

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>MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2002</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/2002</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/2002</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>MASTERS PHARMACEUTICAL, INC.</u> <u>11930 KEMPER SPRINGS DRIVE</u> <u>CINCINNATI, OH 45240</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>31-1752403</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>513-354-2650</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>424210</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>31-1752403</u>	2c Sponsor's telephone number <u>513-354-2650</u>	2d Business code (see instructions) <u>424210</u>	
2b Employer Identification Number (EIN) <u>31-1752403</u>					
2c Sponsor's telephone number <u>513-354-2650</u>					
2d Business code (see instructions) <u>424210</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	10/14/2013 Date	KEVIN MOORE Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature. Signature of employer/plan sponsor	10/14/2013 Date	KEVIN MOORE 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		5 158
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	128
b Retired or separated participants receiving benefits.....	6b	
c Other retired or separated participants entitled to future benefits.....	6c	34
d Subtotal. Add lines 6a , 6b , and 6c	6d	162
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	
f Total. Add lines 6d and 6e	6f	162
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	134
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	11
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: 2A 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>MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MASTERS PHARMACEUTICAL, INC.</u>	D Employer Identification Number (EIN) <u>31-1752403</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

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

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

WEALTH DIMENSIONS GROUP, LTD

11300 CORNELL PARK DRIVE
SUITE 300
CINCINNATI, OH 45242

31-1579140

(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?
27		14461	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

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

VERISIGHT, INC.

35 IRON POINT CIRCLE
SUITE 100
FOLSOM, CA 95630

27-2037969

(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?
13 15 64 65		7626	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 ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2012</div> 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 MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 MASTERS PHARMACEUTICAL, INC.	D Employer Identification Number (EIN) 31-1752403	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1	Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets			
a	Total noninterest-bearing cash	1a		532
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)	242845	197104
(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)		
(9)	Value of interest in common/collective trusts	1c(9)		
(10)	Value of interest in pooled separate accounts	1c(10)		
(11)	Value of interest in master trust investment accounts	1c(11)		
(12)	Value of interest in 103-12 investment entities	1c(12)		
(13)	Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1062243	1447570
(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	1305088	1645206

Liabilities

g Benefit claims payable	1g		24028
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		0
k Total liabilities (add all amounts in lines 1g through 1j)	1k		24028

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1305088	1621178
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	39046	
(B) Participants	2a(1)(B)	222147	
(C) Others (including rollovers)	2a(1)(C)	83133	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		344326
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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(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)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		122220
c Other income.....	2c		2
d Total income. Add all income amounts in column (b) and enter total.....	2d		466548

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	103158	
(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)		103158
f Corrective distributions (see instructions)	2f		24023
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)	7626	
(3) Investment advisory and management fees	2i(3)	14461	
(4) Other	2i(4)	1190	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		23277
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		150458

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		316090
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: VONLEHMAN & CO., INC.

(2) EIN: 31-0905417

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		1000000
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.			

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>MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MASTERS PHARMACEUTICAL, INC.</u>	D Employer Identification Number (EIN) <u>31-1752403</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
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>58-1428634</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**MASTERS PHARMACEUTICAL, INC.
PROFIT SHARING PLAN**

December 31, 2012

*FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS'
REPORT INCLUDING SUPPLEMENTARY SCHEDULE*

**MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Masters Pharmaceutical, Inc. Profit Sharing Plan
Cincinnati, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Masters Pharmaceutical, Inc. (the Company) Profit Sharing Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012, and the related statements of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion on the 2012 Financial Statements

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in the Limited Scope Audit note, which was certified by Verisight Trust Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplementary schedule. We have been informed by the Plan administrator that Verisight Trust Company holds the Plan's investment assets and executed investments transactions from December 18, 2012 to December 31, 2012. The Plan administrator has obtained a certification from the custodian as of December 31, 2012 and for the period from December 18, 2012 to 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 paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

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

We were engaged for the purpose of forming an opinion of the financial statements as a whole. The supplementary schedule for the year ended December 31, 2012, which is the responsibility of Plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2012 Financial Statements paragraph, we do not express an opinion on the supplementary schedule.

We have audited the accompanying financial statements of the Masters Pharmaceutical, Inc. Profit Sharing Plan, which comprise the statement of net assets available for benefits as of December 31, 2011, and the statement of changes in net assets available for benefits for the year then ended, and in our report dated September 18, 2012, we expressed our opinion that such financial statements present 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 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's Rules and Regulations for 2012 Financial Statements

The form and content of the information included in the 2012 financial statements and supplementary schedule, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA.

