

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2012 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
A This return/report is for:	<input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____
B This return/report is:	<input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	<input type="checkbox"/>
D Check box if filing under:	<input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description)

Part II	Basic Plan Information —enter all requested information		
1a Name of plan	<u>APEX LEARNING 401(K) PLAN</u>		1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>03/01/1999</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)	<u>APEX LEARNING, INC.</u> <u>1215 FOURTH AVENUE, STE 1500 SEATTLE, WA 98161</u>		2b Employer Identification Number (EIN) <u>91-1935905</u> 2c Sponsor's telephone number <u>206-381-5600</u> 2d Business code (see instructions) <u>611000</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	09/13/2013	JESSICA MARTIN
	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
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address APEX LEARNING, INC. 1215 FOURTH AVENUE, STE 1500 SEATTLE, WA 98161		3b Administrator's EIN 91-1935905 3c Administrator's telephone number 206-381-5600
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		5 282
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	305
b Retired or separated participants receiving benefits.....	6b	1
c Other retired or separated participants entitled to future benefits.....	6c	20
d Subtotal. Add lines 6a , 6b , and 6c	6d	326
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	326
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	113
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding 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		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
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) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> 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
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>APEX LEARNING 401(K) 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>APEX LEARNING, INC.</u>	D Employer Identification Number (EIN) <u>91-1935905</u>

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
FID.INV.INST.OPS.CO.

04-2647786

(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)

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 60	RECORDKEEPER	1482	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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
COLUMBIA DIV INC A - COLUMBIA MGT I P.O. BOX 8081 BOSTON, MA 02266-8081	0.50%	
(a) Enter service provider name as it appears on line 2		(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JANUS TRITON T - JANUS SERVICES LLC 43-1804048	0.35%	
(a) Enter service provider name as it appears on line 2		(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPM MID CAP VALUE A - BOSTON FINANC 330 W. 9TH STREET KANSAS CITY, MO 66160	0.50%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
WFA EMRG MKTS EQ ADM - BOSTON FINAN 330 W. 9TH STREET KANSAS CITY, MO 66160	0.35%	
(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

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;">2012</div> This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
A Name of plan <u>APEX LEARNING 401(K) 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>APEX LEARNING, INC.</u>		D Employer Identification Number (EIN) <u>91-1935905</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)		
	(2) Participant contributions	1b(2)	20158	2835
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	543299	544882
	(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)	14282	63760
	(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)	2787074	3067666
	(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	3364813	3679143

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities.....	1j	10832	2426
k Total liabilities (add all amounts in lines 1g through 1j)	1k	10832	2426

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	3353981	3676717
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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)		
(B) Participants	2a(1)(B)	730161	
(C) Others (including rollovers)	2a(1)(C)	53003	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		783164
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	56	
(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)	2293	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2349
(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)	75078	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		75078
(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)		
(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)		

		(a) Amount	(b) Total
(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)		340850
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1201441

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	880360	
(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)		880360
f Corrective distributions (see instructions)	2f		-3213
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1558	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		1558
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		878705

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		322736
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: CLARK NUBER PS

(2) EIN: 91-1194016

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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.).....

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.).....

	Yes	No	Amount
4a		X	
4b		X	

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

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

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

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

5b(1) Name of plan(s)

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

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

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 2012 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>APEX LEARNING 401(K) 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>APEX LEARNING, INC.</u>	D Employer Identification Number (EIN) <u>91-1935905</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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (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 line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

APEX LEARNING 401(k) PLAN

Financial Statements

For the Year Ended December 31, 2012

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Independent Auditors' Report

***To the Plan Administrator
Apex Learning 401(k) Plan
Seattle, Washington***

REPORT ON THE FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of Apex Learning 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. 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, 2012 and 2011, and for the year ended December 31, 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

CLARK NUBER

Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, as listed in the accompanying table of contents, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplementary information.

REPORT ON FORM AND CONTENT IN COMPLIANCE WITH DOL RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplementary information, 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.

