	145325	
(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)		145325
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		-203
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)	1875	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1875
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		146997

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		330419
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: BDO

(2) EIN: 13-5381590

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		300000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

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

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

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

5b(1) Name of plan(s)

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

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

A Name of plan <u>PACIFIC RESEARCH LABORATORIES, INC. 401(K) RETIREMENT 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>PACIFIC RESEARCH LABORATORIES, INC</u>	D Employer Identification Number (EIN) <u>91-1127121</u>

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

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

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

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

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

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Financial Statements (and Supplemental Schedule)

For the years ended December 31, 2011 and 2010

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Financial Statements
(and Supplemental Schedule)
For the years ended December 31, 2011 and 2010

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

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Seattle, WA 98101

Independent Auditors' Report

To the Plan Administrator
Pacific Research Laboratories, Inc. 401(k) Retirement Plan
Vashon, Washington

We were engaged to audit the accompanying statements of net assets available for benefits of the Pacific Research Laboratories, Inc. 401(k) Retirement Plan (the "Plan") as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended and the supplemental schedule of Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of or for the year ended December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2011 and 2010, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

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

BDO USA, LLP

October 15, 2012

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Financial Statements

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2011	2010
Assets		
Investments, at fair value:		
Money market fund	\$ 249,932	\$ 94,183
Mutual funds	3,877,448	3,708,023
Total Investments	4,127,380	3,802,206
Receivables:		
Employer contributions receivable	1,087	1,168
Participant contributions receivable	2,740	2,990
Notes receivable from participants	95,117	89,872
Total Receivables	98,944	94,030
Net Assets Available for Benefits, at Fair Value	\$ 4,226,324	\$ 3,896,236

See accompanying independent auditors' report and notes to financial statements.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Statements of Changes in Net Assets Available for Benefits

<i>Years ended December 31,</i>	2011	2010
Changes to Net Assets Attributed to:		
Interest from notes receivable from participants	\$ 3,277	\$ 3,886
Investment Income:		
Net (depreciation)/appreciation in fair value of investments	(88,470)	442,240
Dividend income	93,828	40,174
Interest income from investments	16	18
Total investment income	5,374	482,432
Contributions:		
Participants	344,093	308,448
Employer	124,339	94,536
Total contributions	468,432	402,984
Total Additions to Net Assets	477,083	889,302
Deductions from Net Assets Attributed to:		
Benefits paid to participants	145,325	268,056
Administrative expenses	1,670	1,175
Total Deductions from Net Assets	146,995	269,231
Net Increase in Net Assets Available for Benefits	330,088	620,071
Net Assets Available for Benefits, at beginning of year	3,896,236	3,276,165
Net Assets Available for Benefits, at end of year	\$ 4,226,324	\$ 3,896,236

See accompanying independent auditors' report and notes to financial statements.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

1. Description of the Plan

The following description of the Pacific Research Laboratories, Inc. 401(k) Savings Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement or Summary Plan Description for a more complete description of the Plan’s provisions.

General

The Plan is a contributory, defined contribution 401(k) retirement plan available to qualifying employees of Pacific Research Laboratories, Inc. (the “Company”). The Plan was created on January 1, 1995. The Plan is intended to qualify under Sections 401(a) and 401(k) of the Internal Revenue Code (“IRC”). The purpose of the Plan is to enable eligible employees to save for retirement.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”) and is designed as an ERISA Section 404(c) plan. Accordingly, the participants, and not the Plan fiduciaries, are responsible for investment decisions relating to investments offered under the Plan. Plan assets are invested in accordance with participant directions in mutual funds and money market funds managed by Fidelity Management Trust Company (“Trustee”) who holds the Plan’s investments and executes investment transactions. To be eligible to participate in the Plan, an employee must have completed one year with 1,000 hours of service.

Contributions

Participants may contribute up to 60% of their annual eligible compensation with the contributions and earnings thereon nontaxable to the participant until withdrawn from the Plan. Matching contributions may be made at the discretion of the Company in an amount equal to a percentage the Company may deem appropriate. Employer match contributions are currently 50% of participant contributions up to 6% of their eligible compensation.

Participant Accounts

Each participant’s account is credited with the participant’s salary deferral contribution and an allocation of employer contributions, if any, Plan net earnings and losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined by the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account balance.

