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

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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;
- [X] 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
ZA ZU DESIGNS INC 401(K) PROFIT SHARING PLAN & TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2003

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

LSBZ INC

18 E HINSDALE AVE
HINSDALE, IL 60521-4105

2b Employer Identification Number (EIN)
36-3622807

2c Sponsor's telephone number
630-325-8126

2d Business code (see instructions)
812990

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.	09/20/2013	LSBZ INC
	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 [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

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:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	186
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**	109
b	Retired or separated participants receiving benefits	**6b**	
c	Other retired or separated participants entitled to future benefits	**6c**	67
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	176
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	
f	Total. Add lines **6d** and **6e**	**6f**	176
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	166
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	14
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:
2T 2G 2E 2J 3H 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)	[ ]	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)	[ ]	**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)	[ ]	0	**A** (Insurance Information)
(4)	[X]		**C** (Service Provider Information)
(5)	[ ]		**D** (DFE/Participating Plan Information)
(6)	[ ]		**G** (Financial Transaction Schedules)

SCHEDULE C
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

OMB No. 1210-0110

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
ZA ZU DESIGNS INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
36-3622807

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

MERRILL LYNCH PIERCE FENNER
4 WORLD FINANCIAL CENTER
NEW YORK, NY 10281

13-5674085

(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)

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4 WORLD FINANCIAL CENTER
NEW YORK, NY 10281

13-5674085

(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?
10 15 50	BROKERAGE	0	Yes [X] No [ ]	Yes [ ] No [X]	15661	Yes [ ] No [X]

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

PAYCHEX, INC.

16-1124166

(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?
10 15 50	RECORDKEEPER	8248	Yes [ ] No [X]	Yes [ ] No [X]	0	Yes [ ] No [X]

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

CHARLES J. GRIES & CO LLP

1101 PERIMETER DR
SCHAUMBURG, IL 60173

36-3383864

(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?
10 15 50	AUDITOR	9106	Yes [ ] No [X]	Yes [ ] No [X]	0	Yes [ ] No [X]

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
MERRILL LYNCH PIERCE FENNER	18	15661

(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.
MERRILL LYNCH PIERCE FENNER 4 WORLD FINANCIAL CENTER NEW YORK, NY 10281 13-5674085	

(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

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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

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
ZA ZU DESIGNS INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
36-3622807

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	
(2) Participant contributions	1b(2)	0	
(3) Other	1b(3)	0	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2956	4730
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property)	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans	1c(8)	98798	132994
(9) Value of interest in common/collective trusts	1c(9)	0	
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	
(12) Value of interest in 103-12 investment entities	1c(12)	0	
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1376825	1641166
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	
(2) Employer real property	1d(2)	0	
e Buildings and other property used in plan operation	1e	0	
f Total assets (add all amounts in lines 1a through 1e)	1f	1478579	1778890
Liabilities			
g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	0	
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	1478579	1778890

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)	163946	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		163946
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)	6903	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		6903
(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)	21401	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		21401
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(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)		141414
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		333664
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	16705	
(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)		16705
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	16648	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		16648
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		33353
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		300311
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)** [X] Disclaimer **(4)** [ ] Adverse

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

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

(1) Name: CJG PARTNERS LLP **(2)** EIN: 36-3383864

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:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			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.)	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		200000
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)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

LSBZ, Inc.
ZaZu 401(k) Plan
Financial Statements

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Independent Auditor's Report

Plan Administrator
LSBZ, Inc. ZaZu 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the LSBZ, Inc. ZaZu 401(k) Plan, which comprise of the statements of net assets available for plan benefits as of December 31, 2012 and 2011 and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2012, the supplemental schedule of Schedule H, Line 4(i) – Schedule of Assets (Held at Year End) as of and for the year ended December 31, 2012 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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.

Auditor's 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 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 8, which was certified by Mid Atlantic Trust Company, the trustee of the Plan, except for comparing that information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certificate from the trustee as of and for the years ended December 31, 2012 and 2011 that the information provided to the Plan Administrator by the trustee is complete and accurate.

cjg partners LLP

Certified Public Accountants & Advisors

Independent Auditor's Report

Plan Administrator
LSBZ, Inc. ZaZu 401(k) Plan (Continued)

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.

Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, Schedule H, Line 4(i) – Schedule of Assets (Held at Year End) as of December 31, 2012, which is the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

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 supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

cjg partners LLP
Certified Public Accountants

Schaumburg, Illinois
August 7, 2013

LSBZ, Inc.
ZaZu 401(k) Plan
Statements of Net Assets Available for Plan Benefits
December 31, 2012 and 2011

	2012	*2011*
Assets		
Investments (at Fair Value)		
Mutual funds	$ 1,641,166	$ 1,376,825
Interest bearing cash	4,730	2,956
Total Investments	1,645,896	1,379,781
Other Assets		
Notes receivable from participants	132,994	98,798
Total Other Assets	132,994	98,798
Net Assets Available for Plan Benefits	$ 1,778,890	$ 1,478,579

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

LSBZ, Inc.
ZaZu 401(k) Plan
Statement of Changes in Net Assets Available for Plan Benefits
For the Year Ended December 31, 2012

Additions to Net Assets Attributed to:		
Investment Income		
Net appreciation in fair value of investments	$	141,414
Dividend income		21,401
Total Investment Income		162,815
Interest - Participant Notes		6,903
Contributions		
Participants		163,946
Total Contributions		163,946
Total Additions		333,664
Deductions from Net Assets Attributed to:		
Benefits paid to participants		16,705
Administrative expenses		16,648
Total Deductions		33,353
Net Increase		300,311
Net Assets Available for Benefits		
Beginning of Year		1,478,579
End of Year	$	1,778,890

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

1. Summary of Accounting Policies

Basis of Accounting

The financial statements of the LSBZ, Inc. ZaZu 401(k) Plan (the "Plan") have been prepared under the accrual method of accounting in conformity with accounting principles generally accepted in the United States.

New Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2011-04, *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRS* ("ASU 2011-04"). ASU 2011-04 amended ASC 820 to converge the fair value measurement guidance in GAAP and the International Financial Reporting Standards (IFRSs). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principal in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. The provisions of ASU 2011-04 did not have a material effect on the Plan's financial statements.

Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Plan evaluated subsequent events through August 7, 2013, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

Investments and Income Recognition

The Plan's investments are stated at fair value. Shares of mutual funds are valued at quoted market price, which represent the net asset value of shares held by the Plan at year end. Participant loans are valued at the outstanding loan balances, plus accrued interest, which approximates fair value.

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.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted ("GAAP") in the United States of America requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Expenses

The costs incurred in the administration of the Plan are paid for by the Plan. Management fees and operating expenses charged to mutual fund investments are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Benefits Paid

Benefits are recorded when paid. Returns of excess contributions are recorded as a liability in the year of contribution, and are treated as benefits paid.

1. **Summary of Accounting Policies (Continued)**

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2012 or 2011. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

2. **Plan Description**

The following description of the 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 was adopted by LSBZ, Inc. (Plan Administrator and Sponsor) on March 1, 1999. The Plan Administrator maintains all necessary employment records and determines participant eligibility.

Participation and Vesting

Substantially all employees of LSBZ, Inc., Za-Zu Designs, Inc., Zazu Design, Inc., SAM LLC, and Hush LLC (collectively the "Company") become eligible to participate in the Plan beginning on the first day of January, April, July or October; following attainment of twenty-one years of age and completion of one year of service. Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their account is based on years of continuous service. Vesting begins with 20% after one year of service and continues to vest in 20% increments for each year of service thereafter, with full vesting after five years of service.

Payments of Benefits

Upon termination of services due to death, disability, or retirement, participants may elect to take a lump-sum distribution, a series of equal installments over a period not exceeding participant's life expectancy or joint life expectancies of the participant and his or her beneficiaries.

Participants' Accounts

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

Investment Options

The Company maintains investment funds with Mid Atlantic Trust Company. A participant may maintain their entire account in one of the investment funds or may elect to split their account among investment funds in accordance with the terms of the Plan.

