

<b>Form 5500</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Annual Return/Report of Employee Benefit Plan</b>  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;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p>	OMB Nos. 1210-0110 1210-0089  <b>2012</b>  <b>This Form is Open to Public Inspection</b>
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<b>Part I</b>	<b>Annual Report Identification Information</b>
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)

<b>Part II</b>	<b>Basic Plan Information</b> —enter all requested information				
<b>1a</b> Name of plan <u>MILLER-NICHOLSON RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan <u>01/01/1987</u></td> </tr> </table>	<b>1b</b> Three-digit plan number (PN) ▶	<u>002</u>	<b>1c</b> Effective date of plan <u>01/01/1987</u>	
<b>1b</b> Three-digit plan number (PN) ▶	<u>002</u>				
<b>1c</b> Effective date of plan <u>01/01/1987</u>					
<b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)  <u>MILLER-NICHOLSON INC.</u>  <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <u>1015 OLIVE WAY</u>  <u>SEATTLE, WA 98101</u> </div> <div style="width: 45%;"> <u>1015 OLIVE WAY</u>  <u>SEATTLE, WA 98101</u> </div> </div>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN) <u>91-0524992</u></td> </tr> <tr> <td><b>2c</b> Sponsor's telephone number <u>206-382-8800</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions) <u>441110</u></td> </tr> </table>	<b>2b</b> Employer Identification Number (EIN) <u>91-0524992</u>	<b>2c</b> Sponsor's telephone number <u>206-382-8800</u>	<b>2d</b> Business code (see instructions) <u>441110</u>	
<b>2b</b> Employer Identification Number (EIN) <u>91-0524992</u>					
<b>2c</b> Sponsor's telephone number <u>206-382-8800</u>					
<b>2d</b> Business code (see instructions) <u>441110</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.

<b>SIGN HERE</b>	Filed with authorized/valid electronic signature. Signature of plan administrator	10/04/2013 Date	STUART LUND Enter name of individual signing as plan administrator
<b>SIGN HERE</b>	Filed with authorized/valid electronic signature. Signature of employer/plan sponsor	10/04/2013 Date	STUART LUND Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>	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)

<b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address  MILLER-NICHOLSON INC.  1015 OLIVE WAY SEATTLE, WA 98101	<b>3b</b> Administrator's EIN 91-0524992  <b>3c</b> Administrator's telephone number 206-382-8800
<b>4</b> 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: <b>a</b> Sponsor's name	<b>4b</b> EIN  <b>4c</b> PN
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b> 157
<b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).  <b>a</b> Active participants..... <b>b</b> Retired or separated participants receiving benefits..... <b>c</b> Other retired or separated participants entitled to future benefits..... <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> ..... <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits..... <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> ..... <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6a</b> 122 <b>6b</b> 0 <b>6c</b> 24 <b>6d</b> 146 <b>6e</b> 2 <b>6f</b> 148 <b>6g</b> 127 <b>6h</b> 0
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b>
<b>8a</b> 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 3H  <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
<b>9a</b> 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	<b>9b</b> 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
<b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
<b>a Pension Schedules</b> (1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information) (2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	<b>b General Schedules</b> (1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan) (3) <input type="checkbox"/> <b>A</b> (Insurance Information) (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)

<b>SCHEDULE C</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Service Provider Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  <b>► File as an attachment to Form 5500.</b>	OMB No. 1210-0110
		<b>2012</b>
		<b>This Form is Open to Public Inspection.</b>

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

<b>A</b> Name of plan <b>MILLER-NICHOLSON RETIREMENT PLAN</b>	<b>B</b> Three-digit plan number (PN) <b>►</b>	<b>002</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>MILLER-NICHOLSON INC.</b>	<b>D</b> Employer Identification Number (EIN) <b>91-0524992</b>	

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

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

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

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

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

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

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

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(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65	RECORDKEEPER	4073	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>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> 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>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> 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>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**Part I Service Provider Information (continued)**

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

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

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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