Vesting

Participants are immediately vested in their voluntary contributions and any income or loss thereon. Participant vesting in Company contributions is based on the following schedule:

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

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

Forfeitures

Forfeitures are retained in the Plan and may first be used to pay administrative expenses. Any remaining amounts will be used to reduce future employer contributions payable under the Plan. Forfeitures used to reduce employer contributions and pay plan expenses were \$1,323 in 2011. There were no forfeitures used to reduce Company contributions or pay plan administrative expenses in 2010. There were no unallocated forfeitures available for future use at December 31, 2011 and 2010.

Notes Receivable from Participants

Participants may borrow from their account a minimum of \$1,000 up to a maximum of 50% of their vested account balance or \$50,000. Notes must generally be repaid over a period not to exceed five years pursuant to a level, fixed repayment schedule. Notes used for the purchase of a primary residence may be repaid over a period not to exceed 10 years. Participants are allowed only one outstanding note at a time. Notes bear interest at a rate commensurate with prevailing commercial rates as determined by the Plan administrator (currently ranging from 3.25% to 5.25%). Principal and interest are paid ratably through payroll deductions.

Payment of Benefits

Upon termination of service due to death, disability, retirement, or separation, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or to have the balance rolled over into another qualified account. Additionally, under certain circumstances of financial hardship, the participant is allowed to withdraw funds from the Plan. Upon execution of a hardship withdrawal, participant deferrals are suspended for a period of six months. Benefits are recorded when paid.

Administrative Expenses

Expenses are paid predominantly by the Company. Fees paid by the Company are not recorded by the Plan as a deduction from net assets available for benefits. Participants are charged for new loan setup fees on a per application basis. Those with outstanding loans pay an annual loan maintenance fee. In addition, participants are charged for express mail service on participant withdrawals and loan check delivery on a per check basis. Fees paid by the Plan to the trustee for administrative expenses were \$1,670 and \$1,175 for the years ended December 31, 2011 and 2010, respectively.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared using the accrual method of accounting in accordance with Generally Accepted Accounting Principles in the United States of America ("GAAP").

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

Use of Estimates

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

Investment Valuation and Income Recognition

Investments in mutual funds and money market accounts are stated at fair value, using quoted market prices which represent the net asset values of the shares held at year-end. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The Plan presents in the statements of changes in net assets available for benefits, as income or loss, the net appreciation or depreciation in the fair value of its investments, which consists of the realized gains or losses and the unrealized annual appreciation or depreciation in those investments.

Notes Receivable from Participants

Notes are valued at amortized cost, plus any accrued and unpaid interest.

New Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* (ASU 2011-04). ASU 2011-04 amended Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures* (ASC 820), to provide a consistent definition of fair value and improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with GAAP and International Financial Reporting Standards ("IFRS"). Some of the amendments clarify the application of existing fair value measurement and disclosure requirements, while other amendments change a particular principle or requirement for measuring fair value or disclosing information about fair value measurements. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

3. Information Certified by the Plan's Trustee

The following is a summary of the investment information as of December 31, 2011 and 2010, and for the years then ended, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the trustee and furnished to the Plan administrator. The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the trustee has certified that the following data included in the accompanying financial statements and supplemental schedule of assets (held at end of year) is complete and accurate.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

<i>December 31,</i>	2011	2010
Money market fund	\$ 249,932	\$ 94,183
Mutual funds	\$ 3,877,448	\$ 3,708,023
Notes Receivable from Participants	\$ 95,117	\$ 89,872
<i>Years ended December 31,</i>	2011	2010
Interest and dividend income	\$ 93,844	\$ 40,192
Interest income from participant loans	\$ 3,277	\$ 3,886
Net (depreciation)/appreciation in fair value of investments	\$ (88,470)	\$ 442,240

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

4. Fair Value Measurements

GAAP has established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to observable inputs (Level 3 measurements).

