# 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 07/01/2011 and ending 06/30/2012

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

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

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

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

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

**1a** Name of plan
INCENTIVE PROMOTIONS INC 401K PROFIT SHARING PLAN

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 09/01/1990

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

INCENTIVE PROMOTIONS INC

856 N SACRAMENTO STREET SUITE C
LODI, CA 95240-0000

**2b** Employer Identification Number (EIN) 94-1581836

**2c** Sponsor's telephone number 209-369-3611

**2d** Business code (see instructions) 424400

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 02/06/2013 | BETSY CATHEY |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 02/06/2013 | BETSY CATHEY |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

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

856 N SACRAMENTO STREET SUITE C
LODI, CA 95240-0000

**3b** Administrator's EIN
94-1581836

**3c** Administrator's telephone number
209-369-3611

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

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 165 |
| **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** | 121 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 26 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 147 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 147 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 89 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 2 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

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

**9a** Plan funding arrangement (check all that apply)

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

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

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

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

**a Pension Schedules**

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

**b General Schedules**

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

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

For calendar plan year 2011 or fiscal plan year beginning 07/01/2011 and ending 06/30/2012

**A** Name of plan
INCENTIVE PROMOTIONS INC 401K PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
INCENTIVE PROMOTIONS INC

**D** Employer Identification Number (EIN)
94-1581836

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

FIRST CLEARING LLC
1 N JEFFERSON AVE
ST LOUIS, MO 63103

**(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)

ASSOCIATED PENSION CONSULTANTS

1000 FORTRESS ST STE 800
CHICO, CA 95973

94-2456320

| (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 17 | N/A | 6777 | Yes [ ] No [X] | Yes [ ] No [X] | | Yes [ ] No [X] |

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

HARTFORD

PO BOX 1583
HARTFORD, CT 06144-1583

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? |
|---|---|---|---|---|---|---|
| 28 | N/A | 563 | Yes [X] No [ ] | Yes [X] No [ ] | | Yes [X] No [ ] |

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

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

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

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

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

OMB No. 1210-0110

**2011**

**This Form is Open to Public Inspection**

For calendar plan year 2011 or fiscal plan year beginning 07/01/2011 and ending 06/30/2012

**A** Name of plan
INCENTIVE PROMOTIONS INC 401K PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
INCENTIVE PROMOTIONS INC

**D** Employer Identification Number (EIN)
94-1581836

## 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) | 160305 | 163404 |
| **(2)** Participant contributions | 1b(2) | 5507 | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 742744 | 862131 |
| **(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) | 118575 | 184493 |
| **(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) | 3264909 | 3470799 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 4292040 | 4680827 |
| | **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 through1j) | 1k | 0 | |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 4292040 | 4680827 |

## 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) | 163649 | |
| | **(B)** Participants | 2a(1)(B) | 142289 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 162092 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 468030 |
| **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) | 5565 | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 5565 |
| | **(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) | 66586 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 66586 |
| | **(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) | | -90490 |
| **c** Other income | 2c | | 25 |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 449716 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 53589 | |
| **(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) | | 53589 |
| **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) | 6777 | |
| **(2)** Contract administrator fees | 2i(2) | | |
| **(3)** Investment advisory and management fees | 2i(3) | 563 | |
| **(4)** Other | 2i(4) | | |
| **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 7340 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 60929 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | 388787 |
| **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)** [X] 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 [X] No

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

**(1)** Name: SCHWARTZ GIANNINI LANTSBERGER **(2)** EIN: 68-0290029

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

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

## Part IV Compliance Questions

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

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | **4a** | X | | 13260 |
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | **4b** | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | **4c** | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | **4d** | | X | |
| **e** | Was this plan covered by a fidelity bond? | **4e** | X | | 400000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | **4f** | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4g** | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4h** | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | **4i** | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | **4j** | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | **4k** | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | **4l** | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | **4m** | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | **4n** | | | |

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

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

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

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

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

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

OMB No. 1210-0110

**2011**

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

For calendar plan year 2011 or fiscal plan year beginning 07/01/2011 and ending 06/30/2012

**A** Name of plan
INCENTIVE PROMOTIONS INC 401K PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500
INCENTIVE PROMOTIONS INC