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

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  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).  <b>► File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2012</div>  <b>This Form is Open to Public Inspection</b>
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
<b>A</b> Name of plan <u>MILLER-NICHOLSON RETIREMENT PLAN</u>		<b>B</b> Three-digit plan number (PN) <span style="float: right;"><u>002</u></span>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>MILLER-NICHOLSON INC.</u>		<b>D</b> Employer Identification Number (EIN)  <u>91-0524992</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
<b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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.				
	<b>Assets</b>			
<b>a</b>	Total noninterest-bearing cash .....	<b>1a</b>		
<b>b</b>	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions .....	<b>1b(1)</b>		
	(2) Participant contributions .....	<b>1b(2)</b>		
	(3) Other.....	<b>1b(3)</b>		
<b>c</b>	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	549390	460524
	(2) U.S. Government securities.....	<b>1c(2)</b>		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred .....	<b>1c(3)(A)</b>		
	(B) All other.....	<b>1c(3)(B)</b>		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred .....	<b>1c(4)(A)</b>		
	(B) Common .....	<b>1c(4)(B)</b>		
	(5) Partnership/joint venture interests .....	<b>1c(5)</b>		
	(6) Real estate (other than employer real property) .....	<b>1c(6)</b>		
	(7) Loans (other than to participants) .....	<b>1c(7)</b>		
	(8) Participant loans .....	<b>1c(8)</b>	119383	69553
	(9) Value of interest in common/collective trusts.....	<b>1c(9)</b>		
	(10) Value of interest in pooled separate accounts.....	<b>1c(10)</b>		
	(11) Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
	(12) Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	<b>1c(13)</b>	2614212	3174170
	(14) Value of funds held in insurance company general account (unallocated contracts).....	<b>1c(14)</b>		
	(15) Other .....	<b>1c(15)</b>		

<b>1d</b> Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities .....	<b>1d(1)</b>		
(2) Employer real property .....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation .....	<b>1e</b>		
<b>f</b> Total assets (add all amounts in lines 1a through 1e) .....	<b>1f</b>	3282985	3704247

**Liabilities**

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

**Net Assets**

<b>l</b> Net assets (subtract line 1k from line 1f) .....	<b>1l</b>	3282985	3704247
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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
<b>a Contributions:</b>			
(1) Received or receivable in cash from: <b>(A)</b> Employers .....	<b>2a(1)(A)</b>	78	
<b>(B)</b> Participants .....	<b>2a(1)(B)</b>	291937	
<b>(C)</b> Others (including rollovers) .....	<b>2a(1)(C)</b>		
(2) Noncash contributions .....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		292015
<b>b Earnings on investments:</b>			
(1) Interest:			
<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....	<b>2b(1)(A)</b>	52	
<b>(B)</b> U.S. Government securities .....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments .....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants) .....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans .....	<b>2b(1)(E)</b>	6713	
<b>(F)</b> Other .....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		6765
(2) Dividends: <b>(A)</b> Preferred stock .....	<b>2b(2)(A)</b>		
<b>(B)</b> Common stock .....	<b>2b(2)(B)</b>		
<b>(C)</b> Registered investment company shares (e.g. mutual funds) .....	<b>2b(2)(C)</b>	78907	
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		78907
(3) Rents .....	<b>2b(3)</b>		
(4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....	<b>2b(4)(A)</b>		
<b>(B)</b> Aggregate carrying amount (see instructions) .....	<b>2b(4)(B)</b>		
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....	<b>2b(4)(C)</b>		
(5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....	<b>2b(5)(A)</b>		
<b>(B)</b> Other .....	<b>2b(5)(B)</b>		
<b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	<b>2b(10)</b>		309809
<b>c</b> Other income.....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....	<b>2d</b>		687496

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	262159	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		262159
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions).....	<b>2g</b>		
<b>h</b> Interest expense.....	<b>2h</b>		
<b>i</b> Administrative expenses: (1) Professional fees .....	<b>2i(1)</b>		
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Investment advisory and management fees .....	<b>2i(3)</b>		
(4) Other .....	<b>2i(4)</b>	4075	
(5) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....	<b>2i(5)</b>		4075
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....	<b>2j</b>		266234

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		421262
<b>l</b> Transfers of assets:			
(1) To this plan.....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**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: PETERSON SULLIVAN LLP

