

FC 22291

**Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.**

COMBINED FINANCIAL STATEMENTS

December 31, 2009

Scott M. Mun - President & CEO
Paul J. Hopton - CORPORATE SECRETARY
[Signature] - Controller

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INDEPENDENT AUDITORS' REPORT

To the Stockholder
Nausch, Hogan & Murray, Inc

We have audited the accompanying combined balance sheets of Nausch, Hogan & Murray, Inc , NHM International, Inc and Nausch, Hogan & Murray, (V I) Inc as of December 31, 2009 and 2008 and the related combined statements of income and comprehensive income, retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Nausch, Hogan & Murray, Inc , NHM International, Inc and Nausch, Hogan & Murray, (V I) Inc as of December 31, 2009 and 2008 and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Sheehan & Company CPA P.C.

September 22, 2010

**Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.**

COMBINED BALANCE SHEETS

December 31, 2009 and 2008

ASSETS

	<u>2009</u>	<u>2008</u>
Current assets:		
Cash and cash equivalents	\$ 41,352,151	\$ 50,547,253
Commissions receivable	5,388,892	6,292,362
Prepaid assets	<u>377,756</u>	<u>335,225</u>
Total current assets	<u>47,118,799</u>	<u>57,174,840</u>
Fixed assets:		
Property and equipment, net	<u>549,727</u>	<u>736,119</u>
Other assets:		
Notes receivable	<u>213,651</u>	<u>3,808,518</u>
Total assets	<u><u>\$ 47,882,177</u></u>	<u><u>\$ 61,719,477</u></u>

The accompanying notes are an integral
part of these financial statements

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Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

COMBINED BALANCE SHEETS

December 31, 2009 and 2008

LIABILITIES AND STOCKHOLDER'S EQUITY

	<u>2009</u>	<u>2008</u>
Current liabilities:		
Accounts payable	\$ 31,704	\$ 44,936
Note payable, current portion	571,000	571,000
Unremitted insurance premiums	22,916,072	31,346,435
Unremitted insurance claims	4,622,261	2,429,249
Insurance premium financing	259,940	250,842
Pension plan contribution payable	335,845	334,116
Accrued expenses	143,557	182,322
Accrued taxes	2,550	419,999
Employee withholding pension payable	4,190	11,064
Other current liabilities	3,313	3,511
Total current liabilities	<u>28,890,432</u>	<u>35,593,474</u>
Long-term debt (less current portion above):		
Note payable	<u>3,997,000</u>	<u>4,568,000</u>
Total liabilities	<u>32,887,432</u>	<u>40,161,474</u>
Stockholder's equity:		
Common stock	21,600	21,600
Additional paid-in-capital	1,642,624	1,642,624
Retained earnings	13,003,641	19,723,191
Accumulated other comprehensive income		
Unrealized gains on foreign currency	<u>326,880</u>	<u>170,588</u>
Total stockholder's equity	<u>14,994,745</u>	<u>21,558,003</u>
Total liabilities and stockholder's equity	<u><u>\$ 47,882,177</u></u>	<u><u>\$ 61,719,477</u></u>

The accompanying notes are an integral
part of these financial statements

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

COMBINED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Revenues:		
Commissions	\$ 17,296,568	\$ 22,974,712
Adjusters fees	21,850	-
Interest income	367,549	1,485,234
Other income	234,406	34,517
Total revenues	<u>17,920,373</u>	<u>24,494,463</u>
Expenses:		
Compensation and related costs	8,424,344	8,778,882
Payroll taxes	383,521	363,078
Pension contribution expense	335,845	334,116
Corporation taxes	83,146	143,703
Rent	529,986	526,270
Depreciation and amortization	347,106	179,002
Professional and consultant fees	719,411	353,054
Telephone	65,744	60,286
Bank charges	39,021	31,196
Automobile expenses	154,384	156,158
Commercial rent tax	7,392	15,430
Dues and subscriptions	25,879	28,705
Travel and entertainment	245,284	338,665
Interest expense	202,933	287,534
Insurance expense	1,183,531	1,097,944
General office expenses	4,339,654	5,069,786
Total expenses	<u>17,087,181</u>	<u>17,763,809</u>
Net income before provision for income taxes	833,192	6,730,654
Provision for income taxes	<u>(420,742)</u>	<u>(547,561)</u>
Net income	<u>412,450</u>	<u>6,183,093</u>

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Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

COMBINED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Other comprehensive income (loss):		
Unrealized gains (losses) on foreign currency translation arising during period, net of tax	<u>\$ 149,289</u>	<u>\$ (236,538)</u>
Total other comprehensive income (loss)	<u>149,289</u>	<u>(236,538)</u>
Comprehensive income	<u><u>\$ 561,739</u></u>	<u><u>\$ 5,946,555</u></u>

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Nausch, Hogan & Murray, Inc.
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Nausch, Hogan & Murray, (V.I.) Inc.