**D** Employer Identification Number (EIN)
94-1581836

## Part I Distributions

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

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

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

EIN(s): 06-0974148

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

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

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

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

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

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

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

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

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

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

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

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

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

## Part III Amendments

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

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

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

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

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

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

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

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

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

---

**a** Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

# INCENTIVE PROMOTIONS, INC.
# PROFIT SHARING 401(K)
# PLAN AND TRUST

## FINANCIAL REPORT
## JUNE 30, 2012

# C O N T E N T S


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| Statement of changes in net assets available for benefits | 3 |
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| Schedule of assets held for investment at year end | 11 |
| Schedule of delinquent participant contributions | 12 |

Schwartz Giannini Lantsberger & Adamson
ACCOUNTANCY CORPORATION

# INDEPENDENT AUDITOR'S REPORT

Mark A. Kidd and Steven C. Rodacker,
Trustees of the Incentive Promotions, Inc.
Profit Sharing 401(k) Plan
Lodi, California

We have audited the accompanying statements of net assets available for benefits of Incentive Promotions, Inc. Profit Sharing 401(k) Plan and Trust as of June 30, 2012 and 2011 and the related statement of changes in net assets available for benefits for the year ended June 30, 2012. Our responsibility is to express an opinion on these financial statements based on our audit. These financial statements are the responsibility of the Plan's management.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Incentive Promotions, Inc. Profit Sharing 401(k) Plan and Trust as of June 30, 2012 and 2011, and the changes in its net assets available for benefits for the year ended June 30, 2012 in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes at end of year is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information is the responsibility of the Plan's management. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Schwartz, Giannini, Lantsberger & Adamson

Stockton, California
December 13, 2012

Timothy J. Schwartz, CPA
Gary F. Giannini, CPA
Philip Lantsberger, CPA
William H. Adamson
Rebecca Ford Rey, CPA
Robert Gross, CPA

4578 Feather River Drive
Suite D
Stockton, California 95219
Ph: 209.474.1084
Fx: 209.474.0301

# INCENTIVE PROMOTIONS, INC.
# PROFIT SHARING 401(K) PLAN AND TRUST
## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
## June 30, 2012 and 2011

| | 2012 | 2011 |
|---|---|---|
| **ASSETS** | | |
| Investments (Notes 4 & 5) | | |
| At fair value: | | |
| Regulated investment companies: | | |
| Mutual funds | $ 4,332,930 | $ 4,007,653 |
| | $ 4,332,930 | $ 4,007,653 |
| Receivables | | |
| Employer contributions | $ 163,404 | $ 160,305 |
| Participant contributions | - | 5,507 |
| Notes receivable from participants | 184,493 | 118,575 |
| | $ 347,897 | $ 284,387 |
| **TOTAL ASSETS** | $ 4,680,827 | $ 4,292,040 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | $ 4,680,827 | $ 4,292,040 |

See notes to financial statements and accountants' report.

# INCENTIVE PROMOTIONS, INC.
# PROFIT SHARING 401(K) PLAN AND TRUST
## STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
### For the year ended June 30, 2012

| | | | | |
|---|---|---|---|---|
| **ADDITIONS TO NET ASSETS ATTRIBUTED TO** | | | | |
| Investment income | | | | |
| Net depreciation in fair value of investments | $ | (90,490) | | |
| Dividend income - mutual funds | | 66,586 | | |
| Total investment loss | | | $ | (23,904) |
| Interest income - participant notes receivable | | | | 5,590 |
| Contributions | | | | |
| Employer's | $ | 163,649 | | |
| Participant's | | 142,289 | | |
| Participant's rollovers | | 162,092 | | |
| Total contributions | | | | 468,030 |
| Total additions | | | $ | 449,716 |
| **DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO** | | | | |
| Benefits paid to participants | $ | 53,589 | | |
| Investment advisory and management fees | | 7,340 | | |
| Total deductions | | | $ | 60,929 |
| Net increase | | | $ | 388,787 |
| Net assets available for benefits: | | | | |
| Beginning of year | | | | 4,292,040 |
| End of year | | | $ | 4,680,827 |

See notes to financial statements and accountants' report.