(2) EIN: 91-0605875

**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
<b>4a</b>		X	
<b>4b</b>		X	

	Yes	No	Amount
<b>c</b> 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	
<b>d</b> 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	
<b>e</b> Was this plan covered by a fidelity bond? .....	X		500000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....		X	
<b>g</b> 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	
<b>h</b> 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	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....	X		
<b>j</b> 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	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan? .....		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....		X	
<b>n</b> 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

<b>SCHEDULE R</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Retirement Plan Information</b>  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).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2012</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

<b>A</b> Name of plan <u>MILLER-NICHOLSON RETIREMENT PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶ <u>002</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>MILLER-NICHOLSON INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>91-0524992</u>

<b>Part I</b>	<b>Distributions</b>
---------------	----------------------

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

<b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<b>1</b>	<u>0</u>
<b>2</b> 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>		
<b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>		
<b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	<b>3</b>	

<b>Part II</b>	<b>Funding Information</b> (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)
----------------	--

<b>4</b> 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
<b>If the plan is a defined benefit plan, go to line 8.</b>			
<b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____ <b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b>			
<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>		
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>		
<b>c</b> 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).....	<b>6c</b>		
<b>If you completed line 6c, skip lines 8 and 9.</b>			
<b>7</b> 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
<b>8</b> 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

<b>Part III</b>	<b>Amendments</b>
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<b>9</b> 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
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<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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<b>10</b> 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
<b>11 a</b> Does the ESOP hold any preferred stock? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</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
<b>12</b> 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:

<b>a</b> The current year .....	<b>14a</b>	
<b>b</b> The plan year immediately preceding the current plan year .....	<b>14b</b>	
<b>c</b> The second preceding plan year .....	<b>14c</b>	

- 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:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

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

<b>a</b> Enter the number of employers who withdrew during the preceding plan year .....	<b>16a</b>	
<b>b</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 .....	<b>16b</b>	

- 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): \_\_\_\_\_



**MILLER-NICHOLSON RETIREMENT PLAN**

FINANCIAL REPORT

DECEMBER 31, 2012

## C O N T E N T S

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**INDEPENDENT AUDITORS' REPORT**

To the Plan Administrative Committee  
Miller-Nicholson Retirement Plan  
Seattle, Washington

We were engaged to audit the accompanying financial statements of Miller-Nicholson Retirement Plan ("the Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management of the Plan is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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. 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 4, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplementary schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of 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.

**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 supplementary schedule of assets (held at end of year), which is the responsibility of management of the Plan, 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 supplementary 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 supplementary 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 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.

*Peterson Sullivan L.L.P.*

September 3, 2013

**MILLER-NICHOLSON RETIREMENT PLAN**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

December 31, 2012 and 2011

ASSETS	2012	2011
Money Market Funds	\$ 460,524	\$ 549,390
Investments in Mutual Funds, at fair value	3,174,170	2,614,212
Notes Receivable from Participants	69,553	119,383
Net Assets Available for Benefits	<u>\$ 3,704,247</u>	<u>\$ 3,282,985</u>

See Notes to Financial Statements

# MILLER-NICHOLSON RETIREMENT PLAN

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Years Ended December 31, 2012 and 2011

	2012	2011
Additions to net assets attributed to:		
Investment income		
Net appreciation (depreciation) in fair value of investments	\$ 309,809	\$ (156,695)
Dividends and interest	78,959	85,940
Interest on notes receivable from participants	6,713	8,951
Contributions		
Participants'	292,015	294,433
Rollovers		249
Total additions	687,496	232,878
Deductions from net assets attributed to:		
Benefits paid to participants	262,159	291,054
Administrative expenses	4,075	8,003
Total deductions	266,234	299,057
<b>Net increase (decrease)</b>	<b>421,262</b>	<b>(66,179)</b>
Net assets available for benefits:		
Beginning of year	3,282,985	3,349,164
End of year	<u>\$ 3,704,247</u>	<u>\$ 3,282,985</u>

See Notes to Financial Statements



## NOTES TO FINANCIAL STATEMENTS

### **Note 1. Description of Plan**

The following description of the Miller-Nicholson Retirement Plan ("the Plan") provides general information only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

#### **General**

The Plan was established January 1, 1987. It is a defined contribution plan providing benefits to eligible employees of Miller-Nicholson, Inc., MN One, Inc. dba Honda of Seattle, MN II Inc. dba Toyota of Seattle, and MN Leasing, Inc. ("the Companies"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

#### **Eligibility**

Employees of the Companies who have one year or more of service and are age 18 or older are eligible to participate in the Plan.