Basis of Fair Value Measurement

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

Level 3: Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following table sets forth by level within the fair value hierarchy the Plan's investment assets at fair value, as of December 31, 2011 and 2010. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The methods described below may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement than at the reporting date. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

Investment Assets at Fair Value as of December 31, 2011				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 249,932	\$ -	\$ -	\$ 249,932
Mutual funds				
Large growth	2,122,694	-	-	2,122,694
Large blend	1,084,650	-	-	1,084,650
Large value	12,367	-	-	12,367
Bond	657,737	-	-	657,737
Total Investments, at Fair Value	\$ 4,127,380	\$ -	\$ -	\$ 4,127,380

Investment Assets at Fair Value as of December 31, 2010				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 94,183	\$ -	\$ -	\$ 94,183
Mutual funds				
Large growth	2,117,474	-	-	2,117,474
Large blend	1,011,032	-	-	1,011,032
Large value	27,408	-	-	27,408
Bond	552,109	-	-	552,109
Total Investments, at Fair Value	\$ 3,802,206	\$ -	\$ -	\$ 3,802,206

Mutual and money market funds are valued at quoted market prices which represent the value of shares held by the Plan at year end and are classified as Level 1 investments.

5. Investments

The following presents the fair value of investments that represent five percent or more of net assets available for benefits:

December 31,	2011	2010
Fidelity Blue Chip Growth	\$ 1,119,672	\$ 1,197,013
Fidelity Contrafund	\$ 986,900	\$ 907,172
Fidelity Advisor Investment Growth Bond	\$ 657,737	\$ 552,109
Fidelity Growth & Income	\$ 539,159	\$ 500,909
Fidelity Retire Money Market	\$ 249,932	\$ 94,183*

* Investments do not individually represent more than 5% of net assets as of the date indicated, but are shown for comparative purposes.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

6. Reconciliation of Financial Statements to Form 5500

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

<i>December 31,</i>	2011	2010
Net assets available for plan benefits per the financial statements	\$ 4,226,324	\$ 3,896,236
Less: Receivables - Employer & participant contributions	(3,827)	(4,158)
Net Assets Available for Benefits per Form 5500	\$ 4,222,497	\$ 3,892,078

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

<i>Years ended December 31,</i>	2011	2010
Increase in net assets available for plan benefits per the financial statements	\$ 330,088	\$ 620,071
Less: Receivables - Employer & participant contributions	(3,827)	(4,158)
Prior year excess contributions	-	(1,078)
Add: Receivables - Prior year employer & participant contributions	4,158	20,955
Net Increase in Net Assets Available for Benefits per Form 5500	\$ 330,419	\$ 635,790

7. Party-in-Interest Transactions

Certain Plan investments are shares of a mutual fund and money market fund managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the trustee as defined by the Plan and, therefore, related transactions are party-in-interest transactions. Fees paid by the Plan for investment management services totaled \$1,670 and \$1,175 for the years ended December 31, 2011 and 2010, respectively, which have been incorporated in the earnings on investments. Interest income on outstanding notes from participants was \$3,277 and \$3,886 for the years ended December 31, 2011 and 2010, respectively.

8. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants' accounts will become fully vested.

9. Income Tax Status

In a letter dated March 31, 2008, the Internal Revenue Service has determined that the prototype plan document used by the Plan is qualified under the appropriate sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes is recorded in the accompanying financial statements.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

10. Subsequent Events

Subsequent events have been evaluated by management through October 15, 2012, the date the financial statements were available to be issued. There were no subsequent events identified which require recognition or disclosure in the financial statements.

Supplemental Schedule

Pacific Research Laboratories, Inc. 401(k) Plan

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

Form 5500, Schedule H, Line 4i

EIN: 91-1127121

Plan Number: 001

December 31, 2011

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Market Value
Money Market Account				
*	FIDELITY RETIRE MMKT	249,932 Shares	**	\$ 249,932
Mutual Funds				
*	FIDELITY BLUE CHIP GROWTH	26,389 Shares	**	1,119,672
*	FIDELITY CONTRAFUND	14,629 Shares	**	986,900
*	FIDELITY INVST GR BD	85,199 Shares	**	657,737
*	FIDELITY GROWTH & INCOME	29,559 Shares	**	539,159
*	FIDELITY FREEDOM 2020	13,966 Shares	**	183,233
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*	FIDELITY FREEDOM 2025	5,959 Shares	**	64,419
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				4,127,380
Participant Loans		21 loans to participants with interest rates ranging from 3.25 - 5.25 %, secured by participant account balance, repaid in bi-weekly installments, maturing through 2021.	-0-	95,117
Total Assets Held at End of Year				\$ 4,222,497

* A Party in Interest as defined by ERISA

** The cost of participant-directed investments is not required to be disclosed.

See accompanying independent auditors' report.



