# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2012**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

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

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

**D** Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
TWO JINN, INCORPORATED 401(K) PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/1994

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

TWO JINN, INCORPORATED

1000 AVIARA PARKWAY, THIRD FLOOR
CARLSBAD, CA 92008

**2b** Employer Identification Number (EIN)
20-0793840

**2c** Sponsor's telephone number
800-808-2245

**2d** Business code (see instructions)
812990

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

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

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/15/2013 | HERBERT G. MUTTER |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

**3a** Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

**3b** Administrator's EIN

**3c** Administrator's telephone number

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 588 |
| **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** | 562 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 27 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 589 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 589 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 334 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 16 |
| **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 3H

**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)** | [X] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [X] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | [X] | **R** (Retirement Plan Information) |
| **(2)** | [ ] | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | [ ] | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | | |
|---|---|---|---|
| **(1)** | [X] | | **H** (Financial Information) |
| **(2)** | [ ] | | **I** (Financial Information – Small Plan) |
| **(3)** | [X] | 1 | **A** (Insurance Information) |
| **(4)** | [X] | | **C** (Service Provider Information) |
| **(5)** | [ ] | | **D** (DFE/Participating Plan Information) |
| **(6)** | [ ] | | **G** (Financial Transaction Schedules) |

# SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
TWO JINN, INCORPORATED 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
TWO JINN, INCORPORATED

**D** Employer Identification Number (EIN)
20-0793840

## Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

**1** Coverage Information:

**(a)** Name of insurance carrier

STANDARD INSURANCE COMPANY

| **(b)** EIN | **(c)** NAIC code | **(d)** Contract or identification number | **(e)** Approximate number of persons covered at end of policy or contract year | Policy or contract year | |
|---|---|---|---|---|---|
| | | | | **(f)** From | **(g)** To |
| 93-0242990 | 69019 | 807695 | 589 | 01/01/2012 | 12/31/2012 |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

| **(a)** Total amount of commissions paid | **(b)** Total amount of fees paid |
|---|---|
| 0 | 0 |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| **(b)** Amount of sales and base commissions paid | Fees and other commissions paid | | **(e)** Organization code |
|---|---|---|---|
| | **(c)** Amount | **(d)** Purpose | |
| | | | |

## Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

| | | | |
|---|---|---|---|
| 4 | Current value of plan's interest under this contract in the general account at year end | 4 | 531932 |
| 5 | Current value of plan's interest under this contract in separate accounts at year end | 5 | 0 |

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶ N/A

| | | | |
|---|---|---|---|
| b | Premiums paid to carrier | 6b | |
| c | Premiums due but unpaid at the end of the year | 6c | |
| d | If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. | 6d | |

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶

| | | | | | |
|---|---|---|---|---|---|
| b | Balance at the end of the previous year | | | 7b | 0 |
| c | Additions: (1) Contributions deposited during the year | 7c(1) | 57336 | | |
| | (2) Dividends and credits | 7c(2) | | | |
| | (3) Interest credited during the year | 7c(3) | 6775 | | |
| | (4) Transferred from separate account | 7c(4) | 559348 | | |
| | (5) Other (specify below) | 7c(5) | 10958 | | |
| | ▶ LOAN PAYMENTS | | | | |
| | (6) Total additions | | | 7c(6) | 634417 |
| d | Total of balance and additions (add lines **7b** and **7c(6)**). | | | 7d | 634417 |
| e | Deductions: | | | | |
| | (1) Disbursed from fund to pay benefits or purchase annuities during year | 7e(1) | 74372 | | |
| | (2) Administration charge made by carrier | 7e(2) | 2524 | | |
| | (3) Transferred to separate account | 7e(3) | 5502 | | |
| | (4) Other (specify below) | 7e(4) | 20087 | | |
| | ▶ LOAN ISSUES | | | | |
| | (5) Total deductions | | | 7e(5) | 102485 |
| f | Balance at the end of the current year (subtract line **7e(5)** from line **7d**) | | | 7f | 531932 |

## Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

**a** ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance

**e** ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug

**i** ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract

**m** ☐ Other (specify) ▶

| | | | | |
|---|---|---|---|---|
| **9** Experience-rated contracts: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **b** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. | | | **10b** | |

