

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2012</div> 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>HEADLANDS VENTURES LLC 401K PROFIT SHARING PLAN AND TRUST</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>07/01/1999</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>07/01/1999</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>07/01/1999</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>HEADLANDS VENTURES LLC</u> <u>819 FIFTH AVE</u> <u>SAN RAFAEL, CA 94901</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>94-3286388</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>415-454-6921</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>451110</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>94-3286388</u>	2c Sponsor's telephone number <u>415-454-6921</u>	2d Business code (see instructions) <u>451110</u>	
2b Employer Identification Number (EIN) <u>94-3286388</u>					
2c Sponsor's telephone number <u>415-454-6921</u>					
2d Business code (see instructions) <u>451110</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	10/11/2013 Date	JULIE VOGT 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		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 174
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	203
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	13
d Subtotal. Add lines 6a , 6b , and 6c	6d	216
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	216
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	65
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	5
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 <u>HEADLANDS VENTURES LLC 401K PROFIT SHARING PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HEADLANDS VENTURES LLC</u>	D Employer Identification Number (EIN) <u>94-3286388</u>

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
ALLIANCEBERNSTEIN L.P.

13-4064930

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
AMERICAN CENTURY INVESTMENT SERVICE

44-0640487

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FRANKLIN TEMPLETON DISTRIBUTORS, IN 100 FOUNTAIN PARKWAY
ST. PETERSBURG, FL 33716

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
HARTFORD INVESTMENT FINANCIAL SERVI 201 HOPMEADOW STREET
SIMSBURY, CT 06089

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

INVESCO DISTRIBUTORS, INC.

74-1894784

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

JANUS DISTRIBUTORS, LLC

151 DETROIT STREET
DENVER, CO 80206

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

LORD ABBETT DISTRIBUTOR, LLC

90 HUDSON STREET
JERSEY CITY, NJ 07032

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

OPPENHEIMER FUNDS INC.

13-2527171

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

T. ROWE PRICE

100 EAST PRATT STREET
BALTIMORE, MD 21202

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

THORNBURG SECURITIES CORPORATION

2300 NORTH RIDGETOP RD.
SANTA FE, NM 87506

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

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

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)

ADP

22-1467904

(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?
37 50 15 64	RECORD KEEPER	1050	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

STATE STREET CORPORATION

04-1867445

(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?
21 99	DIRECTED TRUSTEE/CUSTODIAN	0	Yes ☒ No ☐	Yes ☒ No ☐	500	Yes ☐ No ☒

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

ADP BROKER-DEALER

22-3319984

(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?
63 60 59 49 99	RECORD KEEPER	0	Yes ☒ No ☐	Yes ☐ No ☒	0	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)

WHARTONHILL ADVISORS-LPL FINANCIAL

451 S BETHELEHEM PIKE
FORT WASHINGTON, PA 19034

(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?
49 99	ADVISOR	0	Yes ☒ No ☐	Yes ☐ No ☒	0	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
WHARTONHILL ADVISORS-LPL FINANCIAL	99	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ADP BROKER-DEALER 22-3319984	0.005 BASIS POINTS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ALLIANCEBERNSTEIN L.P. 13-4064930	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AMERICAN CENTURY INVESTMENT SERVICE 44-0640487	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS	

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
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FRANKLIN TEMPLETON DISTRIBUTORS, IN 100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
HARTFORD INVESTMENT FINANCIAL SERVI 201 HOPMEADOW STREET SIMSBURY, CT 06089	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59 99	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
INVESCO DISTRIBUTORS, INC. 74-1894784	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00780 OF AVERAGE DAILY ASSETS	

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
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JANUS DISTRIBUTORS, LLC 151 DETROIT STREET DENVER, CO 80206	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
LORD ABBETT DISTRIBUTOR, LLC 90 HUDSON STREET JERSEY CITY, NJ 07032	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPENHEIMER FUNDS INC. 13-2527171	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS	