# INCENTIVE PROMOTIONS, INC.
# PROFIT SHARING 401(K) PLAN AND TRUST
## NOTES TO FINANCIAL STATEMENTS

## NOTE 1. DESCRIPTION OF PLAN

The following description of the Incentive Promotions, Inc. Profit Sharing 401(k) Plan and Trust (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time employees of Incentive Promotions, Inc., Marval 1, Inc., and Marval 4, Inc. The three companies comprise a controlled group and therefore the Plan is a single employer plan. Employees are eligible after completing six months of service and attaining age twenty-one. The Plan has semi-annual entrance dates of January 1st and July 1st and participants are eligible to participate effective with the first plan entrance date following completion of their first six months of service. In addition, the plan also contains the remaining assets from a prior Money Purchase Pension Plan that was terminated when the current plan was adopted. The assets in the previous plan are managed by the Plan Trustees. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Matching Contributions

The Employer makes a contribution of 100% of the employee's salary deferrals that do not exceed 4% of the employee's compensation, plus 600% of the employee's salary deferrals that exceed 4% of compensation but that do not exceed 5% of compensation as defined by the Plan which excludes bonuses and taxable benefits as defined in the plan documents as long as the employee is actively employed (as defined in the plan documents).

Discretionary Contributions

Discretionary Matching Contributions:

The Employer may make a discretionary matching contribution based upon employee deferrals up to five percent (5%) of eligible compensation as defined by the plan. For the plan years ending June 30, 2012 and 2011, the employer did not make any discretionary matching contributions.

Discretionary Profit Sharing Contributions:

Discretionary Profit Sharing Contributions are based on the ratio of a participant's compensation to total compensation for all participants. In order to receive an allocation of discretionary employer contributions, an employee must have worked 1,000 hours during the Plan Year, and be employed on the last day of the Plan Year. For the plan years ending June 30, 2012 and 2011, the employer did not make discretionary profit sharing contributions.

Participant Accounts

Each participant's account is credited with the participant's (employee's) contributions and earnings based on daily valuation. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

## NOTE 1. DESCRIPTION OF PLAN (continued)

Vesting
Participants are immediately vested in all their contributions and earnings. The employer contributions have a six year vesting schedule, which starts at twenty percent after two years of service and increases by twenty percent each year so that at the end of six years an employee is fully vested in the employer contributions and earnings.

Payment of Benefits
On termination of service a participant may elect to receive either a lump-sum amount equal to the value of the participant's account or a life annuity. A participant may also elect to receive distributions if a hardship is incurred.

Participant Notes Receivable
Participants may borrow from their funds accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. Loan transactions are treated as a transfer to (from) the investment fund from (to) the Participants Notes fund. Loan terms range from 1-5 years. These loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined quarterly by the Plan Administrator. Interest rates range from 4 % to 8.25%. Principal and interest is paid ratably through monthly payroll deductions.

Investment Options
Upon enrollment in the Plan, a participant may direct all contributions in 5% increments into any of the nineteen investment options. The objectives of the investment options of the nine largest funds based on dollar value at year end are described below. The investment options are all regulated investment companies offered by The Hartford, Inc.

Money Market Fund
The fund seeks a high-level of current income consistent with the preservation of capital and liquidity.

T. Rowe Price Retirement 2020 Adv Fund
The fund invests in underlying T. Rowe Price mutual funds representing various asset classes and sectors. The assets are allocated 78% stock funds and 22% fixed income and short-term income funds. The objective of the fund is a high total return over time with an emphasis on both capital growth and income.

T. Rowe Price Retirement 2030 Adv Fund
The fund invests in underlying T. Rowe Price mutual funds representing various asset classes and sectors. The assets are allocated 90% stock funds and 10% fixed income funds. The objective of the fund is a high total return over time with an emphasis on both capital growth and income.

**NOTE 1. DESCRIPTION OF PLAN (continued)**

T. Rowe Price Retirement 2010 Adv Fund
The fund invests in a set of underlying T. Rowe Price mutual funds representing various asset classes and sectors. The assets are allocated 62.5% stock funds, 30.5% fixed income funds, and 7% in short-term income funds. The investment seeks the highest total return over time consistent with an emphasis on both capital growth and income.

PIMCO Mortgage-Backed Securities A Fund
The fund primarily invests in mortgage-related fixed income instruments in the highest rating category. The fund's objective is a maximum total return consistent with preservation of capital and prudent investment management.

Calvert Income A Fund
The fund invests in a combination of investment grade U.S. dollar denominated debt securities, below-investment grade debt securities (junk bonds) and foreign debt securities. The objective of the fund is to maximize income to the extent consistent with preservation of capital.

Mutual Beacon A Fund
The fund invests following a value-oriented strategy in companies with market capitalizations greater than $1.5 billion. The fund may also invest in smaller companies, debt securities in any rating category, and foreign securities. The fund may use forward currency exchange contracts to hedge currency fluctuations. The objective of the fund is capital appreciation with income as a secondary consideration.