VonLehman & Company Inc.

**MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

ASSETS

	December 31,	
	2012	2011
Investments at Fair Value		
Money Market Funds	\$ 197,636	\$ 242,846
Mutual Funds	<u>1,447,570</u>	<u>1,062,242</u>
 Total Investments At Fair Value	 1,645,206	 1,305,088
 Liabilities		
Corrective Distributions Payable	<u>24,028</u>	<u>8,527</u>
 Net Assets Available for Benefits	 <u><u>\$ 1,621,178</u></u>	 <u><u>\$ 1,296,561</u></u>

See accompanying notes.

MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years Ended December 31,	
	2012	2011
Additions to Net Assets Attributed to		
Investment Income		
Net Appreciation in Fair Value of Investments	\$ 88,583	\$ -
Interest and Dividends	33,639	25,949
	<u>122,222</u>	<u>25,949</u>
Total Investment Income		
	<u>122,222</u>	<u>25,949</u>
Contributions		
Employee	222,147	214,938
Employer	39,046	42,450
Other	83,133	-
	<u>344,326</u>	<u>257,388</u>
Total Contributions		
	<u>344,326</u>	<u>257,388</u>
Total Additions	<u>466,548</u>	<u>283,337</u>
Deductions From Net Assets Attributed to		
Net Depreciation in Fair Value of Investments	-	45,931
Benefits Paid to Participants	118,654	123,595
Advisory Fees	14,461	12,453
Administrative Fees	8,816	7,287
	<u>141,931</u>	<u>189,266</u>
Total Deductions		
	<u>141,931</u>	<u>189,266</u>
Net Increase	324,617	94,071
Net Assets Available for Benefits		
Beginning of Plan Year	<u>1,296,561</u>	<u>1,202,490</u>
End of Plan Year	<u>\$ 1,621,178</u>	<u>\$ 1,296,561</u>

See accompanying notes.

**MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Masters Pharmaceutical, Inc. (the Company) Profit Sharing Plan (the Plan) for the employees of the Company provides only general information. Participants should refer to the Plan agreement and the summary Plan description for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan with a cash or deferred arrangement covering all employees of the Company. Employees are eligible to contribute and receive Company matching contributions upon reaching the age of 20 and being credited with one year of service. After meeting these eligibility requirements, employees can enter the Plan on January 1, April 1, July 1, and October 1. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The accounts are self directed in nature, with the option of several mutual funds from which employees can choose.

Contributions

Employee

Each year, participants may contribute a percentage of their compensation up to Internal Revenue Service limits. Participants may also contribute amounts representing distributions from other qualified plans.

Employer

The Company contributes to the Plan, on behalf of the participants, a matching contribution in an amount which is determined annually by the Company's management. For 2012 and 2011 the employer matched 25% of the employee deferrals up to 6% of the employee's wages, as defined by the Plan. Additional contribution amounts may be contributed at the option of the Company's management. Contributions are subject to certain limitations.

Participant Accounts

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

Self Directed Accounts

Participants direct 100% of the investment of their contributions and the employer's contributions into various investment options offered by the Plan. The Plan offers a number of mutual funds and a money market fund as investment options for participants.

Vesting

Participants are immediately vested in their 401(k) elective deferrals plus actual earnings thereon. Vesting in the remainder of their accounts begins upon the completion of one year of service as defined by the Plan and employees are 100% vested after four years of service.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Forfeitures

Forfeitures under the Plan can be used to pay administrative expenses, offset future Company matching contributions, or can be allocated to participants.

Payment of Benefits

On termination of service, participants with a vested balance of less than \$5,000 may receive a lump sum amount equal to the vested portion of the value of their account unless an election is made otherwise. Participants with vested balances in excess of \$5,000 may remain in the Plan but they may not make additional contributions. They receive no further contributions, and they receive no more vesting.

Administrative Expenses

A portion of the administrative expenses, which includes audit fees, are paid by the Plan's sponsor.