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
ADP BROKER-DEALER	99	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
STATE STREET CORPORATION 04-1867445	ANNUAL RATE 0.00630 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
T. ROWE PRICE 100 EAST PRATT STREET BALTIMORE, MD 21202	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
THORNBURG SECURITIES CORPORATION 2300 NORTH RIDGETOP RD. SANTA FE, NM 87506	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00050 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	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>HEADLANDS VENTURES LLC 401K PROFIT SHARING PLAN AND TRUST</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>HEADLANDS VENTURES LLC</u>	D Employer Identification Number (EIN) <u>94-3286388</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: SSGA CASH SERIES U.S. GOVT

b Name of sponsor of entity listed in (a): STATE STREET BANK AND TRUST CO

c EIN-PN <u>04-0025081-001</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>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO STABLE ASSET

b Name of sponsor of entity listed in (a): INVESCO NATIONAL TRUST COMPANY

c EIN-PN <u>27-3884161-001</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>174</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA S&P MD CP IDX NL J

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

c EIN-PN <u>90-0337987-347</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>24739</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)
-----------------	----------------------	---

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
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
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
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
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
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
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
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
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
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
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
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**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 01/01/2012 and ending 12/31/2012		
A Name of plan HEADLANDS VENTURES LLC 401K PROFIT SHARING PLAN AND TRUST	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 HEADLANDS VENTURES LLC	D Employer Identification Number (EIN) 94-3286388	

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)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2806	
(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)	29985	63795
(9) Value of interest in common/collective trusts.....	1c(9)		24913
(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)	861079	953036
(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	893870	1041744

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	893870	1041744
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	51831	
(B) Participants	2a(1)(B)	131699	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		183530

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)	1369	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1369

(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)	19718	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		19718

(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)		724
(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)		52996
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		258337

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	109413	
(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)		109413
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1050	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		1050
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		110463

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		147874
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: **CHEK TAN AND COMPANY**

(2) EIN: **94-2921777**

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		90000
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>HEADLANDS VENTURES LLC 401K PROFIT SHARING PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HEADLANDS VENTURES LLC</u>	D Employer Identification Number (EIN) <u>94-3286388</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>57-1198022</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): _____

**HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
FINANCIAL REPORT
YEARS ENDED DECEMBER 31, 2012 AND 2011**

**HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
FINANCIAL REPORT
YEARS ENDED DECEMBER 31, 2012 AND 2011**

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CHEK TAN

AND COMPANY

A CERTIFIED PUBLIC ACCOUNTING FIRM

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
the Headlands Ventures, LLC
401(k) Profit Sharing Plan and Trust
San Rafael, California

Report on the Financial Statements

I was engaged to audit the accompanying statements of Headlands Ventures, LLC Profit Sharing Plan and Trust, which comprise the statements of net assets available for benefits as of December 31, 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012 and 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

My responsibility is to express an opinion on the 2012 financial statements based on conducting my audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2012 financial statements.

///

Basis for Disclaimer of Opinion on the 2012 Financial Statements

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 me not to perform, and I did not perform, any auditing procedures with respect to the information summarized in Note 11, which was certified by State Street Bank and Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the 2012 financial statements. I have been informed by the plan administrator that the custodian holds the Plan's investment assets and execute investment transactions. The plan administrator has obtained a certification from the custodian as of and for the year ended December 31, 2012, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion on the 2012 Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2012 financial statements paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2012 financial statements. Accordingly, I do not express an opinion on the 2012 financial statements.

Other Matter – Report on Supplementary Information and Report on 2011 Financial Statements

The supplemental schedule of Schedule H, line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2012 is 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 is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2012 financial statements paragraph, I do not express an opinion on the supplemental schedule.

I have audited the accompanying financial statements of Headlands Ventures, LLC 401(k) profit sharing plan and trust, which comprise the statement of the net assets available for benefits as of December 31, 2011, and in my report dated October 8, 2012, I expressed my opinion that such financial statement presents fairly, in all material respects, net assets available for benefits of the Plan as of December 31, 2011, and the changes in net assets available for benefits for the year then ended December 31, 2011, in accordance with accounting principles generally accepted in the United States of America.