Columbia Marsico 21st Century A Fund
The fund is primarily invested in between 35 to 50 common stocks of companies that seek to take advantage of technological innovations. The fund may invest without limit in foreign securities. The objective of the fund is long-term capital growth with an aggressive approach.

American Century Heritage A Fund
The fund primary invests in common stocks of companies with earnings and revenues that are growing at an accelerating pace. The objective of the fund is long-term capital growth.

Mutual Discovery A Fund
The fund invests following a value-oriented strategy in companies with market capitalizations greater than $1.5 billion. The fund may also invest in smaller companies, debt securities in any rating category, and foreign securities. The fund may use forward currency exchange contracts to hedge currency fluctuations. The objective of the fund is capital appreciation.

## NOTE 1. DESCRIPTION OF PLAN (continued)

Participants may change their investments options monthly.

Forfeited Accounts
Forfeitures of matching contributions are used to reduce the amount of employer matching contributions. Forfeitures of profit sharing contributions are reallocated as an additional profit sharing contribution. At June 30, 2012, forfeited non-vested accounts totaled $30,869. These accounts are used to reduce the Employer contributions.

Basis of Accounting
The financial statements of the plan are prepared using the accrual method of accounting.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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
Shares of registered investment companies are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. Securities traded on the national securities exchange are valued at the last reported sales price on the last business day of the plan year. Investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and asked prices.

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.

Payment of Benefits
Benefits are recorded when paid.

## NOTE 3. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, management has evaluated events and transactions for potential recognition or disclosure through December 13, 2012, the date the financial statements were available to be issued.

## NOTE 4. FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefit. SFAS No. 157, *Fair Value Measurements*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

***Level 1 Fair Value Measurements***

Mutual funds are valued at the net asset value (fair value) per unit (share) of the funds or portfolio based upon quoted market prices in an active market.

***Level 2 Fair Value Measurements***

Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

***Level 3 Fair Value Measurements***

Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

| **June 30, 2012** | Fair Value Measurements Using: | |
|---|---|---|
| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) |
| Pooled separate accounts, mutual funds: | | |
| Money Market | $ 862,131 | $ 862,131 |
| Growth and income | 2,005,083 | 2,005,083 |
| Growth | 855,019 | 855,019 |
| Income | 256,524 | 256,524 |
| Index | 354,173 | 354,173 |
| | $ 4,332,930 | $ 4,332,930 |

## NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

| **June 30, 2011** | Fair Value Measurements Using: | |
|---|---|---|
| | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) |
| Pooled separate accounts, mutual funds: | | |
| Money Market | $ 742,744 | $ 742,744 |
| Growth and income | 1,758,217 | 1,758,217 |
| Growth | 921,437 | 921,437 |
| Income | 260,076 | 260,076 |
| Index | 325,179 | 325,179 |
| | $ 4,007,653 | $ 4,007,653 |

## NOTE 5. INVESTMENTS

The following table presents the fair values of investments at June 30, 2012 and 2011. Investments at fair value as determined by quoted market price.

| | | 2012 | | 2011 | |
|---|---|---|---|---|---|
| Regulated Investment Companies: | | | | | |
| Hartford | Money Market Fund | $ 862,131 | * | $ 742,744 | * |
| Hartford | Calvert Income A Fund | 229,634 | * | 238,317 | * |
| Hartford | Columbia Mid Cap Value A Fund | 138,869 | | 172,398 | |
| Hartford | American Century Heritage A Fund | 133,324 | | 141,274 | |
| Hartford | PIMCO Mortgage-Backed Securities Fund | 354,173 | * | 325,179 | * |
| Hartford | Columbia Marsico 21st Century A Fund | 373,735 | * | 405,433 | * |
| Hartford | T. Rowe Price Retirement 2020 Adv Fund | 487,960 | * | 379,518 | * |
| Hartford | T. Rowe Price Retirement 2030 Adv Fund | 362,550 | * | 200,799 | |
| Hartford | JPMorgan Small Cap Growth A Fund | 17,942 | | 16,281 | |
| Hartford | Mutual Beacon A Fund | 322,596 | * | 315,056 | * |
| Hartford | T. Rowe Price Retirement 2010 Adv Fund | 60,805 | | 56,290 | |
| Hartford | T. Rowe Price Retirement 2040 Adv Fund | 653,661 | * | 696,532 | * |
| Hartford | American Funds High Income Tr R3 Fund | 86,940 | | 80,420 | |
| Hartford | Mutual Discovery A Fund | 180,024 | | 178,550 | |
| Hartford | Other | 68,586 | | 58,862 | |
| | Total | $ 4,332,930 | | $ 4,007,653 | |