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VASHON ISLAND, WA 98070
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October 18, 2012

Department of Labor:

RE: 401k Form 5500 for Pacific Research Labs, Inc., 91-1127121

Dear DOL,

We apologize for filing our 401k Form 5500 three days late. We did not have the accountant's opinion in time to meet the October 15, 2012 deadline. Please find our 5500 and Accountants Opinion attached.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Norine A. Martinsen', is written over a horizontal line. The signature is fluid and cursive.

Norine A. Martinsen
CFO

206.463.5551 ex. 121



Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Financial Statements (and Supplemental Schedule)

For the years ended December 31, 2011 and 2010

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Financial Statements
(and Supplemental Schedule)
For the years ended December 31, 2011 and 2010

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

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Independent Auditors' Report

To the Plan Administrator
Pacific Research Laboratories, Inc. 401(k) Retirement Plan
Vashon, Washington

We were engaged to audit the accompanying statements of net assets available for benefits of the Pacific Research Laboratories, Inc. 401(k) Retirement Plan (the "Plan") as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended and the supplemental schedule of Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of or for the year ended December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2011 and 2010, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

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

BDO USA, LLP

October 15, 2012

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BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Financial Statements

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2011	2010
Assets		
Investments, at fair value:		
Money market fund	\$ 249,932	\$ 94,183
Mutual funds	3,877,448	3,708,023
Total Investments	4,127,380	3,802,206
Receivables:		
Employer contributions receivable	1,087	1,168
Participant contributions receivable	2,740	2,990
Notes receivable from participants	95,117	89,872
Total Receivables	98,944	94,030
Net Assets Available for Benefits, at Fair Value	\$ 4,226,324	\$ 3,896,236

See accompanying independent auditors' report and notes to financial statements.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Statements of Changes in Net Assets Available for Benefits

<i>Years ended December 31,</i>	2011	2010
Changes to Net Assets Attributed to:		
Interest from notes receivable from participants	\$ 3,277	\$ 3,886
Investment Income:		
Net (depreciation)/appreciation in fair value of investments	(88,470)	442,240
Dividend income	93,828	40,174
Interest income from investments	16	18
Total investment income	5,374	482,432
Contributions:		
Participants	344,093	308,448
Employer	124,339	94,536
Total contributions	468,432	402,984
Total Additions to Net Assets	477,083	889,302
Deductions from Net Assets Attributed to:		
Benefits paid to participants	145,325	268,056
Administrative expenses	1,670	1,175
Total Deductions from Net Assets	146,995	269,231
Net Increase in Net Assets Available for Benefits	330,088	620,071
Net Assets Available for Benefits, at beginning of year	3,896,236	3,276,165
Net Assets Available for Benefits, at end of year	\$ 4,226,324	\$ 3,896,236

See accompanying independent auditors' report and notes to financial statements.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

1. Description of the Plan

The following description of the Pacific Research Laboratories, Inc. 401(k) Savings Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement or Summary Plan Description for a more complete description of the Plan’s provisions.

General

The Plan is a contributory, defined contribution 401(k) retirement plan available to qualifying employees of Pacific Research Laboratories, Inc. (the “Company”). The Plan was created on January 1, 1995. The Plan is intended to qualify under Sections 401(a) and 401(k) of the Internal Revenue Code (“IRC”). The purpose of the Plan is to enable eligible employees to save for retirement.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”) and is designed as an ERISA Section 404(c) plan. Accordingly, the participants, and not the Plan fiduciaries, are responsible for investment decisions relating to investments offered under the Plan. Plan assets are invested in accordance with participant directions in mutual funds and money market funds managed by Fidelity Management Trust Company (“Trustee”) who holds the Plan’s investments and executes investment transactions. To be eligible to participate in the Plan, an employee must have completed one year with 1,000 hours of service.