**Report on Form and Content in Compliance with DOL Rules and Regulations for 2012
Financial Statements**

The form and content of the information included in the 2012 financial statements and supplemental schedule, other than that derived from the information certified by the custodian, have been audited by me in accordance with auditing standards generally accepted in the United States of America and, in my 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.

Shel Jan and Company

San Francisco, California
September 30, 2013

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2012 AND 2011

ASSETS

	<u>2012</u>	<u>2011</u>
Investments, at fair value:		
Money market funds	\$ 0	\$ 2,806
Mutual funds	953,037	861,079
Common/collective trusts	<u>24,919</u>	<u>0</u>
	<u>977,956</u>	<u>863,885</u>
Receivables:		
Employer contribution	2,451	127
Participant contribution	4,960	0
Notes receivable from participants	<u>63,794</u>	<u>29,985</u>
	<u>71,205</u>	<u>30,112</u>
Net assets available for benefits at fair value	1,049,161	893,997
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(<u>6</u>)	<u>0</u>
Net assets available for benefits	<u>\$1,049,155</u>	<u>\$893,997</u>

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

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>
Additions:	
Additions to net assets attributed to	
Investment income:	
Net appreciation in fair market value of investments	\$ 53,583
Interest	137
Dividend	<u>19,718</u>
Total investment income	<u>73,438</u>
Interest income on notes receivable from participants	<u>1,369</u>
Contributions:	
Participants	136,659
Employer	<u>54,155</u>
Total contributions	<u>190,814</u>
Total additions	<u>265,621</u>
Deductions:	
Deductions from net assets attributed to	
Benefits paid to participants	109,413
Administrative fee and expenses	<u>1,050</u>
Total deductions	<u>110,463</u>
Net increase	155,158
Net assets available for benefits, beginning of year	<u>893,997</u>
Net assets available for benefits, end of year	<u>\$1,049,155</u>

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

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 1 - Description of Plan

The following description of the Headlands Ventures, LLC ('Company') 401(k) Profit Sharing Plan and Trust ('Plan') provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

a. General

The Plan is a defined contribution plan and was established on July 1, 1999 for the benefit of all eligible employees of the Company. Employees can enroll into the Plan after completion of three consecutive months of service. Generally, the Plan covers all employees of the Company who are at age 21 or older, except for employees who are:

- included in a unit of employees covered by the terms of a collective bargaining agreement; or
- non-resident aliens who received no earned income from the Company; or
- employees as a result of an asset or stock acquisition, merger, or similar transaction.

It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

b. Participants' contributions

Participants may contribute up to \$17,000 of the pre-tax annual compensation for the year ended December 31, 2012. Participants who have attained age 50 before the end of plan year are eligible to make additional catch up contribution with an amount up to \$5,500 for the year ended December 31, 2012. Participants may also contribute amounts representing distribution from other qualified defined benefit or contribution plans.

c. Employer's contributions

Each plan year, the Company may contribute, as determined by the Board of Directors, to the Plan based on the total compensation of all the participants eligible to receive an allocation. The Company may, at its discretion, make qualified non-elective contributions to participants who are not highly compensated employees. The Company may also make profit sharing contributions to all qualified participants at its discretion. Both qualified non-elective and profit sharing contributions will be allocated to the participants according to the ratio that the participant's compensation for the plan year bears

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 1 - Description of Plan (continued)

c. Employer's contributions (continued)

to the total compensation of all participants for such plan year. For the year ended December 31, 2012, no employer's qualified non-elective and profit sharing contributions was made.

d. Participant accounts

Each participant's account is credited with the participant's and employer's contributions, and allocations of gains or losses from investments. The allocations are based on terms as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

e. Vesting

Participants are immediately and fully vested in their contributions and gains or losses thereon allocated to their accounts. Participants vest in the employer's discretionary contributions according to the following schedule:

<u>Years of Employment</u>	<u>Vested Percentages</u>
1	25%
2	50%
3	75%
4	100%

Participants will be fully vested with the employer's discretionary contributions in the event of death, disability, attainment of normal retirement age or complete or partial termination of the Plan.

f. Forfeitures

Forfeitures represent the non-vested portion of terminated participants' account balances. These amounts can be used to pay for plan administrative expenses or to reduce future employer matching or discretionary contributions to the Plan. For the year 2012, the Plan used the forfeiture of \$727 to reduce employer matching contributions.

g. Investment options

Participants can direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers thirty pre-selected mutual funds and two common/collective trusts as investment options for the participants. Participants may change their investment options and allocations at any time.