2. **Plan Description (Continued)**

Company Contribution

The Plan allows for contributions to be made at the discretion of Company management. For the year ended December 31, 2012, the Company made no additional contributions.

Participant Contributions

Each year, participants may contribute up to 100% of pretax annual compensation, subject to the maximum allowable contribution as established by the Internal Revenue Code ("the Code"). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers eighteen mutual funds as investment options for participants.

Forfeitures

Forfeitures are determined as of the end of the Plan year, during which the former participants receive full payment of their vested account balance. These accounts will first be used to reduce the Company's matching contribution. Any remaining forfeitures will be added to the Company's matching contribution. Finally, any remaining forfeitures will be used to offset Plan administration expenses. At December 31, 2012 and 2011 forfeited non-vested accounts totaled zero.

Participant Loans

The Plan allows participants to take out loans secured by their vested account balance. Participants may borrow from a minimum of $1,000 to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. Loans will be charged the prime interest rate plus 2%, and must be repaid within five years, unless used to purchase the participant's principal residence.

3. **Investments**

The following table presents the fair value of investments at December 31 that represent 5% or more of the Plan's net assets. The Plan does not have any non-participant directed investments.

	2012	*2011*
Investments at Fair Value:		
Black Rock Equity	$140,180	$131,205
Black Rock Global	960,678	828,034
Janus Forty	141,212	118,066

During 2012, the Plan's investments (including investments bought, sold and held during the year) appreciated in value by $141,414.

4. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements*, establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quotes and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs consist of significant unobservable inputs and have the lowest priority.

The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available. At December 31, 2012 and 2011 all of the Plan's investments were valued using Level 1 inputs.

Level 1 Fair Value Measurements

The fair value of mutual funds and interest bearing cash is based on quoted net asset values of the shares held by the Plan at year-end.

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits.

Level 1 Fair Value Measurements

Assets at fair value at December 31, 2012:

	Level 1	Level 2	Level 3	Total
Mutual funds				
Value funds	$193,643	$ -	$ -	$193,643
Blended funds	77,129	-	-	77,129
Fixed income funds	137,072	-	-	137,072
Growth funds	239,865	-	-	239,865
Balanced funds	993,457	-	-	993,457
Total	$1,641,166	$ -	$ -	$1,641,166

Assets at fair value at December 31, 2011:

	Level 1	Level 2	Level 3	Total
Mutual funds				
Value funds	$166,325	$ -	$ -	$166,325
Blended funds	51,819	-	-	51,819
Fixed income funds	113,583	-	-	113,583
Growth funds	187,365	-	-	187,365
Balanced funds	857,733	-	-	857,733
Total	$1,376,825	$ -	$ -	$1,376,825

5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

6. Income Tax Status

Effective April 1, 2010, the Plan adopted a non-standardized prototype plan of Paychex, Inc. The prototype plan has received a letter dated March 31, 2008 from the Internal Revenue Service as to the prototype plan's qualified status; determining that the Plan is designed in accordance with applicable laws with the Code. The Plan has since been amended since receiving the determination letter, however, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable provisions of the Code.

In line with GAAP, the Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2009.

7. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rates, 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 those changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

8. Summary of Information Certified by Plan Trustee

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by the Trustees:

	2012	*2011*
Investments at Fair Value:		
Mutual funds	$ 1,641,166	$ 1,376,825
Interest bearing cash	4,730	2,956
Investment income/(loss)	162,815	(45,476)

9. Party-in-Interest

Mid Atlantic Trust Company was the depository for the Plan's assets in 2012 and 2011, and invested funds in accordance with the Trust Agreement. Plan transactions with the Trustee qualify as party-in-interest. Transactions with parties-in-interest include purchases and sales of assets through the Trustees; and fees paid to the Trustees, the Plan's auditors and the Plan's third party administrator.