Contributions

Participants may contribute up to 60% of their annual eligible compensation with the contributions and earnings thereon nontaxable to the participant until withdrawn from the Plan. Matching contributions may be made at the discretion of the Company in an amount equal to a percentage the Company may deem appropriate. Employer match contributions are currently 50% of participant contributions up to 6% of their eligible compensation.

Participant Accounts

Each participant’s account is credited with the participant’s salary deferral contribution and an allocation of employer contributions, if any, Plan net earnings and losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined by the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account balance.

Vesting

Participants are immediately vested in their voluntary contributions and any income or loss thereon. Participant vesting in Company contributions is based on the following schedule:

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

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

Forfeitures

Forfeitures are retained in the Plan and may first be used to pay administrative expenses. Any remaining amounts will be used to reduce future employer contributions payable under the Plan. Forfeitures used to reduce employer contributions and pay plan expenses were \$1,323 in 2011. There were no forfeitures used to reduce Company contributions or pay plan administrative expenses in 2010. There were no unallocated forfeitures available for future use at December 31, 2011 and 2010.

Notes Receivable from Participants

Participants may borrow from their account a minimum of \$1,000 up to a maximum of 50% of their vested account balance or \$50,000. Notes must generally be repaid over a period not to exceed five years pursuant to a level, fixed repayment schedule. Notes used for the purchase of a primary residence may be repaid over a period not to exceed 10 years. Participants are allowed only one outstanding note at a time. Notes bear interest at a rate commensurate with prevailing commercial rates as determined by the Plan administrator (currently ranging from 3.25% to 5.25%). Principal and interest are paid ratably through payroll deductions.

Payment of Benefits

Upon termination of service due to death, disability, retirement, or separation, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or to have the balance rolled over into another qualified account. Additionally, under certain circumstances of financial hardship, the participant is allowed to withdraw funds from the Plan. Upon execution of a hardship withdrawal, participant deferrals are suspended for a period of six months. Benefits are recorded when paid.

Administrative Expenses

Expenses are paid predominantly by the Company. Fees paid by the Company are not recorded by the Plan as a deduction from net assets available for benefits. Participants are charged for new loan setup fees on a per application basis. Those with outstanding loans pay an annual loan maintenance fee. In addition, participants are charged for express mail service on participant withdrawals and loan check delivery on a per check basis. Fees paid by the Plan to the trustee for administrative expenses were \$1,670 and \$1,175 for the years ended December 31, 2011 and 2010, respectively.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared using the accrual method of accounting in accordance with Generally Accepted Accounting Principles in the United States of America ("GAAP").

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

Use of Estimates

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

Investment Valuation and Income Recognition

Investments in mutual funds and money market accounts are stated at fair value, using quoted market prices which represent the net asset values of the shares held at year-end. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The Plan presents in the statements of changes in net assets available for benefits, as income or loss, the net appreciation or depreciation in the fair value of its investments, which consists of the realized gains or losses and the unrealized annual appreciation or depreciation in those investments.

Notes Receivable from Participants

Notes are valued at amortized cost, plus any accrued and unpaid interest.

New Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* (ASU 2011-04). ASU 2011-04 amended Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures* (ASC 820), to provide a consistent definition of fair value and improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with GAAP and International Financial Reporting Standards ("IFRS"). Some of the amendments clarify the application of existing fair value measurement and disclosure requirements, while other amendments change a particular principle or requirement for measuring fair value or disclosing information about fair value measurements. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

3. Information Certified by the Plan's Trustee

The following is a summary of the investment information as of December 31, 2011 and 2010, and for the years then ended, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the trustee and furnished to the Plan administrator. The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the trustee has certified that the following data included in the accompanying financial statements and supplemental schedule of assets (held at end of year) is complete and accurate.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

<i>December 31,</i>	2011	2010
Money market fund	\$ 249,932	\$ 94,183
Mutual funds	\$ 3,877,448	\$ 3,708,023
Notes Receivable from Participants	\$ 95,117	\$ 89,872
<i>Years ended December 31,</i>	2011	2010
Interest and dividend income	\$ 93,844	\$ 40,192
Interest income from participant loans	\$ 3,277	\$ 3,886
Net (depreciation)/appreciation in fair value of investments	\$ (88,470)	\$ 442,240

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

4. Fair Value Measurements

GAAP has established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to observable inputs (Level 3 measurements).