#### **Contributions**

For all eligible employees, enrollment is automatic at 2% unless a written form is received opting out of enrollment or modifying the enrollment percentage. The automatic contribution rate is increased by 1% annually, not to exceed 10%, unless otherwise directed by the participant. Participants may contribute a maximum of 60% of compensation, subject to the maximum dollar amounts allowed by law. Participants may also contribute amounts representing distributions from other qualified plans ("rollovers"). The Companies may also make discretionary profit sharing and matching contributions subject to certain limitations. There were no discretionary contributions of either type in 2012 or 2011. All contributions to the Plan are participant-directed.

#### **Participant Accounts**

Each participant's account is credited with the participant's contribution and allocations of (a) the Companies' contributions and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant contributions, compensation, or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### **Notes Receivable from Participants**

Under the terms of the Plan, participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participants' accounts and bear interest at a rate determined by the Plan administrator on the date of the loan (resulting in a rate of 7.5% on all notes at December 31, 2012). Loan terms cannot exceed five years, except for the purchase of a primary residence, and payments are required at least quarterly through payroll deductions. Approximately 39% of participant notes receivable are due from three participants at December 31, 2012, and approximately 26% of participant notes receivable are due from two participants at December 31, 2011.

### **Plan Changes**

The Companies reserve the right to amend or terminate the Plan at any time. However, no such amendment or termination shall deprive any participant of any vested interest in the Plan. In the event of Plan termination, participants will become fully vested in their accounts.

### **Vesting**

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Companies' discretionary contributions plus actual earnings thereon is based on the following schedule of years of credited service:

<u>COMPLETED YEARS OF SERVICE</u>	<u>PERCENTAGE VESTED</u>
0 years	0%
1 year	20
2 years	40
3 years	60
4 years	80
5 years	100

A participant becomes 100% vested if the participant reaches normal retirement age (65), dies, or becomes disabled while in the service of the Companies.

### **Forfeitures**

The portion of a terminated participant account that is not vested ("forfeitures") is first used to pay Plan administrative expenses and then used to reduce future employer contributions. Forfeitures for 2012 and 2011 amounted to \$133 and \$7,848, respectively. At December 31, 2012 and 2011, there are \$2,881 and \$2,748, respectively, of forfeitures included with net assets available for benefits to reduce future expenses or employer contributions. In 2012 and 2011, \$0 and \$6,696, respectively, of forfeitures were used to pay Plan expenses.



### **Payment of Benefits**

On termination of service, distributions depend on whether the vested account balance exceeds \$5,000. If the vested account balance does not exceed \$5,000, a distribution will be made to the participant in a lump-sum amount as soon as administratively possible. If the participant's account balance exceeds \$5,000, a participant may elect to receive either a lump-sum amount or installment payments equal to the value of the participant's vested interest in his or her account. Distributions can also be made to participants during their employment with the Company if they meet certain requirements (including attainment of age 59 1/2 or under certain hardship provisions) as defined within the Plan document. These in-service distributions are made in a lump-sum amount. Participants may withdraw some or all of their rollover or after-tax contributions at any time.

### **Administrative Expenses**

Administrative expenses primarily relate to Plan administration and the annual Plan audit and may be paid by the Companies on a discretionary basis. In 2012 and 2011, the Plan paid \$4,075 and \$8,003, respectively, of administrative expenses, and the remainder were paid by the Companies.

### **Risks and Uncertainties**

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

## **Note 2. Summary of Significant Accounting Policies**

### **Basis of Accounting**

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

### **Money Market Funds**

Money market funds are recorded at cost plus accrued interest.

### **Payment of Benefits**

Benefits are recorded when paid.

### **Contributions**

Contributions from participants are recorded in the period in which they are withheld from the participant's compensation.

### **Notes Receivable From Participants**

Notes receivable from participants are stated at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the terms of the plan document.