Clark Nuber PS

Certified Public Accountants
August 30, 2013

Certified Public
Accountants
and Consultants

APEX LEARNING 401(k) PLAN

***Statements of Net Assets Available for Benefits
December 31, 2012 and 2011***

	<u>2012</u>	<u>2011</u>
Assets:		
Investments, at fair value-		
Mutual funds	\$ 3,067,666	\$ 2,787,074
Money market fund	<u>544,882</u>	<u>543,299</u>
Total investments, at fair value	3,612,548	3,330,373
Receivables-		
Notes receivable from participants	63,760	14,282
Participant contributions	<u>2,835</u>	<u>20,158</u>
Total receivables	<u>66,595</u>	<u>34,440</u>
Total Assets	<u>3,679,143</u>	<u>3,364,813</u>
Liabilities:		
Excess contributions payable	<u>2,426</u>	<u>10,832</u>
Total Liabilities	<u>2,426</u>	<u>10,832</u>
Net Assets Available for Benefits	<u>\$ 3,676,717</u>	<u>\$ 3,353,981</u>

See accompanying notes.

APEX LEARNING 401(k) PLAN

***Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2012***

Additions to Net Assets:

Contributions-	
Participant	\$ 730,161
Rollover	<u>53,003</u>

Total contributions	783,164
---------------------	---------

Investment income-	
Net appreciation in fair value of mutual funds	340,850
Interest and dividends	<u>77,427</u>

Total investment income	<u>418,277</u>
-------------------------	----------------

Total Additions to Net Assets	1,201,441
--------------------------------------	------------------

Deductions from Net Assets:

Benefits paid to participants	877,147
Administrative expenses	<u>1,558</u>

Total Deductions from Net Assets	<u>878,705</u>
---	-----------------------

Net Increase in Net Assets Available for Benefits	322,736
--	----------------

Net Assets Available for Benefits:

Beginning of year	<u>3,353,981</u>
-------------------	------------------

End of Year	<u>\$ 3,676,717</u>
--------------------	----------------------------

See accompanying notes.

APEX LEARNING 401(k) PLAN

Notes to Financial Statements For the Year Ended December 31, 2012

Note 1 - Description of the Plan

The following description of the Apex Learning 401(k) Plan (the Plan) provides general information only. Participants should refer to the plan document for complete information regarding the Plan's definitions, benefits, eligibility, and other matters.

General - The Plan is a defined contribution plan that was established effective March 1, 1999, for the benefit of employees of Apex Learning, Inc. (Sponsor). All employees who are at least 21 years of age and have completed three months of service are eligible to participate in the Plan. Employees can enter the Plan beginning the first day of the month following attainment of eligibility requirements.

Contributions - Participants may contribute to the Plan through voluntary deferrals of earned compensation. Eligible employees may contribute up to 60% of their compensation to the Plan, not to exceed annual limitations prescribed by the Internal Revenue Service (IRS). An additional employer match or profit sharing contribution may be made at the sole discretion of the Sponsor. No discretionary contributions were authorized for the 2012 plan year.

Participant Accounts - Each participant's account is credited an allocation of (a) profit sharing and matching contribution, if any; (b) deferral contributions; and (c) plan earnings and losses. Allocations are based on participant earnings or account balances, as defined. Participants' accounts are valued on a daily basis based on quoted market prices.

Investment Options - Participants may direct their account balance into various investment options offered by the Plan. Investment options are shares of mutual funds and a money market fund held by Fidelity Management Trust Company (Fidelity). Participants may change their investment elections and make transfers between investment options daily.

Vesting - Participants are immediately vested in their salary deferral contributions plus actual earnings thereon. Vesting in the Sponsor's matching and discretionary profit sharing contributions is based on years of continuous service as follows:

<u><i>Years of Service</i></u>	<u><i>Vested Percentage</i></u>
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Distributions - Upon termination of service, death, disability, or retirement, a participant, or their beneficiary, may elect to receive a distribution of their vested account balance. The distribution may be in the form of a lump-sum payment or in the form of installment payments. The Plan also provides for hardship withdrawals in accordance with provisions specified in the plan document.