Basis of Accounting

The Plan prepares its financial statements in conformity with accounting principles generally accepted in the United States of America customary for retirement savings and security plans.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. If available, quoted market prices at the last reported sale price on the last business day of the Plan year are used to value investments. Purchases or sales of investments are recorded on a trade-date basis. Dividend, interest, and capital gain income are recorded as declared or earned.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Certain estimates relate to unsettled transactions and events as of the date of the financial statements. Other estimates relate to assumptions about the ongoing operations and may impact future periods. Accordingly, upon settlement, actual results may differ from estimated amounts.

Net Assets Available for Benefits

Net assets available for benefits at both December 31, 2012 and 2011, included \$0 allocated to the accounts of persons who, prior to the date, had withdrawn from participating in the earnings and operations of the Plan.

Payment of Benefits

Benefits are recorded when paid.

NOTE 3 - INVESTMENTS

The following table presents the fair values of investments at both December 31, 2012 and 2011. Investments that represent 5% or more of the Plan's net assets are separately identified.

	December 31,			
	2012		2011	
	Number of Shares	Fair Value	Number of Shares	Fair Value
Investments at Fair Value as Determined by Quoted Market Price				
Fidelity FMMT Retirement Money Market	197,105	\$ 197,105	242,360	\$ 242,360
DFA Inv't Enhanced US Large Company Portfolio	14,586	136,670	12,895	104,448
Dimensional Advisor US Large Cap Value	6,087	139,390	5,737	109,799
Dimensional Advisor One Year Fixed Income	17,888	184,608	12,572	129,490
DFA Inv't Two Year Global Fixed Income	18,299	183,726	12,929	130,328
Dimensional Advisor Global Fixed Income	34,071	379,893	25,530	278,531
Other Investments (Less than 5%)	Various	423,814	Various	310,132
Total Investments at Fair Value		<u>\$ 1,645,206</u>		<u>\$ 1,305,088</u>

	Years Ended December 31,	
	2012	2011
Net Appreciation (Depreciation) in Fair Value of Investments		
Investments at Quoted Market Price		
Mutual Funds	<u>\$ 88,583</u>	<u>\$ (45,931)</u>

NOTE 4 - FAIR VALUE MEASUREMENTS

Accounting pronouncements establish 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 the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

LEVEL 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

LEVEL 2: Inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation, or other means. 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.

LEVEL 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

Mutual Funds: Valued at the net asset value (NAV) of shares held by the Plan at year end.

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

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of both December 31, 2012 and 2011.

	Level 1	Level 2	Level 3	Total
Assets at Fair Value as of December 31, 2012				
Money Market Funds	\$ 197,636	\$ -	\$ -	\$ 197,636
Domestic Equity Funds	525,245	-	-	525,245
Bond Funds	748,228	-	-	748,228
International Funds	137,593	-	-	137,593
Emerging Market Funds	36,504	-	-	36,504
	<u>\$ 1,645,206</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,645,206</u>
Assets at Fair Value as of December 31, 2011				
Money Market Funds	\$ 242,846	\$ -	\$ -	\$ 242,846
Domestic Equity Funds	407,239	-	-	407,239
Bond Funds	538,349	-	-	538,349
International Funds	91,223	-	-	91,223
Emerging Market Funds	25,431	-	-	25,431
	<u>\$ 1,305,088</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,305,088</u>

NOTE 5 - PLAN TERMINATION

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

**MASTERS PHARMACEUTICAL, INC.
PROFIT SHARING PLAN**

NOTE 6 - RECONCILIATION OF NET ASSETS WITH PARTICIPANTS' ACCOUNTS

	December 31,	
	2012	2011
Net Assets Available for Benefits	\$ <u>1,621,178</u>	\$ <u>1,296,561</u>
Balance of Participants' Accounts	\$ 1,643,924	\$ 1,303,127
Corrective Distributions Payable	(24,028)	(8,527)
Unallocated Forfeitures	1,282	1,475
Unallocated Holding Accounts	<u>-</u>	<u>486</u>
Total Participant Accounts	\$ <u>1,621,178</u>	\$ <u>1,296,561</u>

NOTE 7 - TAX STATUS

The Plan is currently operating under a prototype plan document that has been accepted under Section 401 of the Internal Revenue Code for use by employers for the benefit of their employees. Although no determination letter has been received specific to the Masters Pharmaceutical, Inc. Profit Sharing Plan, the Plan administrator believes 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 has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America required Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan had taken an uncertain position that more likely than not would be sustained upon examination. The Plan administrator analyzed the tax positions taken by the Plan, and concluded that as of both December 31, 2012 and 2011, there were uncertain positions taken or expected to be taken that required 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. Tax years still open under federal statute of limitations remain subject to review and change.