Specify nature of costs ▶

## Part IV Provision of Information

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

# 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
TWO JINN, INCORPORATED 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
TWO JINN, INCORPORATED

**D** Employer Identification Number (EIN)
20-0793840

## Part I Service Provider Information (see instructions)

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

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

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

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

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

STANCORP FINANCIAL GROUP

93-1253576

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

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

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

STANCORP FINANCIAL GROUP

93-1253576

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 12 15 18 19 50 60 63 | NONE | 37227 | Yes [X] No [ ] | Yes [ ] No [X] | 20964 | Yes [ ] No [X] |

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

FINANCIAL TELESIS

68-0279977

| (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 70 | NONE | 21142 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| STANCORP FINANCIAL GROUP | 19 60 63 | 5397 |

| **(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. |
|---|---|
| PIMCO<br>840 NEWPORT CENTER DRIVE, SUITE 100<br>NEWPORT BEACH, CA 92660 | 12B1/SUBTA |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| STANCORP FINANCIAL GROUP | 19 60 63 | 2202 |

| **(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 FUNDS GROUP<br>SEAN PHAM<br>6544 IRVINE CENTER DRIVE<br>INVINE, CA 92618 | 12B1/SUBTA |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| STANCORP FINANCIAL GROUP | 19 60 | 1317 |

| **(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 FUNDS<br>MIKE PACITTO<br>2260 BRIARGATE PARKWAY<br>COLORADO SPRINGS, CO 80920 | SUBTA |

## 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 |
|---|---|---|
| STANCORP FINANCIAL GROUP | 19 60 | 3536 |

| **(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. |
|---|---|
| MAINSTAY<br>THOMAS C. SMYTHE<br>169 LACKAWANNA AVE<br>PARSIPPANY, NJ 07054 | SUBTA |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| STANCORP FINANCIAL GROUP | 19 60 63 | 3022 |

| **(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. |
|---|---|
| PRUDENTIAL FUNDS<br>JOSEPH GILL<br>100 MULBERRY STREET, GATEWAY CENTER<br>NEWARK, NJ 07201 | 12B1/SUMTA |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| STANCORP FINANCIAL GROUP | 19 60 63 | 2031 |

| **(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. |
|---|---|
| RIDGEWORTH FAMILY<br>333 PIEDMONT ROAD NE SUITE 1500<br>ATLANTA, GA 30305 | 12B1/SUMTA |

## 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 |
|---|---|---|
| STANCORP FINANCIAL GROUP | 19 60 63 | 2871 |

| **(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. |
|---|---|
| VAN KAMPEN INVESTMENTS<br>CHRISTOPHER FITZGERALD<br>1 PARKVIEW PLAZA<br>OAKBROOK TERRACE, IL 60181 | 12B1/SUBTA |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

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

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

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

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

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

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

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

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

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

**2012**

**This Form is Open to Public Inspection**

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

**A** Name of plan
TWO JINN, INCORPORATED 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
TWO JINN, INCORPORATED

**D** Employer Identification Number (EIN)
20-0793840

## 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) | | 37493 |
| **(2)** Participant contributions | 1b(2) | | 60090 |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 539659 | 0 |
| **(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) | 804580 | 1136593 |
| **(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) | 7409117 | 9493370 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | 0 | 531932 |
| **(15)** Other | 1c(15) | | |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(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 | 8753356 | 11259478 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | | |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | 56974 | 86673 |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 56974 | 86673 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 8696382 | 11172805 |

## 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) | 763581 | |
| **(B)** Participants | 2a(1)(B) | 1276098 | |
| **(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) | | 2039679 |
| **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) | 29153 | |
| **(F)** Other | 2b(1)(F) | 6775 | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 35928 |
| **(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) | | 0 |
| **(3)** Rents | 2b(3) | | |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| **(B)** Other | 2b(5)(B) | | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 1089799 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 3165406 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 543942 | |
| (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) | | 543942 |
| f Corrective distributions (see instructions) | 2f | | 86673 |
| 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) | 58368 | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 58368 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 688983 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 2476423 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

**(1)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

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

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

**(1)** Name: LAVINE, LOFGREN. MORRIS & ENGELBERG **(2)** EIN: 33-0690020

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

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

## Part IV Compliance Questions

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

During the plan year:

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

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

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

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

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |

## Part V Trust Information (optional)

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

# 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
TWO JINN, INCORPORATED 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
TWO JINN, INCORPORATED

**D** Employer Identification Number (EIN)
20-0793840

## 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** 0

**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): 58-1428634

**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 of 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):

# TWO JINN, INCORPORATED 401(K) PLAN

INDEPENDENT AUDITORS' REPORT,
FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE

December 31, 2012

# TWO JINN, INCORPORATED 401(K) PLAN

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# INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the
Two Jinn, Incorporated 401(k) Plan
Carlsbad, California

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Two Jinn, Incorporated 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting our 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, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Reliance Trust Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of December 31, 2012 and 2011, 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**

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

**Other Matter**

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule, which is the responsibility of Plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Larson, Lofgren, Morris + Engelberg, LLP

La Jolla, California
October 3, 2013

# TWO JINN, INCORPORATED 401(K) PLAN

## Statements of Net Assets Available for Benefits
## As of December 31, 2012 and 2011

| | 2012 | 2011 |
|---|---|---|
| ASSETS | | |
| Investments, at fair value: | | |
| Money market account | $ - | $ 539,659 |
| Mutual funds | 9,493,370 | 7,409,117 |
| Stable asset fund | 589,700 | - |
| Total investments | 10,083,070 | 7,948,776 |
| Receivables: | | |
| Participant contributions receivable | 60,090 | - |
| Employer contributions receivable | 37,493 | - |
| Notes receivable from participants | 1,136,593 | 804,580 |
| Total receivables | 1,234,176 | 804,580 |
| Total assets | 11,317,246 | 8,753,356 |
| LIABILITIES - Corrective distributions payable | 86,673 | 56,974 |
| Net assets reflecting investments at fair value | 11,230,573 | 8,696,382 |
| Adjusment from fair value to contract value for fully benefit-responsive investment contracts | (57,768) | - |
| NET ASSETS AVAILABLE FOR BENEFITS | $ 11,172,805 | $ 8,696,382 |

See accompanying notes to financial statements.

# TWO JINN, INCORPORATED 401(K) PLAN

## Statement of Changes in Net Assets Available for Benefits
## For the Year Ended December 31, 2012

| | |
|---|---|
| Additions to net assets attributed to: | |
| Investment income: | |
| Net realized and unrealized appreciation in fair value of mutual funds | $ 1,089,799 |
| Interest income from stable asset fund | 6,775 |
| Net investment income | 1,096,574 |
| Contributions: | |
| Participant - current | 1,189,425 |
| Employer - matching | 763,581 |
| Total contributions | 1,953,006 |
| Interest income on notes receivable from participants | 29,153 |
| Total additions | 3,078,733 |
| Deductions from net assets attributed to: | |
| Benefits paid to participants | 543,942 |
| Administrative expenses | 58,368 |
| Total deductions | 602,310 |
| Net increase | 2,476,423 |
| Net assets available for benefits: | |
| Beginning of year | 8,696,382 |
| End of year | $ 11,172,805 |

See accompanying notes to financial statements.

## NOTE 1. DESCRIPTION OF PLAN

The Two Jinn, Incorporated 401(k) Plan (the "Plan") is sponsored by Two Jinn, Incorporated. (the "Company"). The following description of the Plan provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

### General

The Plan, which became effective on January 1, 1994, is a defined contribution plan covering all eligible employees of Two Jinn, Inc. and three of its subsidiaries, California Surety Investigations, Inc., Northwest Surety Investigations, Inc., and Washington Fugitive Investigations, Inc. During 2012, these subsidiaries were converted to single-member limited liability companies, and continued as adopting employers under the Plan. The Plan which was amended and restated as of February 1, 2010, is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

### Eligibility

Employees are eligible to participate in the Plan as soon as administratively possible after date of hire. Employees are not eligible to participate in the Plan if they are subject to collective bargaining or are nonresident aliens who have no earned income from sources within the United States.

### Participant Contributions

Participants may elect to contribute up to 100% of their eligible earnings on a pre-tax basis as allowed by the Internal Revenue Code ("IRC"). In addition, employees who are age 50 or older can elect to defer additional amounts (called "catch-up contributions") to the Plan up to the maximum allowed by the IRC. Participants may also contribute amounts representing rollover distributions from other qualified sources.