APEX LEARNING 401(k) PLAN

Notes to Financial Statements For the Year Ended December 31, 2012

Note 1 - Continued

Notes Receivable from Participants - The Plan allows participants to borrow from their accounts using their vested balance as collateral for the loans. The maximum amount that a participant may borrow is equal to the lesser of 50% of their entire vested account balance or \$50,000. The minimum amount required to be borrowed is \$1,000. Loan terms range from one to five years unless it is used to acquire a principal residence. The loans bear interest at a rate commensurate with local prevailing rates as determined monthly by the plan administrator. Principal and interest are paid ratably through payroll deductions.

Note 2 - Significant Accounting Policies

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

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that may affect the accompanying financial statements and disclosures. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

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

Notes Receivable from Participants - Notes receivable from participants are measured at their unpaid principal balance. Accrued but unpaid interest, if any, would not have a material impact on the Plan's financial statements. If a participant ceases to make loan repayments and the plan administrator deems the loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Benefits Paid to Participants - Benefits paid to participants are recognized when they are paid.

Administrative Expenses - Participant loan accounts are assessed a separate fee for the administration of loans and repayments thereof, and are paid by the participant. Certain other administrative costs are paid by the Plan. All other administrative expenses related to the Plan are paid by the Sponsor.

Subsequent Events - The Plan's management has evaluated subsequent events through August 30, 2013, the date on which the Plan's financial statements were available to be issued.

APEX LEARNING 401(k) PLAN

Notes to Financial Statements For the Year Ended December 31, 2012

Note 3 - Fair Value Measurements

The Plan determines the fair value of its financial instruments based on the fair value hierarchy, which requires an entity to maximize its use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical instruments and the lowest priority to unobservable inputs. Level 1 measurements are based on unadjusted quoted market prices in active markets for identical assets or liabilities, Level 2 measurements are based on inputs that are observable or can be corroborated by observable market data and Level 3 measurements are based on inputs that are unobservable. A fair value measurement's level in the hierarchy is determined based on the lowest level input that is significant to the measurement.

The Plan's financial assets recorded at fair value are valued as follows

Mutual Funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Money Market Fund - Valued at cost plus accrued interest, which approximates fair value.

The valuation methodologies used by the Plan may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan's management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes in the methodologies used to value the Plan's assets as of December 31, 2012 and 2011.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2012 and 2011:

	<i>Fair Value Measurements as of December 31, 2012</i>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Mutual funds-				
Mid/large cap stock	\$ 2,220,259	\$ -	\$ -	\$ 2,220,259
Fixed income	390,210			390,210
International	374,265			374,265
Small cap stock	82,932			82,932
Total mutual funds	3,067,666			3,067,666
Money market fund	544,882			544,882
	<u>\$ 3,612,548</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,612,548</u>

APEX LEARNING 401(k) PLAN

Notes to Financial Statements For the Year Ended December 31, 2012

Note 3 - Continued

	<i>Fair Value Measurements as of December 31, 2011</i>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Mutual funds-				
Mid/large cap stock	\$ 2,006,379	\$ -	\$ -	\$ 2,006,379
Fixed income	404,036			404,036
International	293,885			293,885
Small cap stock	82,774			82,774
Total mutual funds	2,787,074			2,787,074
Money market fund	543,299			543,299
	\$ 3,330,373	\$ -	\$ -	\$ 3,330,373

Note 4 - Investments

Investments that represent 5% or more of total Plan assets as of December 31, 2012 and 2011, are as follows:

	<i>2012</i>	<i>2011</i>
Mutual funds-		
Fidelity Diversified International Fund	\$ 332,580	\$ 257,555
Fidelity Contra Fund	240,950	*
Fidelity Low Priced Stock Fund	208,257	182,221
Fidelity Total Bond	202,279	*
Spartan Total Market Index Advantage	202,221	*
Fidelity Freedom 2010 Fund	*	181,761
Fidelity Intermediate Bond Fund	*	180,617
Money market fund-		
Fidelity Retirement Money Market Fund	544,882	543,299

* Does not comprise 5% or more of plan assets as of December 31.