Supplementary Information

Schedule H, Line 4(i) - Schedule of Assets (Held at Year End)
36-3290314
LSBZ, Inc. ZaZu 401(k) Plan
Plan # 001
December 31, 2012

(a)	(b) Identity of issue, 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
	American Funds New Persp Fd R2	Mutual Fund	$ -	$ 20,749
	American Funds New World Fd R2	Mutual Fund	-	54,170
	American Funds Target Date 2030	Mutual Fund	-	4,400
	American Funds Target Date 2020	Mutual Fund	-	28,379
	Black Rock Equity Dividend Fd R	Mutual Fund	-	140,180
	Black Rock Global Allocation Fd R	Mutual Fund	-	960,678
	Black Rock Retirement Reserve Fd	Mutual Fund	-	4,730
	Black Rock Small Cap Growth Fd II R	Mutual Fund	-	1,354
	Federated Kaufmann Fd K	Mutual Fund	-	5,278
	Investco International Growth	Mutual Fund	-	17,102
	Janus Forty Fd R	Mutual Fund	-	141,212
	Oppenheimer Intl Bond Fd N	Mutual Fund	-	16,129
	Perkins Mid Cap Value Fd R	Mutual Fund	-	1,232
	PIMCO High Yield Fd R	Mutual Fund	-	2,375
	PIMCO Total Return Fd R	Mutual Fund	-	55,968
	Predential Short Term Corp Bd Fd	Mutual Fund	-	62,600
	Thornburg Intl Value Fd R3	Mutual Fund	-	2,438
	Victory Small Co Opp Fd R	Mutual Fund	-	49,793
	Victory Diversified Stock Fd R	Mutual Fund	-	77,129
*	Participant Notes Receivable	Participant Notes Receivable ***	-	132,994
			$ -	$ 1,778,890

* Indicates a party-in-interest
** Cost information is not required for participant-directed investments
*** Interest rates range from 4.25 - 7.25%

LSBZ, Inc.
ZaZu 401(k) Plan
Financial Statements

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Independent Auditor's Report

Plan Administrator
LSBZ, Inc. ZaZu 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the LSBZ, Inc. ZaZu 401(k) Plan, which comprise of the statements of net assets available for plan benefits as of December 31, 2012 and 2011 and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2012, the supplemental schedule of Schedule H, Line 4(i) – Schedule of Assets (Held at Year End) as of and for the year ended December 31, 2012 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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.

Auditor's 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 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 8, which was certified by Mid Atlantic Trust Company, the trustee of the Plan, except for comparing that information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certificate from the trustee as of and for the years ended December 31, 2012 and 2011 that the information provided to the Plan Administrator by the trustee is complete and accurate.

cjg partners LLP

Certified Public Accountants & Advisors

Independent Auditor's Report

Plan Administrator
LSBZ, Inc. ZaZu 401(k) Plan (Continued)

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.

Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, Schedule H, Line 4(i) – Schedule of Assets (Held at Year End) as of December 31, 2012, which is the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

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 supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

cjg partners LLP
Certified Public Accountants

Schaumburg, Illinois
August 7, 2013

LSBZ, Inc.
ZaZu 401(k) Plan
Statements of Net Assets Available for Plan Benefits
December 31, 2012 and 2011

	2012	*2011*
Assets		
Investments (at Fair Value)		
Mutual funds	$ 1,641,166	$ 1,376,825
Interest bearing cash	4,730	2,956
Total Investments	1,645,896	1,379,781
Other Assets		
Notes receivable from participants	132,994	98,798
Total Other Assets	132,994	98,798
Net Assets Available for Plan Benefits	$ 1,778,890	$ 1,478,579

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

LSBZ, Inc.
ZaZu 401(k) Plan
Statement of Changes in Net Assets Available for Plan Benefits
For the Year Ended December 31, 2012

Additions to Net Assets Attributed to:		
Investment Income		
Net appreciation in fair value of investments	$	141,414
Dividend income		21,401
Total Investment Income		162,815
Interest - Participant Notes		6,903
Contributions		
Participants		163,946
Total Contributions		163,946
Total Additions		333,664
Deductions from Net Assets Attributed to:		
Benefits paid to participants		16,705
Administrative expenses		16,648
Total Deductions		33,353
Net Increase		300,311
Net Assets Available for Benefits		
Beginning of Year		1,478,579
End of Year	$	1,778,890

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

1. Summary of Accounting Policies

Basis of Accounting

The financial statements of the LSBZ, Inc. ZaZu 401(k) Plan (the "Plan") have been prepared under the accrual method of accounting in conformity with accounting principles generally accepted in the United States.

New Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2011-04, *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRS* ("ASU 2011-04"). ASU 2011-04 amended ASC 820 to converge the fair value measurement guidance in GAAP and the International Financial Reporting Standards (IFRSs). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principal in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. The provisions of ASU 2011-04 did not have a material effect on the Plan's financial statements.

Subsequent Events

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Investments and Income Recognition

The Plan's investments are stated at fair value. Shares of mutual funds are valued at quoted market price, which represent the net asset value of shares held by the Plan at year end. Participant loans are valued at the outstanding loan balances, plus accrued interest, which approximates fair value.

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Estimates

The preparation of financial statements in conformity with accounting principles generally accepted ("GAAP") in the United States of America requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Expenses

The costs incurred in the administration of the Plan are paid for by the Plan. Management fees and operating expenses charged to mutual fund investments are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Benefits Paid

Benefits are recorded when paid. Returns of excess contributions are recorded as a liability in the year of contribution, and are treated as benefits paid.

1. **Summary of Accounting Policies (Continued)**

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2012 or 2011. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

2. **Plan Description**

The following description of the 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 was adopted by LSBZ, Inc. (Plan Administrator and Sponsor) on March 1, 1999. The Plan Administrator maintains all necessary employment records and determines participant eligibility.

Participation and Vesting

Substantially all employees of LSBZ, Inc., Za-Zu Designs, Inc., Zazu Design, Inc., SAM LLC, and Hush LLC (collectively the "Company") become eligible to participate in the Plan beginning on the first day of January, April, July or October; following attainment of twenty-one years of age and completion of one year of service. Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their account is based on years of continuous service. Vesting begins with 20% after one year of service and continues to vest in 20% increments for each year of service thereafter, with full vesting after five years of service.

Payments of Benefits

Upon termination of services due to death, disability, or retirement, participants may elect to take a lump-sum distribution, a series of equal installments over a period not exceeding participant's life expectancy or joint life expectancies of the participant and his or her beneficiaries.

Participants' Accounts

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

Investment Options

The Company maintains investment funds with Mid Atlantic Trust Company. A participant may maintain their entire account in one of the investment funds or may elect to split their account among investment funds in accordance with the terms of the Plan.

2. **Plan Description (Continued)**

Company Contribution

The Plan allows for contributions to be made at the discretion of Company management. For the year ended December 31, 2012, the Company made no additional contributions.

Participant Contributions

Each year, participants may contribute up to 100% of pretax annual compensation, subject to the maximum allowable contribution as established by the Internal Revenue Code ("the Code"). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers eighteen mutual funds as investment options for participants.

Forfeitures

Forfeitures are determined as of the end of the Plan year, during which the former participants receive full payment of their vested account balance. These accounts will first be used to reduce the Company's matching contribution. Any remaining forfeitures will be added to the Company's matching contribution. Finally, any remaining forfeitures will be used to offset Plan administration expenses. At December 31, 2012 and 2011 forfeited non-vested accounts totaled zero.

Participant Loans

The Plan allows participants to take out loans secured by their vested account balance. Participants may borrow from a minimum of $1,000 to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. Loans will be charged the prime interest rate plus 2%, and must be repaid within five years, unless used to purchase the participant's principal residence.

3. **Investments**

The following table presents the fair value of investments at December 31 that represent 5% or more of the Plan's net assets. The Plan does not have any non-participant directed investments.

	2012	*2011*
Investments at Fair Value:		
Black Rock Equity	$140,180	$131,205
Black Rock Global	960,678	828,034
Janus Forty	141,212	118,066

During 2012, the Plan's investments (including investments bought, sold and held during the year) appreciated in value by $141,414.

4. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements*, establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quotes and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs consist of significant unobservable inputs and have the lowest priority.

The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available. At December 31, 2012 and 2011 all of the Plan's investments were valued using Level 1 inputs.