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 1 - Description of Plan (continued)

h. Rollovers

With the approval of the plan administrator, the Plan may receive any amounts received by an employee as distribution from another qualified plan provided that the receipt of such amounts does not adversely affect the qualified tax status of the Plan. Participants are fully vested in these amounts.

i. Notes receivable from participants

All participants with a vested balance of at least \$2,000, except stockholders who own 5% or more stock of the Company, may borrow from their accounts. Loan fees and interest due are paid by the participant. Each participant may have only one loan outstanding at any given time. The minimum loan amount is \$1,000, but not exceeding the lesser of:

- one-half of the participant's vested account balance; or
- \$50,000 (reduced by the highest outstanding loan balance during the one year period ending on the day the loan agreement is executed).

The maximum repayment period is generally 5 years for a general purpose loan. If the loan is obtained for the purpose of purchasing a primary residence, the maximum repayment period is 30 years. The loan will bear interest at a fixed rate of 1% above the prime rate as published on the first business day of the month. Principal and interest are paid ratably through payroll deductions on a per pay period basis. Borrower may prepay all or a portion of the outstanding loan without penalty. All loans are secured by 50% of the participant's vested account balance.

j. Payment of benefits

Upon separation from employment due to termination of employment, death, disability, retirement or attainment of the age of 59½, the participant has three options concerning the account balance when a distribution is made:

- The participant may elect to roll the vested account balance to another qualified retirement plan or to an individual retirement account;
- The participant may elect to have the vested account balance distributed and income taxes will be withheld accordingly; or
- If the account balance is greater than \$5,000, the participant can leave the vested account balance in the Plan until the participant authorizes a distribution.

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 1 - Description of Plan (continued)

j. Payment of benefits (continued)

The Plan allows participants to take an in-service withdrawal even if they are actively employed with the Company upon attainment of the age of 59½, employer profit sharing and contributions may be withdrawn from the account.

The Plan does not allow for hardship withdrawals.

k. Administration and costs of plan administration

The Company and the Plan trustee are responsible for administering the Plan.

The Company absorbs all costs of Plan administration. Accordingly, such expenses are not reported in the Plan's statement of changes in net assets available for benefits.

Note 2 - Summary of Significant Accounting Policies

a. Basis of accounting and use of accounting estimates

The Plan maintains its accounting records on the accrual method of accounting.

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

As described in Financial Accounting Standards Board (FASB) Staff Position AAG INV-1 and SOP 94-4-1, Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined Contribution Health and Welfare and Pension Plans, 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 plan 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. The Plan's Statement of Net Assets Available for Benefits present the fair value of these investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 2 – Summary of Significant Accounting Policies (continued)

b. Recent Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards." ASU 2011-04 was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and International Financial Reporting Standards. ASU 2011-04 changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This pronouncement is effective for reporting periods beginning on or after December 15, 2011, with early adoption prohibited. The new guidance will require prospective application. The Plan is currently evaluating the effect that the provisions of this pronouncement will have on its financial statements.