NOTE 8 - FORFEITURES

For both the years ended December 31, 2012 and 2011, no forfeitures were allocated to employees' accounts. Unallocated forfeitures at December 31, 2012 and 2011 were \$1,282 and \$1,475, respectively.

NOTE 9 - LIMITED SCOPE AUDIT

Certain information related to investments disclosed in the accompanying financial statements and supplementary schedule, including investments held at December 31, 2012, and the net appreciation (depreciation) in fair value of investments for the year then ended, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by Verisight Trust Company, the custodian of the Plan.

NOTE 10 - PARTY-IN-INTEREST

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association, or relatives of such persons.

Fees for investment management services and for administrative expenses paid by the Plan to Plan administrators and custodians were \$23,277 and \$19,740 for 2012 and 2011, respectively. There are additional fees paid with Plan assets included in the net appreciation (depreciation) in fair value of investments line items on the statements of changes in net assets available for benefits.

NOTE 11 - RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits at both December 31, 2012 and 2011 and contributions, participant loans, benefit payments, and investment income for both the years ended December 31, 2012 and 2011 to Schedule H of Form 5500:

	December 31,	
	2012	2011
Net Assets Available for Benefits per the Audited Financial Statements	\$ 1,621,178	\$ 1,296,561
Difference in Corrective Distributions Payable per the Audited Financial Statements and Schedule H of the Form 5500	-	8,527
Net Assets Available for Benefits per Schedule H of Form 5500	<u>\$ 1,621,178</u>	<u>\$ 1,305,088</u>
	Years Ended December 31,	
	2012	2011
Benefits Paid to Participants per the Audited Financial Statements	\$ 118,654	\$ 123,595
Difference in Corrective Distributions Payable per the Audited Financial Statements and Schedule H of the Form 5500	-	(8,527)
Benefits Paid to Participants per Schedule H of Form 5500	<u>\$ 118,654</u>	<u>\$ 115,068</u>

NOTE 12 - RISKS AND UNCERTAINTIES

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

NOTE 13 - SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2012, the date of the most recent statement of net assets available for benefits, have been evaluated for possible adjustment to the financial statements or disclosure is October 10, 2013, which is the date on which the financial statements were available to be issued.

SUPPLEMENTARY SCHEDULE

MASTERS PHARMACEUTICAL, INC. PROFIT SHARING PLAN
SCHEDULE OF ASSETS HELD AT END OF YEAR
December 31, 2012
FORM 5500, SCHEDULE H PART IV, 4, i
EIN: 31-1752403
PLAN NO.: 001

<u>Title</u>	<u>Shares/ Face Value</u>	<u>Cost</u>	<u>Fair Market Value</u>
Money Market Funds			
^ Fidelity FMMT Retirement Money Market	197,104.990	\$ 197,105	\$ 197,105
^ Fidelity Cash Reserves	530.850	531	531
Total Money Market Funds		<u>197,636</u>	<u>197,636</u>
Mutual Funds			
Dimensional Advisor US Micro Cap Portfolio	4,477.188	64,916	65,367
Dimensional Advisor Emerging Markets Value	1,150.751	33,798	34,338
DFA International Small Company Portfolio	2,003.813	31,541	31,921
DFA Inv't Enhanced US Large Company Portfolio	14,585.927	138,694	136,670
DFA International Small Cap Value	2,145.541	33,816	34,286
DFA Emerging Markets Portfolio	1,325.486	36,014	36,504
Dimensional Advisor US Small Cap Value	2,947.522	76,984	77,255
Dimensional Advisor US Large Cap Value	6,086.903	140,774	139,390
Dimensional Advisor Real Estate Portfolio	2,742.013	71,241	72,225
Dimensional Advisor Large Cap International	59.579	1,139	1,146
Dimensional Inv't Group Income International Value	4,231.387	69,526	70,241
Dimensional Advisor One Year Fixed Income	17,888.381	184,608	184,608
DFA Inv't Two Year Global Fixed Income	18,299.367	183,726	183,726
Dimensional Advisor Five Year Global Fixed Income	34,071.225	378,877	379,893
Total Mutual Funds		<u>1,445,654</u>	<u>1,447,570</u>
Total Investments		<u>\$ 1,643,290</u>	<u>\$ 1,645,206</u>

^ Party-In-Interest

[illegible]