

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
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>PARAGON HEALTH ASSOCIATES, LLC 401K PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/2002</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>07/01/2002</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>07/01/2002</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>PARAGON HEALTH ASSOCIATES, LLC</u> <u>1 PARK WEST BLVD., SUITE 200</u> <u>AKRON, OH 44320-4219</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>34-1943956</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>330-869-9777</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>621111</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-1943956</u>	2c Sponsor's telephone number <u>330-869-9777</u>	2d Business code (see instructions) <u>621111</u>	
2b Employer Identification Number (EIN) <u>34-1943956</u>					
2c Sponsor's telephone number <u>330-869-9777</u>					
2d Business code (see instructions) <u>621111</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature. Signature of plan administrator	<u>10/11/2013</u> Date	<u>MARK TERPYLAK</u> 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 ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address PARAGON HEALTH ASSOCIATES, LLC 1 PARK WEST BLVD., SUITE 200 AKRON, OH 44320-4219		3b Administrator's EIN 34-1943956
		3c Administrator's telephone number 330-869-9777
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		5 153
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	101
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	18
d Subtotal. Add lines 6a , 6b , and 6c	6d	119
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	119
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	106
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	2
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ 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) ☒ 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) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		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 PARAGON HEALTH ASSOCIATES, LLC 401K PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 PARAGON HEALTH ASSOCIATES, LLC	D Employer Identification Number (EIN) 34-1943956	

Part I	Service Provider Information (see instructions)
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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) 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)

NEWPORT RETIREMENT SERVICES, INC.

62-1868111

(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?
12 15 50 60 64 37	NONE	9059	Yes ☒ No ☐	Yes ☐ No ☒	12159	Yes ☐ No ☒

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

RAYMOND JAMES FINANCIAL SERVICES

59-1531281

(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?
72 27	NONE	16611	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 ☐

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
NEWPORT REITIREMENT SERVICES, INC.	12 15 60 64 37	12159
(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.	
FIDELITY INVESTMENTS 04-3523567	REVENUE SHARING USED TO OFFSET PLAN EXPENSES	
(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.	

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan 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.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>PARAGON HEALTH ASSOCIATES, LLC 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>PARAGON HEALTH ASSOCIATES, LLC</u>	D Employer Identification Number (EIN) <u>34-1943956</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: FIXED FUND

b Name of sponsor of entity listed in (a): HARTFORD LIFE INSURANCE COMPANY

c EIN-PN <u>06-0974148-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: MELLON STABLE VALUE FUND

b Name of sponsor of entity listed in (a): THE BANK OF NEW YORK MELLON

c EIN-PN <u>11-3152987-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>37901</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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 <u>01/01/2012</u> and ending <u>12/31/2012</u>		
A Name of plan <u>PARAGON HEALTH ASSOCIATES, LLC 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PARAGON HEALTH ASSOCIATES, LLC</u>	D Employer Identification Number (EIN) <u>34-1943956</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	216548	271555
(2) Participant contributions	1b(2)	6500	0
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	35320	47754
(9) Value of interest in common/collective trusts	1c(9)	146749	37901
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	7874732	9467493
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	8279849	9824703

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	8279849	9824703
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	271555	
(B) Participants	2a(1)(B)	528533	
(C) Others (including rollovers)	2a(1)(C)	75286	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		875374
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)	2182	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2182
(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)	309585	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		309585
(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)		572
(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)		465247
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1652960

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	82438	
(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)		82438
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)	9059	
(3) Investment advisory and management fees	2i(3)	16609	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		25668
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		108106

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		1544854
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: SKODA MINOTTI & CO.