### Employer Contributions

Employer contributions include the following components:

a. Discretionary matching contributions

b. Discretionary profit sharing contributions

To qualify for discretionary matching contributions, which are calculated each payroll period, an employee must be 21 years of age and have completed one year of service. For purposes of determining eligibility for the discretionary matching contribution, a year of service is defined as having completed 1,000 hours of service during a one-year period.

To qualify for a discretionary profit sharing contribution at year end, an employee must be 21 years of age, have completed a year of service during the Plan year, and be employed on the last day of the Plan year. For purposes of determining eligibility for the discretionary profit sharing contribution, a year of service is defined as having completed 1,000 hours of service during the applicable Plan year.

During 2012, the discretionary matching contribution (calculated and remitted each payroll period) was equal to 100% of a participant's elective deferral, up to 4% of a participant's compensation during each applicable payroll period. Discretionary matching contributions for 2012 totaled $763,581, which amount is net of forfeitures applied in the amount of $11,421. No discretionary profit sharing contributions were made for 2012.

## NOTE 1. DESCRIPTION OF PLAN (Continued)

### Participant Accounts

Participant accounts are credited with the participant's contribution, the employer's contribution (if any), and allocations of Plan earnings or losses. Allocations are based on the participant's earnings or account balances, as defined. Individual participant accounts are charged for any loan and distribution fees. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

### Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the employer contribution portion of their accounts is based on years of credited service. A participant vests 20% for each year of credited service, beginning at the end of the second year, and is 100% vested after six years of credited service. Participants are credited with a year of service upon reaching 1,000 hours of service in a Plan year.

### Forfeitures

Forfeitures may be used to reduce employer contributions or pay administrative expenses. During 2012, $15,853 was added to the forfeitures account, with related investment earnings of $316. During 2012, forfeitures of $662 were used to pay Plan expenses, and $11,421 was used to reduce employer contributions. As of December 31, 2012 and 2011, the balance of forfeited, nonvested funds available for future use was $4,086 and zero, respectively.

### Notes Receivable from Participants (Participant Loans)

Participants may borrow against their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested interests in their account balances. Participants may have up to two such loans outstanding at a time. Loans are required to be repaid within five years and are secured by up to half of the participant's vested account balance. The loans bear interest at fixed rates determined by the Plan administrator at the time of loan application and at rates similar to those charged by commercial lending institutions. As of December 31, 2012, the interest rates on outstanding notes receivable from participants ranged from 3.25% to 8.50%. Principal and interest are paid regularly through payroll deductions.

### Payment of Benefits

Upon termination of service, retirement, death, disability, or attaining age 59½, a participant whose account balance is $5,000 or more generally may elect to receive a lump sum amount equal to the value of his or her vested account balance, or to leave such funds on deposit in the Plan until the later of the April following the calendar year in which the participant reaches age 70½ or retires. Participants with vested account balances between $1,000 and $5,000 may have their accounts rolled over into individual retirement accounts at the discretion of the Plan administrator. The Plan administrator, also at its discretion, may elect to distribute vested balances of less than $1,000.

### Investment Options

In accordance with Plan provisions, participants may direct employee and employer contributions to any of the Plan's options.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

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

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a stable asset fund, which is a type of fully benefit-responsive unallocated insurance company general account. Accordingly, the 2012 statement of net assets available for benefits presents the fair value of the investment in the stable asset fund, as well as the adjustment from fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis.

### Use of Estimates

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

### Valuation of Investments and Recognition of Income and Loss

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded when earned. Dividends, which are included in net realized and unrealized appreciation in fair value of mutual funds, are recorded on the ex-dividend date. Net realized and unrealized appreciation in fair value of mutual funds includes the Plan's gains and losses on investments sold during the year as well as held at year end.

### Notes Receivable from Participants (Participant Loans)

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

### Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the Internal Revenue Service ("IRS") are recorded as a liability with a corresponding reduction in participant contributions. The Plan distributed 2012 excess contributions of $86,673 to the applicable participants prior to March 15, 2013.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Payment of Benefits

Benefits are recorded when paid.