Basis of Fair Value Measurement

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

Level 3: Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following table sets forth by level within the fair value hierarchy the Plan's investment assets at fair value, as of December 31, 2011 and 2010. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The methods described below may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement than at the reporting date. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

Investment Assets at Fair Value as of December 31, 2011				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 249,932	\$ -	\$ -	\$ 249,932
Mutual funds				
Large growth	2,122,694	-	-	2,122,694
Large blend	1,084,650	-	-	1,084,650
Large value	12,367	-	-	12,367
Bond	657,737	-	-	657,737
Total Investments, at Fair Value	\$ 4,127,380	\$ -	\$ -	\$ 4,127,380

Investment Assets at Fair Value as of December 31, 2010				
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 94,183	\$ -	\$ -	\$ 94,183
Mutual funds				
Large growth	2,117,474	-	-	2,117,474
Large blend	1,011,032	-	-	1,011,032
Large value	27,408	-	-	27,408
Bond	552,109	-	-	552,109
Total Investments, at Fair Value	\$ 3,802,206	\$ -	\$ -	\$ 3,802,206

Mutual and money market funds are valued at quoted market prices which represent the value of shares held by the Plan at year end and are classified as Level 1 investments.

5. Investments

The following presents the fair value of investments that represent five percent or more of net assets available for benefits:

December 31,	2011	2010
Fidelity Blue Chip Growth	\$ 1,119,672	\$ 1,197,013
Fidelity Contrafund	\$ 986,900	\$ 907,172
Fidelity Advisor Investment Growth Bond	\$ 657,737	\$ 552,109
Fidelity Growth & Income	\$ 539,159	\$ 500,909
Fidelity Retire Money Market	\$ 249,932	\$ 94,183*

* Investments do not individually represent more than 5% of net assets as of the date indicated, but are shown for comparative purposes.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

6. Reconciliation of Financial Statements to Form 5500

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

<i>December 31,</i>	2011	2010
Net assets available for plan benefits per the financial statements	\$ 4,226,324	\$ 3,896,236
Less: Receivables - Employer & participant contributions	(3,827)	(4,158)
Net Assets Available for Benefits per Form 5500	\$ 4,222,497	\$ 3,892,078

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

<i>Years ended December 31,</i>	2011	2010
Increase in net assets available for plan benefits per the financial statements	\$ 330,088	\$ 620,071
Less: Receivables - Employer & participant contributions	(3,827)	(4,158)
Prior year excess contributions	-	(1,078)
Add: Receivables - Prior year employer & participant contributions	4,158	20,955
Net Increase in Net Assets Available for Benefits per Form 5500	\$ 330,419	\$ 635,790

7. Party-in-Interest Transactions

Certain Plan investments are shares of a mutual fund and money market fund managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the trustee as defined by the Plan and, therefore, related transactions are party-in-interest transactions. Fees paid by the Plan for investment management services totaled \$1,670 and \$1,175 for the years ended December 31, 2011 and 2010, respectively, which have been incorporated in the earnings on investments. Interest income on outstanding notes from participants was \$3,277 and \$3,886 for the years ended December 31, 2011 and 2010, respectively.

8. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants' accounts will become fully vested.

9. Income Tax Status

In a letter dated March 31, 2008, the Internal Revenue Service has determined that the prototype plan document used by the Plan is qualified under the appropriate sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes is recorded in the accompanying financial statements.

Pacific Research Laboratories, Inc. 401(k) Retirement Plan

Notes to Financial Statements

10. Subsequent Events

Subsequent events have been evaluated by management through October 15, 2012, the date the financial statements were available to be issued. There were no subsequent events identified which require recognition or disclosure in the financial statements.

Supplemental Schedule

Pacific Research Laboratories, Inc. 401(k) Plan

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

Form 5500, Schedule H, Line 4i

EIN: 91-1127121

Plan Number: 001

December 31, 2011

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Participant Loans		21 loans to participants with interest rates ranging from 3.25 - 5.25 %, secured by participant account balance, repaid in bi-weekly installments, maturing through 2021.	-0-	95,117
Total Assets Held at End of Year				\$ 4,222,497

* A Party in Interest as defined by ERISA

** The cost of participant-directed investments is not required to be disclosed.

See accompanying independent auditors' report.