(2) EIN: 34-1945206

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

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

Part IV Compliance Questions

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

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a	X		112272
4b		X	

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

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

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

5b(1) Name of plan(s)

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

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
---	--	--

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

A Name of plan <u>PARAGON HEALTH ASSOCIATES, LLC 401K PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PARAGON HEALTH ASSOCIATES, LLC</u>	D Employer Identification Number (EIN) <u>34-1943956</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>58-1428634</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2012 AND 2011



SKODA MINOTTI

CPAs, BUSINESS & FINANCIAL ADVISORS

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PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN
YEARS ENDED DECEMBER 31, 2012 AND 2011

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INDEPENDENT AUDITORS' REPORT

TO THE PLAN ADMINISTRATOR
PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Paragon Health Associates, LLC 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related 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

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 our audits in accordance with auditing standards generally accepted in the United States of America. Because of the matters 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 3, which was certified by Reliance Trust Company, the custodian of the Plan from January 1, 2011 until January 12, 2012 and Fidelity Management Trust Company, the trustee of the Plan, from January 13, 2012 to December 31, 2012, except for comparing such information with the related information included in the financial statements and supplementary schedules. We have been informed by the Plan administrator that the custodian and trustee hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained certifications from the custodian and trustee as of and for the years ended December 31, 2012 and 2011, that the information provided to the Plan administrator by the custodian and trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matters 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

The supplementary schedules of delinquent participant contributions for the year ended December 31, 2012 and assets (held at end of year) as of December 31, 2012 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplementary schedules.

Report on Form and Content in Compliance with DOL Regulations

The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the custodian and 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.

SKODA MINOTTI

A handwritten signature in cursive script that reads "Skoda Minotti".

Cleveland, Ohio
October 9, 2013

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
INVESTMENTS, AT FAIR VALUE		
Stable value fund	\$ 37,901	\$ -
Registered investment companies	9,467,493	7,874,732
Common/collective trust	-	146,749
	<u>9,505,394</u>	<u>8,021,481</u>
RECEIVABLES		
Company's contributions	271,555	216,548
Participants' contributions	-	6,500
Notes receivable from participants	47,754	35,320
	<u>319,309</u>	<u>258,368</u>
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	9,824,703	8,279,849
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR INTEREST IN A COMMON/COLLECTIVE TRUST AND STABLE VALUE FUND RELATING TO FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACTS	<u>(881)</u>	<u>353</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 9,823,822</u></u>	<u><u>\$ 8,280,202</u></u>

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

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income		
Interest and dividends	\$ 309,585	\$ 146,913
Net appreciation in fair value of investments	464,585	-
	<u>774,170</u>	<u>146,913</u>
Contributions		
Participants'	528,533	410,465
Company's	271,555	216,548
Rollovers	75,286	-
	<u>875,374</u>	<u>627,013</u>
Other income	<u>2,182</u>	<u>1,787</u>
Transfers from another plan	<u>-</u>	<u>1,551,293</u>
Total additions	<u>1,651,726</u>	<u>2,327,006</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Net depreciation in fair value of investments	-	454,960
Benefits paid to participants	82,438	509,723
Administrative expenses	25,668	-
Total deductions	<u>108,106</u>	<u>964,683</u>
NET INCREASE	1,543,620	1,362,323
NET ASSETS AVAILABLE FOR BENEFITS:		
BEGINNING OF YEAR	<u>8,280,202</u>	<u>6,917,879</u>
END OF YEAR	<u>\$ 9,823,822</u>	<u>\$ 8,280,202</u>

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

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

1. DESCRIPTION OF THE PLAN

The following description of the Paragon Health Associates, LLC 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution retirement plan covering all employees of Paragon Health Associates, LLC and Paragon Health Management, LLC (collectively the Company) who meet the minimum service requirements. Employees are eligible to participate in the Plan upon completion of one year of employment and having attained age 21, as defined by the Plan. This eligibility becomes effective on the first day after one year of consecutive employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Contributions

A participant may contribute, through payroll reductions, from 1% to 100% of their compensation on a pre-tax basis, up to the maximum dollar amount allowed by law. Participants may also contribute amounts representing distributions from other qualified plans. Catch-up contributions are also permitted. Participants are able to direct contributions into a variety of investment options offered by the Plan.

The Company will provide Actual Deferral Percentage (ADP) safe harbor matching contributions of 100% of participants' contributions up to 3% and 50% of participants' contributions that exceed 3% but do not exceed 5% of compensation. The Company can also make a discretionary Actual Contribution Percentage (ACP) safe harbor contribution which cannot exceed 4% of total compensation. The Company can also make a discretionary non-safe harbor matching contribution and a discretionary non-elective contribution. Total annual contributions made to the Plan on behalf of any participant are subject to limitations imposed under the Internal Revenue Code (IRC).