### **Investment Valuation and Income Recognition**

The Plan's investments are stated at fair value. Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Net appreciation (depreciation) in the fair value of investments represents the change in fair value of assets from one period to the next and includes realized gains and losses on investments. Dividends are recorded on the ex-dividend date.

### **Fair Value Measurements**

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels which prioritize the inputs used in measuring fair value as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

An asset's or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Plan's investments in mutual funds are stated at fair value based on quoted prices in an active market and are classified within Level 1 of the fair value hierarchy.

Plan investments at December 31, 2012 and 2011, are summarized as follows:

	2012	2011
Mutual Funds:		
Blended funds	\$ 1,676,631	\$ 1,412,544
Large cap funds	738,614	614,128
Mid cap funds	459,999	357,070
Bond funds	193,995	155,878
International funds	77,437	55,179
Small cap funds	24,113	19,036
Other funds	3,381	377
Total investments at fair value	<u>\$ 3,174,170</u>	<u>\$ 2,614,212</u>

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

### **Subsequent Events**

The Plan has evaluated subsequent events through the date the financial statements were available to be issued, which is the date of the independent auditors' report.

### **Note 3. Investments**

The following investments represent 5% or more of the Plan's net assets available for benefits at December 31:

	2012	2011
Fidelity Freedom 2040 Fund	\$ 755,931	\$ 632,229
Retirement Money Market Fund	460,524	549,390
Fidelity Freedom 2030 Fund	453,590	477,042
Fidelity Spartan Total Market Index Adv Fund	261,062	*
Fidelity Low-Priced Stock Fund	226,299	175,460
Fidelity Spartan Total Market Index Fund	*	214,032

\* Individual investment did not represent 5% or more of the Plan's net assets available for benefits in the applicable year.

### **Note 4. Information Prepared and Certified by Trustee**

The following information included in the accompanying financial statements and supplementary schedule as of December 31, 2012 and 2011, and for the years then ended, was obtained from data that has been prepared and certified as complete and accurate by the trustee, Fidelity Management Trust Company ("Fidelity").

	2012	2011
Money market funds	\$ 460,524	\$ 549,390
Investments in mutual funds, at fair value	3,174,170	2,614,212
Investment income		
Net appreciation (depreciation) in fair value of investments	309,809	(156,695)
Dividends and interest	78,959	85,940

### **Note 5. Party-in-Interest Transactions**

Plan assets consist of mutual funds and money market funds managed and/or sponsored by Fidelity. Fidelity is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. These assets amounted to \$3,634,694 and \$3,163,602 as of December 31, 2012 and 2011, respectively.

**Note 6. Income Tax Status**

The Plan has adopted a non-standardized prototype sponsored by their third party administrator. The prototype has received a favorable determination from the Internal Revenue Service on October 9, 2003. The Companies have not received a determination letter as to the qualified status of the Plan's adoption agreement. The Plan has been amended since the prototype sponsored by the third party administration received a favorable determination letter. However, the Plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Service. Therefore, no provision for income tax has been included in the Plan's financial statements. The Plan's Form 5500 (Annual Return/Report of Employee Benefit Plan) is open to examination by federal authorities for the last three Plan years.