In October 2012, the FASB issued new accounting guidance ASU No. 2012-04, "Technical Corrections and Improvements". ASU 2012-04 was issued to provide amendments of a wide range of topics in FASB ASC, including FASB ASC 962, "Plan Accounting – Defined Contribution Pension Plans". These amendments are presented in two sections – "Technical Corrections and Improvements" and "Conforming Amendments Related to Fair Value Measurements". The amendments in ASU No. 2012-04 relating to defined contribution plans that contain transition. This ASU includes the addition of "Pending Content" in FASB ASU 962-325-35-IA which states that if significant, the fair value of an investment should be reduced by brokerage commissions and other costs normally incurred in a sale (similar to fair value less cost to sell).

c. Investment valuation and income recognition

Investments in mutual funds are stated at fair market value. Shares of mutual funds are valued at quoted market prices, which represent the net asset of value of shares held by the Plan at the end of the plan year. Common/collective trusts are valued at the NAV of shares of a bank collective trust held by the plan at year end. Purchases and sales of securities are recorded on a trade-date basis. Participant loans are valued at amortized cost, which represents fair value. Interest income is recorded when earned. Dividends are recorded on the ex-dividend date. The Plan presents in the Statement of Changes in Net Assets Available for Benefits the net appreciation (depreciation) in the fair value of investments, which consists of realized gain or losses and unrealized appreciation (depreciation) on those investments.

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 2 - Summary of Significant Accounting Policies (continued)

d. Notes receivable from participants

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

e. Net appreciation (depreciation) in fair value of investments

Realized and unrealized appreciation (depreciation) in the fair value of investments is based on the difference between the fair value of the assets at the beginning of the year, or at the time of purchase for assets purchased during the year, and the related fair value on the day investments are sold with respect to realized appreciation (depreciation), or on the last day of the year for unrealized appreciation (depreciation).

Realized and unrealized appreciation (depreciation) is recorded in the accompanying Statement of Changes in Net Assets Available for Benefits as net appreciation (depreciation) in fair value of investments.

f. Risks and uncertainties

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

g. Participant distributions

Benefits paid to participants are recorded when paid.

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 3 – Investments

Individual investments that represent 5% or more of the fair value of net assets available for benefits at the end of the plan year are as follows for the years ended December 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Investments at fair value as determined by quoted market prices:		
Franklin Templeton Conservation Allocation Class R	\$472,012	\$ 0
Franklin Growth Allocation Class R	128,166	0
Franklin Templeton Moderate Allocation Class R	80,413	0
Oppenheimer Discovery Mid Cap Growth Class N	48,520	0
California Investment Trust Nasdaq 100		
Index fund Class Direct	0	52,913
California Investment Trust S&P Mid Cap		
Index Fund Class Direct	0	76,705
Columbia Small Cap Index Fund Class Z	0	180,608
Franklin Templeton Mutual European Fund Class A	0	60,034
Legg Mason Western Asset Mortgage Backed		
Securities Fund Class I	0	52,122
Schwab S&P 500 Index Fund	0	126,165
T. Rowe Price Retirement 2020 Fund Class R	0	208,035

During the year ended December 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$53,583 as follows:

Mutual funds	\$52,861
Common/collective trusts	<u>722</u>
Net appreciation in fair value of investments	<u>\$53,583</u>

Note 4 – Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, "Fair Value Measurements" (Formerly SFAS No. 157) 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. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC Topic 820 are described as follows:

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 4 – Fair Value Measurements (continued)

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.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in active markets;
- Inputs other than quoted prices that are observable for the assets or liability;
- Inputs that are derived principally from or corroborated by observable market data by correction or other means.

Level 3: If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability. Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

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

Common/collective trusts: valued at the NAV of units of a bank collective trust. The NAV as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sale) may occur daily. When the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 4 – Fair Value Measurements (continued)

The following table lists the fair value of investment assets as of December 31, 2012:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds				
Balanced fund	\$680,591	\$ 0	\$0	\$680,591
Fixed income funds	53,518	0	0	53,518
Growth funds	56,720	0	0	56,720
Blend funds	113,337	0	0	113,337
Value funds	8,925	0	0	8,925
Sector funds	29,827	0	0	29,827
Global/international funds	<u>10,119</u>	<u>0</u>	<u>0</u>	<u>10,119</u>
	<u>953,037</u>	<u>0</u>	<u>0</u>	<u>953,037</u>
Common/collective trusts				
Stock index fund		24,739	0	24,739
Stable value asset	<u>0</u>	<u>180</u>	<u>0</u>	<u>180</u>
	<u>0</u>	<u>24,919</u>	<u>0</u>	<u>24,919</u>
Total assets at fair value	<u>\$953,037</u>	<u>\$24,919</u>	<u>\$0</u>	<u>\$977,956</u>