### Administrative Expenses

The Plan's administrative expenses, such as custodian/trustee, accounting and legal expenses are paid by the Company (Note 7), except for certain distribution and loan fee expenses, which are paid by the transacting participants.

### Income Tax Status

The Company adopted a volume submitter plan which received a favorable opinion letter in which the IRS stated that the Plan, as then designed, was, in its opinion, in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving this letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the applicable taxing authorities. 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 tax 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.

### Subsequent Events

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

## NOTE 3. INFORMATION CERTIFIED BY THE CUSTODIAN

All investment information disclosed in the accompanying financial statements and supplemental schedule including investments held at December 31, 2012 and 2011, net appreciation in fair value of mutual funds, and interest income from stable asset fund – unallocated contract for the year ended December 31, 2012, was obtained or derived from information provided to the Plan administrator and certified as complete and accurate by Reliance Trust Company, the custodian of the Plan.

## NOTE 4. INVESTMENTS

All investments are participant-directed. The Plan's investments held by the custodian consisted of the following as of December 31:

| | 2012 | 2011 |
|---|---|---|
| Investments that represent 5% or more of the Plan's net assets: | | |
| PIMCO Total Return Institutional | $ 1,919,808 | * |
| Mainstay Map I | 1,648,130 | 1,344,414 |
| Mainstay Large Cap Growth I | 1,090,074 | 827,247 |
| American Funds Europacific Growth R6 | 1,024,144 | * |
| AIM Van Kampen Growth and Income Y | 837,352 | * |
| Prudential Jennison Small Company Z | 612,907 | * |
| PIMCO Total Return A | * | 1,564,729 |
| American Europacific Growth R4 | * | 766,517 |
| Invesco Van Kampen Growth and Income A | * | 715,670 |
| Goldman Sachs Financial Square Prime Obligation | * | 539,659 |
| Prudential Jennison Small Company A | * | 491,772 |
| | 7,132,415 | 6,250,008 |
| All other investments representing less than 5% of Plan net assets | 2,950,655 | 1,698,768 |
| Total investments at fair value | $ 10,083,070 | $ 7,948,776 |

*Investment is less than 5% of the Plan's net assets and is included in all other investments or is not an investment option as of the date indicated.

## NOTE 5. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") *Accounting Standards Codification* ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the 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 following describes the three levels of the fair value hierarchy under FASB ASC 820, as well as a description of the valuation methodologies for Plan investments as of December 31, 2012 and 2011:

Level 1 – inputs are unadjusted, quoted market prices in active markets for identical assets or liabilities at the measurement date.

*Mutual funds:* Valued at the daily closing price 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 net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Level 2 – inputs are either directly or indirectly observable for the asset or liability through correlation with related market data at the measurement date and for the duration of the instrument's anticipated life.

**NOTE 5. FAIR VALUE MEASUREMENTS (Continued)**

Level 3 – inputs are both unobservable and significant to the overall fair value measurement for the asset or liability at the measurement date. These inputs reflect Plan management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

*Stable Asset Fund – Unallocated Contract*: Valued by the issuing insurance company based on written procedures consistent with methodologies used to value the underlying investments (high quality fixed income securities portfolios as well as commercial mortgage loan portfolios), included in the Standard Insurance Company's ("Standard") general account. Inputs include those observable in the market as well as unobservable inputs generated from model-based techniques. The unobservable assumptions reflect Standard's estimates of assumptions that market participants would use in pricing the asset. Because participants transact at contract value, fair value is determined for financial statement purposes only.

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. 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 observable inputs and minimize the use of unobservable inputs. In addition, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2012 and 2011:

| | December 31, 2012 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Intermediate-term bond | $ 1,921,466 | $ - | $ - | $ 1,921,466 |
| Large blend | 1,856,922 | - | - | 1,856,922 |
| Large growth | 1,090,074 | - | - | 1,090,074 |
| Foreign large blend | 1,035,356 | - | - | 1,035,356 |
| Large value | 837,352 | - | - | 837,352 |
| Target date funds | 624,331 | - | - | 624,331 |
| Small growth | 612,907 | - | - | 612,907 |
| Stable asset | - | - | 589,700 | 589,700 |
| Retirement income | 425,821 | - | - | 425,821 |
| Mid-cap growth | 406,432 | - | - | 406,432 |
| Mid-cap value | 366,059 | - | - | 366,059 |
| Small blend | 195,317 | - | - | 195,317 |
| Mid-cap blend | 121,333 | - | - | 121,333 |
| Total investments at fair value | $ 9,493,370 | $ - | $ 589,700 | $ 10,083,070 |