Company safe harbor matching contributions were \$271,555 and \$216,548 for the years ended December 31, 2012 and 2011, respectively. No discretionary ACP safe harbor contributions, non-safe harbor matching contributions or non-elective contributions were made by the Company during the years ended December 31, 2012 and 2011.

Participant Accounts

Each participant's account is credited with the participant's contributions, the Company's contributions, and any earnings thereon, and charged with an allocation of administrative expenses. The Company's discretionary ACP safe harbor, non-safe harbor and non-elective contributions can be allocated to participants by a formula established by the Company prior to each allocation period. Allocations of the earnings and expenses are based on the participant's account balance. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

1. DESCRIPTION OF THE PLAN (continued)

Vesting

Participants are immediately vested in their contributions and the Company's ADP safe harbor matching contributions plus actual earnings thereon.

Vesting in the Company's discretionary ACP safe harbor contributions, non-safe harbor matching contributions and non-elective contributions is based on years of service according to the following schedule:

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

Forfeitures

Forfeitures are created when participants terminate employment prior to becoming entitled to full benefits. At December 31, 2012 and 2011, forfeited non-vested accounts totaled \$16,855 and \$15,030, respectively. Forfeitures which are not used to pay administrative expenses are used to reduce employer contributions. No forfeitures were used during 2012 or 2011.

Payment of Benefits

Upon termination of service due to death, disability or retirement, or due to separation of service from the Company, a participant is entitled to receive a distribution of his or her vested account balance in the form of a lump-sum payment. In the case of either retirement after age 65 or death during employment, the participant becomes 100% vested in his or her account balance. In-service distributions are allowed when a participant has reached age 59 ½ and is 100% vested in the account from which the distribution is being made. Distributions of the participant's vested interest in his or her account may be authorized, at any time, by the Plan under certain hardship conditions.

Notes Receivable from Participants

Participants may borrow 50% of their vested account balance, a minimum of \$1,000 up to a maximum of \$50,000. Notes receivable terms range from one to five years or up to twenty years for the purchase of a primary residence. Notes receivable are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates. Principal and interest are paid ratably through payroll deductions. Interest income of \$2,182 and \$1,787 for the years ended December 31, 2012 and 2011, respectively, has been recorded as other income in the accompanying Statements of Changes in Net Assets Available for Benefits.

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

1. DESCRIPTION OF THE PLAN (continued)

Transfers from Another Plan

Transfers from another Plan represent transfers of account balances between the Plan and a related profit sharing plan, Paragon Health Associates, LLC Profit Sharing Plan, as a result of a merger. For the year ended December 31, 2011, the total amount transferred was \$1,551,293.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As of January 2012, the Plan invests in investment contracts through a stable value fund. Prior to January 2012, the Plan invested in investment contracts through a common/collective trust. Contract value for the stable value fund represents contributions made under the contract less any participant-directed withdrawals plus accrued interest. Contract value for the common/collective trust was based on invested principal plus accrued interest thereon. The Statements of Net Assets Available for Benefits present the fair value of the stable value fund and the common/collective trust as well as the adjustment from fair value to contract value. The Statements of Changes of Net Assets Available for Benefits were prepared on a contract value basis.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

All administrative expenses are paid by the participants.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires the Plan administrator to make estimates and assumptions that affect certain reported amounts of net assets available for benefits and changes therein. Actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation and Income Recognition (continued)

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. Net appreciation (depreciation) includes the Plan's gains and losses on the investments purchased and sold, as well as held, during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as distributions based upon the terms of the Plan document.

Subsequent Events

The Company evaluated subsequent events through October 9, 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.