SUPPLEMENTARY SCHEDULE

# MILLER-NICHOLSON RETIREMENT PLAN

## SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2012

EIN: 91-0524992

Plan Number: 002

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value
*	Fidelity Investments	Freedom 2040 Fund	**	\$ 755,931
*	Fidelity Investments	Freedom 2030 Fund	**	453,590
*	Fidelity Investments	Spartan Total Market Index Adv Fund	**	261,062
*	Fidelity Investments	Low-Priced Stock Fund	**	226,299
*	Fidelity Investments	Growth Company Fund	**	144,078
*	Fidelity Investments	Investment Grade Bond Fund	**	143,110
*	Fidelity Investments	Freedom 2025 Fund	**	141,983
*	Fidelity Investments	Freedom 2020 Fund	**	119,858
*	Fidelity Investments	Dividend Growth Fund	**	101,584
*	Fidelity Investments	Mid-Cap Stock Fund	**	98,621
*	Fidelity Investments	Contrafund	**	93,695
*	Fidelity Investments	Blue Chip Growth Fund	**	80,498
*	Fidelity Investments	Value Fund	**	74,476
*	Fidelity Investments	Diversified International Fund	**	73,458
*	Fidelity Investments	Freedom 2010 Fund	**	70,180
*	Fidelity Investments	Freedom 2050 Fund	**	40,436
*	Fidelity Investments	Short Term Bond Fund	**	37,804
*	Fidelity Investments	Puritan Fund	**	37,316
*	Fidelity Investments	Spartan Extended Market Index Adv Fund	**	36,447
*	Fidelity Investments	Freedom 2045 Fund	**	24,549
*	Fidelity Investments	Growth Strategies	**	24,156
*	Fidelity Investments	Small-Cap Value Fund	**	24,113
*	Fidelity Investments	Fifty Fund	**	21,254
*	Fidelity Investments	Freedom 2015 Fund	**	17,572
*	Fidelity Investments	Intermediate Bond Fund	**	13,082
*	Fidelity Investments	Equity Income Fund	**	11,749
*	Fidelity Investments	Freedom 2035 Fund	**	11,270
*	Fidelity Investments	OTC Portfolio Fund	**	6,999
*	Fidelity Investments	Export and Multinational Fund	**	6,218
*	Fidelity Investments	Large-Cap Stock Fund	**	4,569
*	Fidelity Investments	Equity Dividend Income Fund	**	4,155
*	Fidelity Investments	Overseas Fund	**	3,979
*	Fidelity Investments	Freedom 2055 Fund	**	3,946
*	Fidelity Investments	Real Estate Investment Fund	**	3,381
*	Fidelity Investments	Fidelity Fund	**	2,752
*	Fidelity Investments	Retirement Money Market Fund	**	460,524
*	Notes Receivable from Participants	7.5% interest rate; maturing at various dates from May 2013 through July 2017		69,553

\* Known party-in-interest.

\*\* Information is not required as investments are participant-directed.

**MILLER-NICHOLSON RETIREMENT PLAN**

FINANCIAL REPORT

DECEMBER 31, 2012

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**INDEPENDENT AUDITORS' REPORT**

To the Plan Administrative Committee  
Miller-Nicholson Retirement Plan  
Seattle, Washington

We were engaged to audit the accompanying financial statements of Miller-Nicholson Retirement Plan ("the Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management of the Plan is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; 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. 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 4, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplementary schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of 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.

**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 supplementary schedule of assets (held at end of year), which is the responsibility of management of the Plan, 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 supplementary 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 supplementary 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 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.

*Peterson Sullivan L.L.P.*

September 3, 2013

**MILLER-NICHOLSON RETIREMENT PLAN**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

December 31, 2012 and 2011

ASSETS	2012	2011
Money Market Funds	\$ 460,524	\$ 549,390
Investments in Mutual Funds, at fair value	3,174,170	2,614,212
Notes Receivable from Participants	69,553	119,383
Net Assets Available for Benefits	<u>\$ 3,704,247</u>	<u>\$ 3,282,985</u>

See Notes to Financial Statements

# MILLER-NICHOLSON RETIREMENT PLAN

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Years Ended December 31, 2012 and 2011

	2012	2011
Additions to net assets attributed to:		
Investment income		
Net appreciation (depreciation) in fair value of investments	\$ 309,809	\$ (156,695)
Dividends and interest	78,959	85,940
Interest on notes receivable from participants	6,713	8,951
Contributions		
Participants'	292,015	294,433
Rollovers		249
Total additions	687,496	232,878
Deductions from net assets attributed to:		
Benefits paid to participants	262,159	291,054
Administrative expenses	4,075	8,003
Total deductions	266,234	299,057
<b>Net increase (decrease)</b>	<b>421,262</b>	<b>(66,179)</b>
Net assets available for benefits:		
Beginning of year	3,282,985	3,349,164
End of year	<u>\$ 3,704,247</u>	<u>\$ 3,282,985</u>

See Notes to Financial Statements

## NOTES TO FINANCIAL STATEMENTS

### **Note 1. Description of Plan**

The following description of the Miller-Nicholson Retirement Plan ("the Plan") provides general information only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

#### **General**

The Plan was established January 1, 1987. It is a defined contribution plan providing benefits to eligible employees of Miller-Nicholson, Inc., MN One, Inc. dba Honda of Seattle, MN II Inc. dba Toyota of Seattle, and MN Leasing, Inc. ("the Companies"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

#### **Eligibility**

Employees of the Companies who have one year or more of service and are age 18 or older are eligible to participate in the Plan.