**NOTE 5. FAIR VALUE MEASUREMENTS (Continued)**

| | December 31, 2011 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Intermediate-term bond | $ 1,564,729 | $ - | $ - | $ 1,564,729 |
| Large blend | 1,443,129 | - | - | 1,443,129 |
| Large growth | 827,247 | - | - | 827,247 |
| Foreign large blend | 766,517 | - | - | 766,517 |
| Large value | 715,670 | - | - | 715,670 |
| Short-term fixed income | 539,659 | - | - | 539,659 |
| Small growth | 491,772 | - | - | 491,772 |
| Target date funds | 466,654 | - | - | 466,654 |
| Retirement income | 341,401 | - | - | 341,401 |
| Mid-cap value | 296,196 | - | - | 296,196 |
| Mid-cap growth | 278,953 | - | - | 278,953 |
| Mid-cap blend | 90,938 | - | - | 90,938 |
| Small value | 68,960 | - | - | 68,960 |
| Small blend | 56,951 | - | - | 56,951 |
| Total investments at fair value | $ 7,948,776 | $ - | $ - | $ 7,948,776 |

The following table sets forth a summary of the changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2012:

| | Stable Asset Fund |
|---|---|
| Balance at December 31, 2011 | $ - |
| Interest income | 6,775 |
| Unrealized gains relating to instruments still held at the reporting date | 57,768 |
| Purchases | 627,642 |
| Sales | (102,485) |
| Balance at December 31, 2012 | $ 589,700 |
| The amout of total gains for the period included in changes in net assets attributable to the change in unrealized gains relating to assets still held at the reporting date | $ 57,768 |

Unrealized gains from the stable asset fund -- unallocated contract are not included in the statement of changes in net assets available for benefits as the contract is recorded at contract value for the purposes of net assets available for benefits.

## NOTE 6. GROUP ANNUITY CONTRACT WITH STANDARD INSURANCE COMPANY

In 2012, the Plan entered into a fully benefit-responsive group annuity contract (Stable Asset – Unallocated Contract) with Standard. Standard maintains the contributions in an unallocated general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals, contract fees and other administrative expenses. The contract issuer is contractually obligated to repay the principal and any credited interest.

Because the contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the investment. The Stable Asset – Unallocated Contract is presented on the statement of net assets available for benefits at fair value with an adjustment to contract value.

The Stable Asset – Unallocated Contract is not considered a guaranteed interest contract, however there is a stated minimum interest rate floor of 1.00%. Crediting rates for the contract are determined quarterly by Standard based on the interest rate forecast for the investments underlying the account. During the year ended December 31, 2012, the effective annualized rate of return for the fund was 2.68% and the average yield for the Plan year was 2.66%.

Certain events may limit the availability of the Plan to transact at contract value with Standard. Such events include termination of the contract, spinoffs, divestures, corporate relocation, partial or total Plan termination, retirement incentive programs, and the liberalization of Plan withdrawal or transfer rules. Additionally, the Plan sponsor may terminate the contract at any time with 30 days advance written notice. Standard may terminate the contract with 30 days advance notice for reasonable cause including failure of the Company to abide by state and federal law, failure to maintain sufficient assets in the fund of at least $25,000 and Plan termination. Standard has determined that it is probable that no events will occur that could limit the ability of the Plan to transact at contract value paid or that allow the issuer to terminate the contract at an amount different than contract value.

## NOTE 7. RELATED PARTY TRANSACTIONS

The Company provides administrative services for the Plan at no cost to the Plan and substantially all of the Plan's operating expenses are paid by the Company. These transactions qualify as party-in-interest transactions.

## NOTE 8. 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 9. 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 would become 100% vested in their account balances.