3. INVESTMENTS

The following table presents the fair value of investments at December 31, 2012 and 2011. The investments and investment activity have been certified as complete and accurate by Reliance Trust Company, the custodian of the Plan from January 1, 2011 until January 12, 2012 and Fidelity Management Trust Company, the trustee of the Plan from January 13, 2012 to December 31, 2012 and have not been audited by the independent auditors. Individual investments that represent 5% or more of the Plan's net assets are separately identified.

	<u>2012</u>	<u>2011</u>
Registered investment companies:		
American Funds EuroPacific Growth Fund	\$ -	\$ 602,795
American Funds Growth Fund of America Fund	-	964,231
Columbia Acorn Fund	-	489,669
Fidelity Contra Fund	948,801	-
Lord Abbett Small-Cap Value Fund	-	605,136
MFS International New Discovery Fund	-	555,866
MFS Value Fund	-	936,287
Munder Mid-Cap Core Growth Fund	-	584,704
PIMCO Stockplus Short Strategy Fund	667,395	-
PIMCO Total Return Fund	-	1,328,075
Principal High Yield Fund	708,067	-
Sextant International Fund	665,462	-
Target Total Return Bond Fund	<u>827,210</u>	<u>-</u>
Balance to next page	<u>3,816,935</u>	<u>6,066,763</u>

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS (continued)

	<u>2012</u>	<u>2011</u>
Balance from previous page	\$ 3,816,935	\$ 6,066,763
Registered investment companies (continued):		
Templeton Global Bond Advisor Fund	696,035	-
Vanguard Inflation Protected Fund	491,576	-
Victory Special Value Fund	-	547,153
Yacktman Service Class Fund	874,927	-
Other registered investment companies	<u>3,588,020</u>	<u>1,260,816</u>
	9,467,493	7,874,732
Common/collective trust*	<u>-</u>	<u>147,102</u>
Stable value fund*	<u>37,020</u>	<u>-</u>
Total investments	<u>\$ 9,504,513</u>	<u>\$ 8,021,834</u>

*This amount represents contract value for this investment.

The Plan's registered investment companies (including gains and losses on investments purchased and sold, as well as held during the year) appreciated (depreciated) in value by \$464,585 and (\$454,960) during the years ended December 31, 2012 and 2011, respectively.

4. FAIR VALUE MEASUREMENTS

GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. It applies to fair value measurements already required or permitted by existing standards. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
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PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

4. FAIR VALUE MEASUREMENTS (continued)

Level 2	Quoted prices for similar assets or liabilities in active markets or quoted prices for identical or similar assets or liabilities in inactive markets. Level 2 includes those inputs other than quoted prices that are observable for the asset or liability. Level 2 inputs are derived principally from, or corroborated by, observable market data by correlation or other means. If the asset or liability has a specified term, the Level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

Registered investment companies – Valued at quoted market prices.

Stable value fund – The fair value of guaranteed investment contracts (GICs) is generally determined by discounting the scheduled future payments required under the contract using an interpolated market rate for traditional contracts with maturities comparable to the average remaining life of the contract being valued. Fair value reflects interest accrued on the contract, assuming the contract is held to maturity and, therefore, not subject to any adjustments that could be assessed by the issuer for certain types of withdrawals or early surrender by the Fund. For assets other than traditional GICs, including securities underlying synthetic GICs and insurance company separate accounts, fair value generally is reflected by the market value at the close of business on the valuation date. Debt securities are generally traded in the over-the-counter market. Debt securities are valued at prices furnished by dealers who make markets in such securities or by an independent pricing service, which considers yield or price of bonds of comparable quality, coupon, maturity, and type as well as prices quoted by dealers who make markets in such securities.