The following table lists the fair value of investment assets as of December 31, 2011:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds				
Fixed income funds	\$ 61,367	\$0	\$0	\$ 61,367
Growth funds	312,779	0	0	312,779
Blend funds	383,479	0	0	383,479
Value funds	43,420	0	0	43,420
Global/international funds	<u>60,034</u>	<u>0</u>	<u>0</u>	<u>60,034</u>
	<u>861,079</u>	<u>0</u>	<u>0</u>	<u>861,079</u>
Money market funds	<u>2,806</u>	<u>0</u>	<u>0</u>	<u>2,806</u>
Total assets at fair value	<u>\$863,885</u>	<u>\$0</u>	<u>\$0</u>	<u>\$863,885</u>

Note 5 – Investment in Stable Value Assets

The Plan invests in stable value assets that include traditional bank or insurance company-issued guaranteed investment contracts or synthetic investment contracts.

Stable value asset investment is fully benefit-responsive. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the contract.

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 5 – Investment in Stable Value Assets (continued)

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the plan documents (including complete or partial plan terminations or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable.

Note 6 – Notes Receivable from Participants

The Plan permits its participants to obtain loans against their account balances. Loans to participants are collateralized by the respective participant's remaining account balance. The loans bear interest rates ranging from 4.25% to 6.25% and to the loans require bi-weekly payments of \$506 to \$2,056, depending on the respective loan amounts and terms. The value of notes receivable was measured at their unpaid balances plus any accrued but unpaid interest. As of December 31, 2012 and 2011, total loans outstanding were \$63,794 and \$29,985, respectively. During the year ended December 31, 2012, interest earned on such loans was \$1,369.

Note 7 – Reconciliation of Financial Statements to Schedule H of Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2012 and 2011 to Form 5500:

	<u>2012</u>	<u>2011</u>
Net assets available for benefits per financial statements	\$ 1,049,155	\$ 893,997
Employer contributions receivable	(2,451)	(127)
Participant contribution receivable	(4,960)	0
Net assets available for benefits per Schedule H of Form 5500	\$ <u>1,041,744</u>	\$ <u>893,870</u>

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 7 – Reconciliation of Financial Statements to Schedule H of Form 5500 (continued)

The following is a reconciliation of the changes in net assets available for benefits per the financial statements for the year ended December 31, 2012 to Form 5500:

Net increase in net assets available for benefits per the financial statements	\$ 155,158
Employer contribution receivable as of 12/31/2011	127
Employer contribution receivable as of 12/31/2012	(2,451)
Participant contribution receivable as of 12/31/2012	(<u>4,960</u>)
Net increase in net assets available for benefits per Form 5500	\$ <u>147,874</u>

Note 8 – Party-in-Interest Transactions

The Plan has outstanding notes receivable from participants that are classified as party-in-interest transactions as defined in Section 3(14) of ERISA which are secured by the balances in the participants' accounts.

Note 9 – Income Tax Status

The Plan had obtained its determination letter, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes was provided in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate uncertain tax positions taken by the plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to 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 2009.

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 10 – Plan Termination

Presently, the Company has no intention to terminate the Plan but it reserves the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event the Plan is terminated, participants will become fully vested in their accounts.

Note 11 – Information Prepared and Certified by the Custodian

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

	<u>2012</u>
Mutual funds	\$953,037
Common/collective trusts	24,913
Net appreciation in fair value – mutual funds	52,861
Net appreciation in fair value – common/collective trusts	722
Dividend income – mutual funds	19,718
Interest income – mutual funds	137
Notes receivable from participants	63,794
Interest income on notes receivable from participants	1,369

Note 12 – Subsequent Events

The Plan has evaluated subsequent events through September 30, 2013, the date which the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
SCHEDULE H, LINE 4(i) – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2012
EMPLOYER IDENTIFICATION NUMBER: 94-3286388
PLAN NUMBER: 001
FORM 5500