## NOTE 10. EXCESS CONTRIBUTIONS DUE TO PARTICIPANTS

To satisfy certain nondiscrimination provisions of the Plan for the year ended December 31, 2012, $86,673 of excess participant contributions was returned to certain participants subsequent to the Plan year end. This amount has been netted against participant contributions in the statement of changes in net assets available for benefits for the year ended December 31, 2012, and is included as a liability on the statement of net assets available for benefits as of December 31, 2012. The IRS Form 5500, Schedule H, Part II presents the excess contributions of $86,673 as corrective distributions, a separate category of expenses (deductions from net assets), for the year ended December 31, 2012.

## NOTE 11. SUBSEQUENT EVENTS

In October 2012, the organizational structure of the Company changed as a result of a transaction pursuant to which an outside investor acquired a majority interest in Triton Management Services, LLC ("TMS"), a newly-formed entity to which the Company contributed a substantial portion of its net assets. Following the transaction, all employees initially remained employees of the Company; however, subsequent to year end, certain employees transitioned to the new entity and its subsidiaries. In connection with the transition, effective January 1, 2013, the Plan was amended such that TMS was appointed Plan sponsor, the Plan was renamed the Triton Management Services, LLC 401(k) Plan, and the Company was named as a participating employer, rather than the Plan sponsor.

## NOTE 12. CORRECTION OF OPERATIONAL FAILURES

During 2012, the Company identified operational failures in 2011 relating to certain compensation being improperly excluded when calculating participant deferral and related employer matching contributions. The Company and the Plan administrator determined the participants affected in 2011 and prior years, and in November 2012, submitted an application for correction through the IRS Employee Plans Compliance Resolution System's Voluntary Correction Program ("VCP"). In May 2013, the Plan received a favorable enforcement resolution from the IRS based on the VCP submission. In June 2013, the Company remitted $13,338 in the form of a Qualified Non-elective Employer Contribution to the Plan which was composed of $4,946 related to 50% of the identified missed deferrals, $5,734 related to the matching contributions attributable to the missed deferrals and $2,658 as an adjustment for lost earnings. The Plan administrator and the Company believe that these actions taken under the VCP to correct the operational failures will maintain the Plan's tax-qualified status. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

# SUPPLEMENTAL SCHEDULE

## TWO JINN, INCORPORATED 401(K) PLAN

**Form 5500 Attachment**
**Schedule H, Part IV, Line 4i – Schedule of Assets Held for Investment Purposes at End of Year**
**As of December 31, 2012**

**EIN: 20-0793840**
**Plan Number: 001**

| (a) | (b) Identity of issue, borrower, lessor or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | (d) Cost[1] | (e) Current Value |
|---|---|---|---|---|
| * | The Standard Stable Asset A | Stable Value | - | $ 531,932 |
| | PIMCO Total Return Institutional | Mutual Fund | - | 1,919,808 |
| | Mainstay Map I | Mutual Fund | - | 1,648,130 |
| | Mainstay Large Cap Growth I | Mutual Fund | - | 1,090,074 |
| | American Europacific Growth R6 | Mutual Fund | - | 1,024,144 |
| | AIM Van Kampen Growth and Income Y | Mutual Fund | - | 837,352 |
| | Prudential Jennison Small Company Z | Mutual Fund | - | 612,907 |
| | T Rowe Price Retirement Income | Mutual Fund | - | 425,821 |
| | Prudential Jennison Mid Cap Growth Z | Mutual Fund | - | 406,432 |
| | T Rowe Price Retirement 2040 | Mutual Fund | - | 383,159 |
| | Ridgeworth Mid Cap Value Equity I | Mutual Fund | - | 366,059 |
| | Vanguard 500 Index Fund Signal | Mutual Fund | - | 208,792 |
| | Vanguard Mid Cap Index Investor | Mutual Fund | - | 121,333 |
| | Goldman Sachs Small Cap Value I | Mutual Fund | - | 116,218 |
| | T Rowe Price Retirement 2050 | Mutual Fund | - | 104,119 |
| | T Rowe Price Retirement 2030 | Mutual Fund | - | 83,971 |
| | Vanguard Small Cap Index Signal | Mutual Fund | - | 79,099 |
| | T Rowe Price Retirement 2020 | Mutual Fund | - | 48,405 |
| | American Beacon International Equity Index 1 | Mutual Fund | - | 11,212 |
| | T Rowe Price Retirement 2010 | Mutual Fund | - | 4,677 |
| | Vanguard Total Bond Market Index Signal | Mutual Fund | - | 1,658 |
| * | Participant Loans | Interest rates ranging from 3.25% to 8.50%, maturities vary | -0- | 1,136,593 |
| | Total | | | $ 11,161,895 |

* Party-in-interest

(1) In accordance with Form 5500 instructions, cost information with respect to participant or beneficiary directed investments under an individual account plan may be omitted.