Common/collective trust – The majority of the fund is comprised of synthetic guaranteed investment contracts, which are backed by a portfolio of underlying assets. The value is determined by maximizing the use of observable inputs and minimizing the use of unobservable inputs associated with these underlying assets.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

4. FAIR VALUE MEASUREMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2012:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Registered investment companies			
Bond funds	\$ 2,722,888	\$ -	\$ 2,722,888
International-stock funds	1,469,139	-	1,469,139
Domestic-stock funds			
Large-cap stock funds	1,823,728	-	1,823,728
Mid-cap stock funds	796,279	-	796,279
Small-cap stock funds	529,484	-	529,484
Sector-stock funds	1,694,517	-	1,694,517
Target-stock funds	431,458	-	431,458
Stable value fund	-	37,901	37,901
Total assets at fair value	<u>\$ 9,467,493</u>	<u>\$ 37,901</u>	<u>\$ 9,505,394</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Registered investment companies			
Bond funds	\$ 1,774,885	\$ -	\$ 1,774,885
International-stock funds	1,158,661	-	1,158,661
Domestic-stock funds			
Large-cap stock funds	1,929,789	-	1,929,789
Mid-cap stock funds	1,777,453	-	1,777,453
Small-cap stock funds	605,136	-	605,136
Sector-stock funds	477,303	-	477,303
Target-stock funds	151,505	-	151,505
Common/collective trust	-	146,749	146,749
Total assets at fair value	<u>\$ 7,874,732</u>	<u>\$ 146,749</u>	<u>\$ 8,021,481</u>

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

5. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACTS

Stable Value Fund

As of January 2012, the Plan is invested in the Mellon Stable Value Fund (the "stable value fund"), a fully benefit-responsive investment contract. The stable value fund invests in a diversified portfolio including fixed-income instruments which may include traditional and separate account GICs, corporate investment contracts, synthetic GICs, variable rate GICs, repurchase agreements, US treasury and agency securities, and cash and cash equivalents. The stable value fund may also invest in a collective fund or group trust that invests in such fixed income instruments.

The investment contracts provide for benefit-responsive withdrawals at contract value including in those instances when, in connection with synthetic investment contracts, underlying investment securities are sold to fund normal benefit payments prior to the maturity of such contracts. The investment contract rates normally reset monthly, quarterly or semi-annually.

Investment contract income is recorded at the contract rate, which in the case of synthetic investment contracts is referred to as the crediting rate. Crediting rates on synthetic contracts are net of fees to the issuer of any wrap contract. For fully benefit-responsive synthetic investment contracts, earnings on the underlying assets are factored into the next computation of the crediting rate re-set.

The credit rating of a particular synthetic contract or a separate account GIC is generally adjusted periodically and is thus tied to the performance of the underlying investments. In addition, the rate at which return is credited to participants accounting ("crediting rate") can change as the difference between market value and book value of the covered assets changes. As a result, the crediting rate will generally reflect, over time, movements in prevailing interest rates. It may be more or less than prevailing interest rates or the actual income earned on the covered assets, but not less than 0%.

The existence of certain conditions can limit the stable value fund's ability to transact at contract value with the issuers of its investment contracts. Specifically, any event outside the normal operation of the stable value fund which causes a withdrawal from an investment contract may result in a negative market value adjustment with respect to such withdrawal. Examples of such events include, but are not limited to, layoffs, bankruptcy, plan termination, mergers, early retirement incentives, and competing fund transfer or violation of equity wash or equivalent rules in place of changes of qualification status of employer or plan. The Plan administrator believes the occurrence of such events that would also limit the Plan's ability to transact at contract value with Plan participants is not probable and no impairment is applicable as of the date of these financial statements.

The interest rate is reset periodically as market conditions change. The average and crediting interest rates for the stable value fund for the year ended December 31, 2012 are 1.58% and 1.38%, respectively.

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

5. FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACTS (continued)

Common/collective Trust

Prior to January 2012, the Plan was invested in the Fixed Fund (the "common/collective trust"), a fully benefit-responsive investment contract through Hartford Life Insurance Company. The common/collective trust primarily invested in a variety of investment contracts such as GICs issued by insurance companies and other investment products (synthetic GICs and collective investment trusts) with similar characteristics.

The existence of certain conditions could limit the common/collective trust's ability to transact at contract value with the issuers of its investment contracts. Examples of such events included, but were not limited to, certain wrap agreement and separate account contract termination provisions, and withdrawals associated with certain events which were not in the ordinary course of fund operations and were determined by the issuer to have a material adverse effect on the issuer's financial interest.