<u>Identity of Issue, Borrower, Lessor or Similar Party</u>	<u>Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
Mutual Funds:			
AllianceBernstein	AllianceBernstein Global Bond Class R	a	\$ 1,548
AllianceBernstein	AllianceBernstein Discovery Value Class R	a	683
American Century Investments	American Century Livestrong 2015 Portfolio Class R	a	131
American Century Investments	American Century Livestrong 2025 Portfolio Class R	a	16,910
American Century Investments	American Century Livestrong 2045 Portfolio Class R	a	32,472
American Century Investments	American Century Livestrong 2035 Portfolio Class R	a	37,151
Franklin Templeton Investment Funds	Franklin Growth Fund Class R	a	3,811
Franklin Templeton Investment Funds	Franklin High Income Class R	a	33,361
Franklin Templeton Investment Funds	Franklin Mutual Shares Class R	a	102
Franklin Templeton Investment Funds	Franklin Strategic Income Class R	a	14,154
Franklin Templeton Investment Funds	Franklin Templeton Conservative Allocation Class R	a	472,012
Franklin Templeton Investment Funds	Franklin Growth Allocation Class R	a	128,166
Franklin Templeton Investment Funds	Franklin Templeton Moderate Allocation Class R	a	80,413
Franklin Templeton Investment Funds	Franklin Small Cap Value Fund Class R	a	8,140
Franklin Templeton Investment Funds	Franklin U.S. Government Securities Fund Class R	a	2,540
Franklin Templeton Investment Funds	Franklin Rising Dividends Class R	a	22,751
Franklin Templeton Investment Funds	Hartford Growth Opportunities Class R3	a	3,055
Hartford Mutual Funds	Lord Abbett Developing Growth Fund Class R3	a	1,334
Lord Abbett	Oppenheimer Discovery Mid Cap Growth Class N	a	48,520
Oppenheimer Funds	Oppenheimer Rising Dividends Class N	a	2,708
Oppenheimer Funds	Oppenheimer Global Strategic Income Class N	a	839
Oppenheimer Funds	Oppenheimer Main Street SM & Mid Cap Class N	a	1,214
Oppenheimer Funds	Oppenheimer Gold & Special Minerals Funds Class N	a	14,614

HEADLANDS VENTURES, LLC
401(K) PROFIT SHARING PLAN AND TRUST
SCHEDULE H, LINE 4(i) – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2012
EMPLOYER IDENTIFICATION NUMBER: 94-3286388
PLAN NUMBER: 001
FORM 5500
(continued)

<u>Identity of Issue, Borrower, Lessor or Similar Party</u>	<u>Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
Mutual Funds: (continued)			
Thornburg	Thornburg Limited Term US Government Fund Class R3	a	\$ 1,915
Thornburg	Thornburg International Value Fund Class R3	a	4,555
T. Rowe Price	T. Rowe International Growth & Income Class R	a	2,438
Janus	Janus Overseas Fund Class R	a	2,287
Invesco	Invesco Real Estate Class R	a	<u>15,213</u>
Total mutual funds			<u>953,037</u>
Common/Collective Trust:			
*State Street Bank and Trust Company	SSGA S&P Md Cp Index Non-Lending Series Fund Class J	a	24,739
Invesco	Invesco Stable Asset	a	<u>180</u>
Total common/collective trust			<u>24,919</u>
Loans:			
Notes receivable from participants	4-month to 120-month maturity at 4.25% to 6.25%	a	<u>63,794</u>
			<u>\$1,041,750</u>

* – represents a party-in-interest as defined by ERISA.

a – the cost of participant-directed investments is not required to be disclosed.

Schedule C, Line 2(h) Formula Description

For those service providers listed on Line 2 for which Line 2(h) has been checked “yes”:

For a description of indirect compensation received by service providers listed on Line 2 that was disclosed as a formula, please see Line 3(e). Please note: If indirect compensation disclosed as a formula was received by a service provider from more than one source, there will be multiple Lines 3(e) for that service provider.