* Represents an investment that is more than 5% of the plan's net assets

## NOTE 6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Employer has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

## NOTE 7. TAX STATUS

The Employer adopted a Prototype Non-Standardized Profit Sharing Plan #002 submitted by Associated Pension Consultants and received a letter dated August 30, 2001 from the Internal Revenue Service that it had determined the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan Administrator and the Plan's pension consultant who drafted the prototype plan believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

## NOTE 8. RISKS AND UNCERTAINTIES

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

## NOTE 9. RELATED PARTY TRANSACTIONS

The plan assets are in pooled separate accounts held by The Hartford, Inc. The Hartford, Inc. is a custodian, as defined by the Plan and according transactions with The Hartford, Inc. qualify as party-in-interest transactions according to applicable regulations.

# SUPPLEMENTAL INFORMATION

**INCENTIVE PROMOTIONS, INC.**
Form 5500 Schedule H
EIN 94-1581836
Plan #002

## Schedule of Assets Held for Investment

| (a) | (b) | (c) | (d) | (e) |
|---|---|---|---|---|
| Identity in Interest | Identity of issue, borrower, lessor, or similar party | Description of investment, including maturity date, rate of interest, collateral, par or maturity value | Cost | Current Value |
| * | Hartford | 831,248 shares Money Market Fund | N/A | $ 862,131 |
| * | Hartford | 14,290 shares Calvert Income A Fund | N/A | 229,634 |
| * | Hartford | 10,256 shares Columbia Mid Cap Value A Fund | N/A | 138,869 |
| * | Hartford | 6,239 shares American Century Heritage A Fund | N/A | 133,324 |
| * | Hartford | 33,008 shares PIMCO Mortgage-Backed Securities Fund | N/A | 354,173 |
| * | Hartford | 28,972 shares Columbia Marsico 21st Century A Fund | N/A | 373,735 |
| * | Hartford | 28,873 shares T. Rowe Price Retirement 2020 Adv Fund | N/A | 487,960 |
| * | Hartford | 20,506 shares T. Rowe Price Retirement 2030 Adv Fund | N/A | 362,550 |
| * | Hartford | 1,612 shares JPMorgan Small Cap Growth A Fund | N/A | 17,942 |
| * | Hartford | 25,953 shares Mutual Beacon A Fund | N/A | 322,596 |
| * | Hartford | 3,844 shares T. Rowe Price Retirement 2010 Adv Fund | N/A | 60,805 |
| * | Hartford | 36,805 shares T. Rowe Price Retirement 2040 Adv Fund | N/A | 653,661 |
| * | Hartford | 7,976 shares American Funds High Income Tr R3 Fund | N/A | 86,940 |
| * | Hartford | 6,332 shares Mutual Discovery A Fund | N/A | 180,024 |
| * | Hartford | Other | N/A | 68,586 |
| | | Total per Form 5500 Schedule H | | $ 4,332,930 |

**Other Assets Held for Investment:**

| | | | |
|---|---|---|---|
| Participant Loans | Loans (Interest rates 4%-8.25%) | | $ 184,493 |
| | Total Assets Held for Investment Purposes | | $ 4,517,423 |

Incentive Promotions, Inc. 401k Profit Sharing Plan
Attachment to 2011 Form 5500
Schedule H, line 4a - Schedule of Delinquent Participant Contributions

Plan Name INCENTIVE PROMOTIONS, INC. 401K PROFIT SHARING PLAN EIN: 94-1581836
Plan Sponsor's Name INCENTIVE PROMOTIONS, INC. PN: 002

| Participant Contributions Transferred Late to Plan | Contributions Not Corrected | Contributions Corrected Outside VFCP | Contributions Pending Correction in VFCP | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| Check here if Late Participant Loan Repayments are included: x | | $ 13,259.97 | | |

Note: Delinquent Participant Contributions pertain to transmittals for year ending June 30, 2011 for which correction was made during year end June 30, 2012.