The interest rate was reset periodically as market conditions changed. The average and crediting interest rates for the common/collective trust for the year ended December 31, 2011 were 1.66% and 1.17%, respectively.

6. TAX STATUS

The Company adopted a Volume Submitter Profit Sharing Plan with a cash or deferral arrangement, which received a favorable opinion letter from the Internal Revenue Service (IRS) on March 31, 2008, which stated that the Plan and related trust are designed in accordance with applicable sections of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. 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; however, 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 the year ended December 31, 2009.

7. 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, all participants will become 100% vested in their accounts.

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

8. PARTY-IN-INTEREST

Certain Plan investments at December 31, 2012 are invested in funds managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the trustee; therefore, these transactions are considered party-in-interest transactions. Certain Plan investments at December 31, 2011 were invested in funds managed by Hartford Life Insurance Company. Hartford Life Insurance Company was the custodian; therefore, these transactions were considered party-in-interest transactions.

9. RISKS AND UNCERTAINTIES

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

10. PROHIBITED TRANSACTIONS

During 2012 and 2011, the Plan sponsor failed to timely remit employee contributions in the amount of \$56,202 and \$56,070, respectively. The failure to remit contributions is considered a prohibited transaction according to the provisions of ERISA and the IRC. The 2012 and 2011 contributions were remitted by the end of the Plan year; therefore, no receivable is necessary.

11. RECONCILIATION TO THE FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at December 31:

	<u>2012</u>	<u>2011</u>
Net assets available for benefits per the financial statements	\$ 9,823,822	\$ 8,280,202
Plus (less): Adjustments from contract value to fair value for interest in a stable value fund and common/collective trust relating to fully benefit-responsive investment contracts	<u>881</u>	<u>(353)</u>
Net assets available for benefits per the Form 5500	<u>\$ 9,824,703</u>	<u>\$ 8,279,849</u>

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

11. RECONCILIATION TO THE FORM 5500 (continued)

The following is a reconciliation of investment income (loss) per the financial statements to the Form 5500 for the year ended December 31:

	<u>2012</u>	<u>2011</u>
Total investment income (loss) per the financial statements	\$ 774,170	\$ (308,047)
Plus: Prior year adjustment from contract value to fair value for interest in a common/collective trust relating to fully benefit-responsive investment contracts	353	15,317
Plus (less): Current year adjustment from contract value to fair value for interest in a stable value fund and common/collective trust relating to fully benefit-responsive investment contracts	881	(353)
Plus: Other income per the financial statements	<u>2,182</u>	<u>1,787</u>
Total investment income (loss) per the Form 5500	<u>\$ 777,586</u>	<u>\$ (291,296)</u>

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

PLAN NO: 001
EIN: 34-1943956

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT
PARTICIPANT CONTRIBUTIONS

YEAR ENDED DECEMBER 31, 2012

Plan Year Affected	Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under Voluntary Fiduciary Correction Program (VFCP) and Prohibited Transaction Exemption 2002-51
	Check here if Late Participant Loan Repayments are included: X	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
2011	\$ 7,081	\$ -	\$ -	\$ -	\$ 7,081
2011	16,183	-	-	-	16,183
2011	16,197	-	-	-	16,197
2011	16,609	-	-	-	16,609
2012	16,979	-	16,979	-	-
2012	17,722	-	17,722	-	-
2012	21,501	-	21,501	-	-
	<u>\$ 112,272</u>	<u>\$ -</u>	<u>\$ 56,202</u>	<u>\$ -</u>	<u>\$ 56,070</u>

See the Independent Auditors' Report.