Attachment to 2012 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name HEADLANDS VENTURES LLC 401K PROFIT SHARING PLAN AND TRUST **EIN:** 94-3286388
Plan Sponsor's Name HEADLANDS VENTURES LLC **PN:** 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
	ALLIANBERN GLOB BD - R	REGISTERED INVESTMENT COMPANY		1,548
	AB DISCOVERY VALUE R	REGISTERED INVESTMENT COMPANY		683
	AMERCENT LIVESTRG 2015PORT - R	REGISTERED INVESTMENT COMPANY		131
	AMERCENT LIVESTRG 2025PORT - R	REGISTERED INVESTMENT COMPANY		16,910
	AMERICAN CENT LIVESTRONG 2045R	REGISTERED INVESTMENT COMPANY		32,472
	AMERCENT LIVESTRG 2035PORT - R	REGISTERED INVESTMENT COMPANY		37,151
	FRANKLIN GROWTH FUND - R	REGISTERED INVESTMENT COMPANY		3,811

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Plan Sponsor's Name HEADLANDS VENTURES LLC **PN:** 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
	FRANKLIN HIGH INCOME - R	REGISTERED INVESTMENT COMPANY		33,361
	FRANKLIN MUTUAL SHARES - R	REGISTERED INVESTMENT COMPANY		102
	FRANKLIN STRATEGIC INCOME - R	REGISTERED INVESTMENT COMPANY		14,154
	FRANKLIN TEMPLETON CONS ALL R	REGISTERED INVESTMENT COMPANY		472,012
	FRANKLIN GROWTH ALLOCATION R	REGISTERED INVESTMENT COMPANY		128,166
	FRANKLIN TEMPLETON MOD ALLOC R	REGISTERED INVESTMENT COMPANY		80,413
	FRANKLIN SMALL CAP VALUE FD-R	REGISTERED INVESTMENT COMPANY		8,140

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	HARTFORD GROW OPPORTUNITIES R3	REGISTERED INVESTMENT COMPANY		3,055
	FRANKLIN U.S GOVERNMENT SEC -R	REGISTERED INVESTMENT COMPANY		2,540
	LORD ABBETT DEV GRTH FD -R3	REGISTERED INVESTMENT COMPANY		1,334
	OPPENHEIMER SM & MD CAP GRTH N	REGISTERED INVESTMENT COMPANY		48,520
	OPPENHEIMER RISING DIVIDENDS-N	REGISTERED INVESTMENT COMPANY		2,708
	OPPENHEIMER GLBL STRAT INC N	REGISTERED INVESTMENT COMPANY		839
	OPP MAIN ST SM & MID CAP N	REGISTERED INVESTMENT COMPANY		1,214

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Plan Sponsor's Name HEADLANDS VENTURES LLC **PN:** 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
	OPPENHEIMER GOLD & SP MIN - N	REGISTERED INVESTMENT COMPANY		14,614
	THORNBURG LTD TERM US GOVT -R3	REGISTERED INVESTMENT COMPANY		1,915
	THORNBURG INTERN VALUE FD - R3	REGISTERED INVESTMENT COMPANY		4,555
	T ROWE INT'L GROWTH & INCOME-R	REGISTERED INVESTMENT COMPANY		2,438
	JANUS OVERSEAS FUND - R	REGISTERED INVESTMENT COMPANY		2,287
	INVESCO REAL ESTATE - R	REGISTERED INVESTMENT COMPANY		15,213
	FRANKLIN RISING DIVIDENDS - R	REGISTERED INVESTMENT COMPANY		22,751

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Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name HEADLANDS VENTURES LLC 401K PROFIT SHARING PLAN AND TRUST **EIN:** 94-3286388
Plan Sponsor's Name HEADLANDS VENTURES LLC **PN:** 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
	PARTICIPANT LOANS	INTEREST RATES (4.25% TO 6.25%)		63,795
	INVESCO STABLE ASSET	COMMON/COLLECTIVE TRUST		174
	SSGA S&P MD CP IDX NL J	COMMON/COLLECTIVE TRUST		24,739