#### **Contributions**

For all eligible employees, enrollment is automatic at 2% unless a written form is received opting out of enrollment or modifying the enrollment percentage. The automatic contribution rate is increased by 1% annually, not to exceed 10%, unless otherwise directed by the participant. Participants may contribute a maximum of 60% of compensation, subject to the maximum dollar amounts allowed by law. Participants may also contribute amounts representing distributions from other qualified plans ("rollovers"). The Companies may also make discretionary profit sharing and matching contributions subject to certain limitations. There were no discretionary contributions of either type in 2012 or 2011. All contributions to the Plan are participant-directed.

#### **Participant Accounts**

Each participant's account is credited with the participant's contribution and allocations of (a) the Companies' contributions and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant contributions, compensation, or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.



### **Notes Receivable from Participants**

Under the terms of the Plan, participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participants' accounts and bear interest at a rate determined by the Plan administrator on the date of the loan (resulting in a rate of 7.5% on all notes at December 31, 2012). Loan terms cannot exceed five years, except for the purchase of a primary residence, and payments are required at least quarterly through payroll deductions. Approximately 39% of participant notes receivable are due from three participants at December 31, 2012, and approximately 26% of participant notes receivable are due from two participants at December 31, 2011.

### **Plan Changes**

The Companies reserve the right to amend or terminate the Plan at any time. However, no such amendment or termination shall deprive any participant of any vested interest in the Plan. In the event of Plan termination, participants will become fully vested in their accounts.

### **Vesting**

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Companies' discretionary contributions plus actual earnings thereon is based on the following schedule of years of credited service:

<u>COMPLETED YEARS OF SERVICE</u>	<u>PERCENTAGE VESTED</u>
0 years	0%
1 year	20
2 years	40
3 years	60
4 years	80
5 years	100

A participant becomes 100% vested if the participant reaches normal retirement age (65), dies, or becomes disabled while in the service of the Companies.

### **Forfeitures**

The portion of a terminated participant account that is not vested ("forfeitures") is first used to pay Plan administrative expenses and then used to reduce future employer contributions. Forfeitures for 2012 and 2011 amounted to \$133 and \$7,848, respectively. At December 31, 2012 and 2011, there are \$2,881 and \$2,748, respectively, of forfeitures included with net assets available for benefits to reduce future expenses or employer contributions. In 2012 and 2011, \$0 and \$6,696, respectively, of forfeitures were used to pay Plan expenses.

### **Payment of Benefits**

On termination of service, distributions depend on whether the vested account balance exceeds \$5,000. If the vested account balance does not exceed \$5,000, a distribution will be made to the participant in a lump-sum amount as soon as administratively possible. If the participant's account balance exceeds \$5,000, a participant may elect to receive either a lump-sum amount or installment payments equal to the value of the participant's vested interest in his or her account. Distributions can also be made to participants during their employment with the Company if they meet certain requirements (including attainment of age 59 1/2 or under certain hardship provisions) as defined within the Plan document. These in-service distributions are made in a lump-sum amount. Participants may withdraw some or all of their rollover or after-tax contributions at any time.

### **Administrative Expenses**

Administrative expenses primarily relate to Plan administration and the annual Plan audit and may be paid by the Companies on a discretionary basis. In 2012 and 2011, the Plan paid \$4,075 and \$8,003, respectively, of administrative expenses, and the remainder were paid by the Companies.

### **Risks and Uncertainties**

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

## **Note 2. Summary of Significant Accounting Policies**

### **Basis of Accounting**

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

### **Money Market Funds**

Money market funds are recorded at cost plus accrued interest.

### **Payment of Benefits**

Benefits are recorded when paid.

### **Contributions**

Contributions from participants are recorded in the period in which they are withheld from the participant's compensation.