PARAGON HEALTH ASSOCIATES, LLC 401(k) PLAN

PLAN NO: 001
EIN: 34-1943956

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

DECEMBER 31, 2012

(a)	(b)	(c)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment, including maturity date, rate of interest, collateral, par or maturity value	Current value
	<i>Registered investment companies</i>		
	Delaware Mid-Cap Growth Fund	13,750 shares	\$ 361,917
*	Fidelity Contra Fund	12,231 shares	948,801
	First Eagle Overseas Fund	21,353 shares	470,194
	John Hancock Disciplined Mid Cap Value Fund	32,658 shares	434,362
	Nicholas Limited Edition Fund	11,725 shares	246,943
	Oppenheimer Developing Markets Fund	9,560 shares	333,483
	PIMCO Stockplus Short Strategy Fund	185,903 shares	667,395
	Principal High Yield Fund	90,314 shares	708,067
	Principal Real Estate Securities Fund	19,463 shares	383,430
	Sextant International Fund	43,608 shares	665,462
	Target Small Cap Value Fund	13,190 shares	282,541
	Target Total Return Bond Fund	72,881 shares	827,210
	Templeton Global Bond Advisor Fund	52,176 shares	696,035
	Vanguard Energy Investor Fund	6,303 shares	373,288
	Vanguard Inflation Protected Fund	33,831 shares	491,576
	Wells Fargo Precious Metals Fund	4,198 shares	270,404
	Wells Fargo Target 2015 Fund	22 shares	227
	Wells Fargo Target 2020 Fund	2,899 shares	41,928
	Wells Fargo Target 2025 Fund	5,439 shares	52,872
	Wells Fargo Target 2030 Fund	3,849 shares	57,552
	Wells Fargo Target 2035 Fund	24,188 shares	233,416
	Wells Fargo Target 2045 Fund	4,309 shares	42,150
	Wells Fargo Target 2050 Fund	357 shares	3,313
	Yacktman Service Class Fund	45,759 shares	874,927
	<i>Stable value fund</i>		
	Mellon Stable Value Fund	37,900 shares	37,901
*	<i>Notes receivable from participants</i>	Interest rates ranging from 5.25% to 10.25%, with various maturities through 2017	47,754
*	Parties-in-interest		<u>\$ 9,553,148</u>

See the Independent Auditors' Report.

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

Name of Plan:

► PARAGON HEALTH ASSOCIATES, LLC 401K PLAN

Employer Identification Number: ► 34-1943956

For plan year (beginning/ending): ► 01/01/2012 - 12/31/2012

Plan number: ► 001

(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
	MELLON STABLE VALUE J	Common Collective Trust		37,901
	PRUDENTIAL TARGET TOTAL RETURN	Mutual Fund		827,210
	TEMPLETON GLOBAL BOND ADV	Mutual Fund		696,035
	VANGUARD INFLATION PROTECTED	Mutual Fund		491,576
	PRINCIPAL INVESTORS HIGH YIELD	Mutual Fund		708,067
	YACKTMAN	Mutual Fund		874,927
	FIDELITY CONTRAFUND	Mutual Fund		948,801
	JHANCOCK DISCIPLINED VAL MIDCAP	Mutual Fund		434,362
	DELAWARE SMID CAP GROWTH	Mutual Fund		361,917
	TARGET SMALL CAP VALUE	Mutual Fund		282,541
	NICHOLAS LIMITED EDITION I	Mutual Fund		246,943
	SEXTANT INT'L	Mutual Fund		665,462
	FIRST EAGLE OVERSEAS	Mutual Fund		470,194
	OPPENHEIMER DEVELOPING MARKETS	Mutual Fund		333,483
	PRINCIPAL REAL ESTATE SEC	Mutual Fund		383,430
	VANGUARD ENERGY	Mutual Fund		373,288
	WELLS FARGO ADV PRECIOUS METAL	Mutual Fund		270,404
	PIMCO STOCKSPUS AR SHORT STRA	Mutual Fund		667,395
	WELLS FARGO ADV DJ TARGET 2015	Mutual Fund		227
	WELLS FARGO ADV DJ TARGET 2020	Mutual Fund		41,928
	WELLS FARGO ADV DJ TARGET 2025	Mutual Fund		52,872
	WELLS FARGO ADV DJ TARGET 2030	Mutual Fund		57,552
	WELLS FARGO ADV DJ TARGET 2035	Mutual Fund		233,416
	WELLS FARGO ADV DJ TARGET 2045	Mutual Fund		42,150
	WELLS FARGO ADV DJ TARGET 2050	Mutual Fund		3,313
	LOAN FUND	Participant Loans. Various Rates		47,754