See accompanying independent auditors' report.

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

**Plan Name** Two Jinn, Incorporated 401(k) Plan **EIN:** 20-0793840
**Plan Sponsor's Name** Two Jinn, Incorporated **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 |
|---|---|---|---|---|
| * | STANDARD INSURANCE CO | STABLE ASSET FUND | 525,576 | 531,932 |
| | AIM VAN KAMPEN | GROUTH AND INCOME Y<br>MUTUAL FUND | 0 | 837,352 |
| | AMERICAN FUNDS | BEACON INTERNATIONAL<br>EQUITY INDEX FUND I<br>MUTUAL FUND | 0 | 11,212 |
| | AMERICAN FUNDS | EUROPACIFIC GROWTH FUND R6<br>MUTUAL FUND | 0 | 1,024,144 |
| | GOLDMAN SACHS | SMALL CAP VALUE FUND I<br>MUTUAL FUND | 0 | 116,218 |
| | MAINSTAY | MAP FUND I<br>MUTUAL FUND | 0 | 1,648,130 |
| | MAINSTAY | LARGE CAP GROWTH FUND-I<br>MUTUAL FUND | 0 | 1,090,074 |

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

**Plan Name** Two Jinn, Incorporated 401(k) Plan **EIN:** 20-0793840
**Plan Sponsor's Name** Two Jinn, Incorporated **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 |
|---|---|---|---|---|
| | T ROWE PRICE | RETIREMENT 2010 FUND<br>MUTUAL FUND | 0 | 4,677 |
| | T ROWE PRICE | RETIREMENT 2020 FUND<br>MUTUAL FUND | 0 | 48,405 |
| | T ROWE PRICE | RETIREMENT 2030 FUND<br>MUTUAL FUND | 0 | 83,971 |
| | T ROWE PRICE | RETIREMENT 2040 FUND<br>MUTUAL FUND | 0 | 383,159 |
| | T ROWE PRICE | RETIREMENT INCOME FUND<br>MUTUAL FUND | 0 | 425,821 |
| | T ROWE PRICE | RETIREMENT 2050 FUND<br>MUTUAL FUND | 0 | 104,119 |
| | PRUDENTIAL | JENNISON MID CAP<br>GROWTH FUND Z<br>MUTUAL FUND | 0 | 406,432 |

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

**Plan Name** Two Jinn, Incorporated 401(k) Plan **EIN:** 20-0793840
**Plan Sponsor's Name** Two Jinn, Incorporated **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 |
|---|---|---|---|---|
| | PRUDENTIAL | JENNISON SMALL COMPANY FUND Z MUTUAL FUND | 0 | 612,907 |
| | RIDGEWORTH | MID CAP VALUE EQUITY FUND I MUTUAL FUND | 0 | 366,059 |
| | VANGUARD | SMALL CAP INDEX FUND MUTUAL FUND | 0 | 79,099 |
| | VANGUARD | 500 INDES FUND SIGNAL MUTUAL FUND | 0 | 208,792 |
| | VALGUARD | MID CAP INDEX FUND INVESTOR MUTUAL FUND | 0 | 121,333 |
| | PIMCO | TOTAL RETURN FUND INSTITUTIONAL MUTUAL FUND | 0 | 1,919,808 |
| | VANGUARD | TOTAL BOND MARKET INDEX FUND SIGNAL MUTUAL FUND | 0 | 1,658 |

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

**Plan Name** Two Jinn, Incorporated 401(k) Plan **EIN:** 20-0793840
**Plan Sponsor's Name** Two Jinn, Incorporated **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 | RANGE OF INTEREST RATES<br>3.25%-8.5% | 0 | 1,136,593 |
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