# 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 the calendar plan year 2011 or fiscal plan year beginning** 07/01/2011 **and ending** 06/30/2012

**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
INCENTIVE PROMOTIONS INC 401K PROFIT SHARING PLAN

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 09/01/1990

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

INCENTIVE PROMOTIONS INC

856 N SACRAMENTO STREET SUITE C

US LODI CA 95240-0000

**2b** Employer Identification Number (EIN) 94-1581836

**2c** Sponsor's telephone number (209) 369-3611

**2d** Business code (see instructions) 424400

**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 | Betsy Cathey | 2/16/13 | Betsy Cathey |
| | Signature of plan administrator | Date | Enter name of individual signing as plan administrator |
| SIGN HERE | Mark Kidd | 2/6/13 | Mark Kidd |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |
| SIGN HERE | | | |
| | Signature of DFE | Date | Enter name of individual signing as DFE |

| | |
|---|---|
| **3a** Plan administrator's name and address (if same as plan sponsor, enter "Same")<br>SAME | **3b** Administrator's EIN<br>**3c** Administrator's telephone number |
| **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:<br>**a** Sponsor's name | **4b** EIN<br>**4c** PN |

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | **5** | 165 |
| **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** | 121 |
| **b** Retired or separated participants receiving benefits | **6b** | 0 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 26 |
| **d** Subtotal. Add lines **6a, 6b,** and **6c** | **6d** | 147 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** Total. Add lines **6d** and **6e** | **6f** | 147 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 89 |
| **h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 2 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2G 2J 2K 3D

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

| **9a** Plan funding arrangement (check all that apply) | **9b** Plan benefit arrangement (check all that apply) |
|---|---|
| (1) [ ] Insurance | (1) [ ] Insurance |
| (2) [ ] Code section 412(e)(3) insurance contracts | (2) [ ] Code section 412(e)(3) insurance contracts |
| (3) [X] Trust | (3) [X] Trust |
| (4) [ ] General assets of the sponsor | (4) [ ] General assets of the sponsor |

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

| **a** Pension Schedules | **b** General Schedules |
|---|---|
| (1) [X] **R** (Retirement Plan Information) | (1) [X] **H** (Financial Information) |
| (2) [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary | (2) [ ] **I** (Financial Information - Small Plan)<br>(3) [ ] ____ **A** (Insurance Information) |
| (3) [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | (4) [X] **C** (Service Provider Information)<br>(5) [ ] **D** (DFE/Participating Plan Information)<br>(6) [ ] **G** (Financial Transaction Schedules) |

# Schedule H, Line 4

## Schedule of Delinquent Participant Contributions

For the Plan Year Beginning 07/01/2011 and Ending 06/30/2012

Name of Plan: INCENTIVE PROMOTIONS INC 401K PROFIT SHARING PLAN

Employer Identification Number: 94-1581836 Three-digit plan number: 002

| Participant Contributions Transferred Late to Plan | Total that Constitute Nonexempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| Check here if Late Participant Loan Repayments are included: X | Contributions Not Corrected | Contributions Corrected Outside VFCP | Contributions Pending Correction in VFCP | |
| | | $13,260 | | |

**INCENTIVE PROMOTIONS, INC.**
Form 5500 Schedule H
EIN 94-1581836
Plan #002

## Schedule of Assets Held for Investment

| (a) | (b) | (c) | (d) | (e) |
|---|---|---|---|---|
| Identity in Interest | Identity of issue, borrower, lessor, or similar party | Description of investment, including maturity date, rate of interest, collateral, par or maturity value | Cost | Current Value |
| * | Hartford | 831,248 shares Money Market Fund | N/A | $ 862,131 |
| * | Hartford | 14,290 shares Calvert Income A Fund | N/A | 229,634 |
| * | Hartford | 10,256 shares Columbia Mid Cap Value A Fund | N/A | 138,869 |
| * | Hartford | 6,239 shares American Century Heritage A Fund | N/A | 133,324 |
| * | Hartford | 33,008 shares PIMCO Mortgage-Backed Securities Fund | N/A | 354,173 |
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| * | Hartford | 28,873 shares T. Rowe Price Retirement 2020 Adv Fund | N/A | 487,960 |
| * | Hartford | 20,506 shares T. Rowe Price Retirement 2030 Adv Fund | N/A | 362,550 |
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| * | Hartford | 25,953 shares Mutual Beacon A Fund | N/A | 322,596 |
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| * | Hartford | Other | N/A | 68,586 |
| | | Total per Form 5500 Schedule H | | $ 4,332,930 |

**Other Assets Held for Investment:**

| | | | |
|---|---|---|---|
| Participant Loans | Loans (Interest rates 4%-8.25%) | | $ 184,493 |
| | Total Assets Held for Investment Purposes | | $ 4,517,423 |