### **Notes Receivable From Participants**

Notes receivable from participants are stated at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the terms of the plan document.

### **Investment Valuation and Income Recognition**

The Plan's investments are stated at fair value. Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Net appreciation (depreciation) in the fair value of investments represents the change in fair value of assets from one period to the next and includes realized gains and losses on investments. Dividends are recorded on the ex-dividend date.

### **Fair Value Measurements**

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement determined based on assumptions that market participants would use in pricing an asset or liability. There are three levels which prioritize the inputs used in measuring fair value as follows:

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An asset's or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Plan's investments in mutual funds are stated at fair value based on quoted prices in an active market and are classified within Level 1 of the fair value hierarchy.

Plan investments at December 31, 2012 and 2011, are summarized as follows:

	2012	2011
Mutual Funds:		
Blended funds	\$ 1,676,631	\$ 1,412,544
Large cap funds	738,614	614,128
Mid cap funds	459,999	357,070
Bond funds	193,995	155,878
International funds	77,437	55,179
Small cap funds	24,113	19,036
Other funds	3,381	377
Total investments at fair value	<u>\$ 3,174,170</u>	<u>\$ 2,614,212</u>

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.



### **Subsequent Events**

The Plan has evaluated subsequent events through the date the financial statements were available to be issued, which is the date of the independent auditors' report.

### **Note 3. Investments**

The following investments represent 5% or more of the Plan's net assets available for benefits at December 31:

	2012	2011
Fidelity Freedom 2040 Fund	\$ 755,931	\$ 632,229
Retirement Money Market Fund	460,524	549,390
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Fidelity Spartan Total Market Index Fund	*	214,032

\* Individual investment did not represent 5% or more of the Plan's net assets available for benefits in the applicable year.

### **Note 4. Information Prepared and Certified by Trustee**

The following information included in the accompanying financial statements and supplementary schedule as of December 31, 2012 and 2011, and for the years then ended, was obtained from data that has been prepared and certified as complete and accurate by the trustee, Fidelity Management Trust Company ("Fidelity").

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Investment income		
Net appreciation (depreciation) in fair value of investments	309,809	(156,695)
Dividends and interest	78,959	85,940

### **Note 5. Party-in-Interest Transactions**

Plan assets consist of mutual funds and money market funds managed and/or sponsored by Fidelity. Fidelity is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. These assets amounted to \$3,634,694 and \$3,163,602 as of December 31, 2012 and 2011, respectively.

**Note 6. Income Tax Status**

The Plan has adopted a non-standardized prototype sponsored by their third party administrator. The prototype has received a favorable determination from the Internal Revenue Service on October 9, 2003. The Companies have not received a determination letter as to the qualified status of the Plan's adoption agreement. The Plan has been amended since the prototype sponsored by the third party administration received a favorable determination letter. However, the Plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Service. Therefore, no provision for income tax has been included in the Plan's financial statements. The Plan's Form 5500 (Annual Return/Report of Employee Benefit Plan) is open to examination by federal authorities for the last three Plan years.

SUPPLEMENTARY SCHEDULE

# MILLER-NICHOLSON RETIREMENT PLAN

## SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2012

EIN: 91-0524992

Plan Number: 002

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value
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*	Fidelity Investments	Freedom 2030 Fund	**	453,590
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*	Fidelity Investments	Low-Priced Stock Fund	**	226,299
*	Fidelity Investments	Growth Company Fund	**	144,078
*	Fidelity Investments	Investment Grade Bond Fund	**	143,110
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*	Fidelity Investments	Freedom 2020 Fund	**	119,858
*	Fidelity Investments	Dividend Growth Fund	**	101,584
*	Fidelity Investments	Mid-Cap Stock Fund	**	98,621
*	Fidelity Investments	Contrafund	**	93,695
*	Fidelity Investments	Blue Chip Growth Fund	**	80,498
*	Fidelity Investments	Value Fund	**	74,476
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*	Fidelity Investments	Short Term Bond Fund	**	37,804
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*	Fidelity Investments	Fidelity Fund	**	2,752
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*	Notes Receivable from Participants	7.5% interest rate; maturing at various dates from May 2013 through July 2017		69,553

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