APEX LEARNING 401(k) PLAN

Notes to Financial Statements For the Year Ended December 31, 2012

Note 5 - Information Certified by the Trustee

The Plan's management has elected the method of compliance permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Under this provision of ERISA, certain information certified by a trust company need not be subjected to independent audits.

The Plan's management has obtained a certification from the trustee, Fidelity, that the following information provided by the Fidelity and included in the Plan's financial statements and supplementary information is complete and accurate:

- Fair value of investments as of December 31, 2012 and 2011;
- Investment income earned for the year ended December 31, 2012; and
- Investment transactions for the year ended December 31, 2012.

Note 6 - Plan Termination

Although it has not expressed any intent to do so, the Sponsor 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 will become fully vested in their account balances.

Note 7 - Federal Income Taxes

The Plan uses a volume submitter plan document sponsored by Fidelity. Fidelity received an opinion letter dated March 31, 2008, which states that the volume submitter document satisfies the applicable provisions of the Internal Revenue Code. The Plan itself has not received a determination letter from the IRS; however, the Plan's management believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRS. Therefore, no provision for income taxes has been included in the Plan's financial statements. The Plan is subject to audits by the IRS for certain tax periods based on applicable laws and regulations; however, there are currently no audits for any tax periods in progress.

Note 8 - Party-In-Interest Transactions

The Plan invests in shares of mutual funds and a money market fund managed by an affiliate of Fidelity. Transactions in such investments and fees charged by the affiliate directly to the funds for managing the investments, qualify as party-in-interest transactions.

Note 9 - Risks and Uncertainties

The Plan provides for various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

SUPPLEMENTARY INFORMATION

APEX LEARNING 401(k) PLAN

Attachment to Form 5500, Schedule H, Line 4(i) Schedule of Assets Held as of December 31, 2012

Employer: Apex Learning, Inc.

EIN: 91-1935905

Plan No.: 001

(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) Current Value
*	Fidelity Funds	Fidelity Retirement Money Market Fund	**	\$ 544,882
*	Fidelity Funds	Fidelity Diversified International Fund	**	332,580
*	Fidelity Funds	Fidelity Contra Fund	**	240,950
*	Fidelity Funds	Fidelity Low Priced Stock Fund	**	208,257
*	Fidelity Funds	Fidelity Total Bond	**	202,279
*	Fidelity Funds	Spartan Total Market Index Fund	**	202,221
*	Fidelity Funds	Fidelity Freedom 2020 Fund	**	150,158
*	Fidelity Funds	Fidelity Investment Grade Bond Fund	**	146,564
*	Fidelity Funds	Fidelity Freedom 2040 Fund	**	146,255
*	JP Morgan	JP Morgan Mid Cap Value A	**	135,659
*	Fidelity Funds	Fidelity Mid-Cap Stock Fund	**	131,976
*	Fidelity Funds	Fidelity Dividend Growth Fund	**	120,053
*	Fidelity Funds	Fidelity Freedom 2015 Fund	**	116,113
*	Fidelity Funds	Fidelity Growth Company Fund	**	105,381
*	Fidelity Funds	Fidelity Freedom 2035 Fund	**	101,889
*	Fidelity Funds	Fidelity Puritan Fund	**	84,627
*	Fidelity Funds	Fidelity OTC Portfolio	**	81,907
*	Fidelity Funds	Fidelity Large-Cap Stock Fund	**	62,779
*	Fidelity Funds	Fidelity Blue Chip Fund	**	57,686
*	Fidelity Funds	Fidelity Freedom 2025 Fund	**	47,883
*	Fidelity Funds	Fidelity Freedom 2045 Fund	**	46,902
*	Fidelity Funds	Fidelity Small Cap Value Fund	**	43,866
*	Fidelity Funds	Spartan Extended Market Index Fund	**	43,437
*	Wells Fargo	Wells Fargo Emerging Markets Fund	**	41,685
*	Fidelity Funds	Fidelity Freedom 2010 Fund	**	39,148
*	Fidelity Funds	Fidelity Small Cap Discovery Fund	**	39,045
*	Fidelity Funds	Fidelity Freedom 2000 Fund	**	37,011
*	Columbia	Columbia Dividend Income A	**	30,471
*	Fidelity Funds	Fidelity Real Estate Investment Fund	**	23,547
*	Fidelity Funds	Fidelity Freedom 2030 Fund	**	22,526
*	Fidelity Funds	Fidelity Growth Strategies Fund	**	11,652
*	Fidelity Funds	Fidelity Freedom 2050 Fund	**	8,446
*	Fidelity Funds	Fidelity Freedom 2005 Fund	**	4,218
*	Fidelity Funds	Fidelity Fund	**	334
*	Fidelity Funds	Fidelity Freedom Income Fund	**	138
*	Janus	Janus Triton T	**	23
*	Participant Loans	Rates at 4.25%, expiring through February 2017	- 0 -	63,760
Total				\$ 3,676,308