Level 1 Fair Value Measurements

The fair value of mutual funds and interest bearing cash is based on quoted net asset values of the shares held by the Plan at year-end.

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits.

Level 1 Fair Value Measurements

Assets at fair value at December 31, 2012:

	Level 1	Level 2	Level 3	Total
Mutual funds				
Value funds	$193,643	$ -	$ -	$193,643
Blended funds	77,129	-	-	77,129
Fixed income funds	137,072	-	-	137,072
Growth funds	239,865	-	-	239,865
Balanced funds	993,457	-	-	993,457
Total	$1,641,166	$ -	$ -	$1,641,166

Assets at fair value at December 31, 2011:

	Level 1	Level 2	Level 3	Total
Mutual funds				
Value funds	$166,325	$ -	$ -	$166,325
Blended funds	51,819	-	-	51,819
Fixed income funds	113,583	-	-	113,583
Growth funds	187,365	-	-	187,365
Balanced funds	857,733	-	-	857,733
Total	$1,376,825	$ -	$ -	$1,376,825

5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

6. Income Tax Status

Effective April 1, 2010, the Plan adopted a non-standardized prototype plan of Paychex, Inc. The prototype plan has received a letter dated March 31, 2008 from the Internal Revenue Service as to the prototype plan's qualified status; determining that the Plan is designed in accordance with applicable laws with the Code. The Plan has since been amended since receiving the determination letter, however, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable provisions of the Code.

In line with GAAP, the Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2009.

7. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rates, 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 those changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

8. Summary of Information Certified by Plan Trustee

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by the Trustees:

	2012	*2011*
Investments at Fair Value:		
Mutual funds	$ 1,641,166	$ 1,376,825
Interest bearing cash	4,730	2,956
Investment income/(loss)	162,815	(45,476)

9. Party-in-Interest

Mid Atlantic Trust Company was the depository for the Plan's assets in 2012 and 2011, and invested funds in accordance with the Trust Agreement. Plan transactions with the Trustee qualify as party-in-interest. Transactions with parties-in-interest include purchases and sales of assets through the Trustees; and fees paid to the Trustees, the Plan's auditors and the Plan's third party administrator.

Supplementary Information

Schedule H, Line 4(i) - Schedule of Assets (Held at Year End)
36-3290314
LSBZ, Inc. ZaZu 401(k) Plan
Plan # 001
December 31, 2012

(a)	(b) Identity of issue, 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
	American Funds New Persp Fd R2	Mutual Fund	$ -	$ 20,749
	American Funds New World Fd R2	Mutual Fund	-	54,170
	American Funds Target Date 2030	Mutual Fund	-	4,400
	American Funds Target Date 2020	Mutual Fund	-	28,379
	Black Rock Equity Dividend Fd R	Mutual Fund	-	140,180
	Black Rock Global Allocation Fd R	Mutual Fund	-	960,678
	Black Rock Retirement Reserve Fd	Mutual Fund	-	4,730
	Black Rock Small Cap Growth Fd II R	Mutual Fund	-	1,354
	Federated Kaufmann Fd K	Mutual Fund	-	5,278
	Investco International Growth	Mutual Fund	-	17,102
	Janus Forty Fd R	Mutual Fund	-	141,212
	Oppenheimer Intl Bond Fd N	Mutual Fund	-	16,129
	Perkins Mid Cap Value Fd R	Mutual Fund	-	1,232
	PIMCO High Yield Fd R	Mutual Fund	-	2,375
	PIMCO Total Return Fd R	Mutual Fund	-	55,968
	Predential Short Term Corp Bd Fd	Mutual Fund	-	62,600
	Thornburg Intl Value Fd R3	Mutual Fund	-	2,438
	Victory Small Co Opp Fd R	Mutual Fund	-	49,793
	Victory Diversified Stock Fd R	Mutual Fund	-	77,129
*	Participant Notes Receivable	Participant Notes Receivable ***	-	132,994
			$ -	$ 1,778,890

* Indicates a party-in-interest
** Cost information is not required for participant-directed investments
*** Interest rates range from 4.25 - 7.25%