* Party-in-interest as defined by section 3(14) of ERISA.

** Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.

See independent auditors' report.

APEX LEARNING 401(k) PLAN

Attachment to Form 5500, Schedule H, Line 4(i) Schedule of Assets Held as of December 31, 2012

Employer: Apex Learning, Inc.

EIN: 91-1935905

Plan No.: 001

(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) Current Value
*	Fidelity Funds	Fidelity Retirement Money Market Fund	**	\$ 544,882
*	Fidelity Funds	Fidelity Diversified International Fund	**	332,580
*	Fidelity Funds	Fidelity Contra Fund	**	240,950
*	Fidelity Funds	Fidelity Low Priced Stock Fund	**	208,257
*	Fidelity Funds	Fidelity Total Bond	**	202,279
*	Fidelity Funds	Spartan Total Market Index Fund	**	202,221
*	Fidelity Funds	Fidelity Freedom 2020 Fund	**	150,158
*	Fidelity Funds	Fidelity Investment Grade Bond Fund	**	146,564
*	Fidelity Funds	Fidelity Freedom 2040 Fund	**	146,255
*	JP Morgan	JP Morgan Mid Cap Value A	**	135,659
*	Fidelity Funds	Fidelity Mid-Cap Stock Fund	**	131,976
*	Fidelity Funds	Fidelity Dividend Growth Fund	**	120,053
*	Fidelity Funds	Fidelity Freedom 2015 Fund	**	116,113
*	Fidelity Funds	Fidelity Growth Company Fund	**	105,381
*	Fidelity Funds	Fidelity Freedom 2035 Fund	**	101,889
*	Fidelity Funds	Fidelity Puritan Fund	**	84,627
*	Fidelity Funds	Fidelity OTC Portfolio	**	81,907
*	Fidelity Funds	Fidelity Large-Cap Stock Fund	**	62,779
*	Fidelity Funds	Fidelity Blue Chip Fund	**	57,686
*	Fidelity Funds	Fidelity Freedom 2025 Fund	**	47,883
*	Fidelity Funds	Fidelity Freedom 2045 Fund	**	46,902
*	Fidelity Funds	Fidelity Small Cap Value Fund	**	43,866
*	Fidelity Funds	Spartan Extended Market Index Fund	**	43,437
*	Wells Fargo	Wells Fargo Emerging Markets Fund	**	41,685
*	Fidelity Funds	Fidelity Freedom 2010 Fund	**	39,148
*	Fidelity Funds	Fidelity Small Cap Discovery Fund	**	39,045
*	Fidelity Funds	Fidelity Freedom 2000 Fund	**	37,011
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*	Fidelity Funds	Fidelity Fund	**	334
*	Fidelity Funds	Fidelity Freedom Income Fund	**	138
*	Janus	Janus Triton T	**	23
*	Participant Loans	Rates at 4.25%, expiring through February 2017	- 0 -	63,760
Total				\$ 3,676,308

* Party-in-interest as defined by section 3(14) of ERISA.

** Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.

See independent auditors' report.