COMBINED STATEMENTS OF RETAINED EARNINGS

For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Retained earnings, beginning of year	\$ 19,723,191	\$ 14,728,998
Net income	412,450	6,183,093
Stockholder's distributions	<u>(7,132,000)</u>	<u>(1,188,900)</u>
Retained earnings, end of year	<u>\$ 13,003,641</u>	<u>\$ 19,723,191</u>

The accompanying notes are an integral
part of these financial statements

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Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

COMBINED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Net income	\$ 412,450	\$ 6,183,093
Adjustments to reconcile net income to net cash provided (used) by operating activities		
Unrealized gains on foreign currency	156,292	(236,528)
Depreciation and amortization	347,106	179,002
(Increase) decrease in assets:		
Commissions receivable	903,470	(503,822)
Prepaid assets	(42,531)	599
Increase (decrease) in liabilities		
Accounts payable	(13,232)	(67,044)
Unremitted insurance premiums	(8,430,363)	2,781,583
Unremitted insurance claims	2,193,012	(3,099,554)
Pension plan contribution payable	1,729	8,077
Accrued expenses	(38,765)	96,259
Accrued taxes	(417,449)	401,059
Employee withholding pension payable	(6,874)	(1,867)
Other current liabilities	(198)	(143,906)
Total adjustments to net income	<u>(5,347,803)</u>	<u>(586,142)</u>
Net cash provided (used) by operating activities	<u>(4,935,353)</u>	<u>5,596,951</u>
Cash flows from investing activities:		
Purchases of property and equipment	(160,713)	(16,337)
Repayments of notes receivable	<u>3,594,867</u>	<u>95,038</u>
Net cash provided by investing activities	<u>3,434,154</u>	<u>78,701</u>

The accompanying notes are an integral
part of these financial statements

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

COMBINED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash flows from financing activities:		
Principal payments on note payable, short-term borrowing	\$ -	\$ (499,997)
Proceeds from insurance premium financing	467,892	451,514
Payments on insurance premium financing	(458,795)	(451,918)
Principal payments on note payable	(571,000)	(571,000)
Distributions to shareholder	<u>(7,132,000)</u>	<u>(1,188,900)</u>
Net cash (used) by financing activities	<u>(7,693,903)</u>	<u>(2,260,301)</u>
 Net increase (decrease) in cash and cash equivalents	 (9,195,102)	 3,415,351
 Cash and cash equivalents, beginning of year	 <u>50,547,253</u>	 <u>47,131,902</u>
 Cash and cash equivalents, end of year	 <u><u>\$ 41,352,151</u></u>	 <u><u>\$ 50,547,253</u></u>
 Supplemental disclosures:		
Cash paid for:		
Interest	\$ 202,933	\$ 287,534
Taxes	868,268	146,502

The accompanying notes are an integral
part of these financial statements

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& COMPANY

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies:

Description of business: Nausch, Hogan & Murray, Inc (the Company), and its affiliates, is a non-public insurance organization arranging property, casualty and marine liability coverage to both domestic and foreign clientele

The significant accounting policies followed by the Company and its affiliates are summarized as follows

Principles of combination: The combined financial statements include the accounts of the Company and its affiliates. All significant balances and transactions amongst the entities have been eliminated in combination

Basis of presentation: The accompanying combined financial statements have been prepared on the accrual basis of accounting.

Cash equivalents and foreign cash conversions: Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Foreign currencies are converted to United States dollars using the prevailing exchange rates at the Balance Sheet date

Commissions receivable: The commissions receivable balance is the amount management expects to collect on balances outstanding at year end and is presented in the Balance Sheets, net of allowance for doubtful accounts. Management closely monitors outstanding balances and writes off, as appropriate, any balances that are deemed to be uncollectible. As management has significant experience with and knowledge of their clients, they have been successful in monitoring and collecting their receivables. At December 31, 2009 and 2008, the allowance for doubtful accounts had a zero balance based upon management's estimate of collectability

Property and equipment: Acquisitions of property and equipment in excess of \$1,000 are capitalized. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred. Property and equipment is recorded at cost and is depreciated principally under the double declining method over the estimated useful lives of the respective assets. Depreciation and amortization expense for the years ending December 31, 2009 and 2008 was \$347,106 and \$179,002, respectively

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies (continued):

Long-lived assets: Long-lived assets are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through the estimated undiscounted future cash flows from the use of these assets. When any such impairment exists, the related assets will be written down to fair value. No impairment losses have been necessary through December 31, 2009.

Accruals, prepayments and expense recognition: Accruals and prepayments have been recognized, including income tax.

Other comprehensive income: Other comprehensive income refers to revenues, expenses, gains and losses that under generally accepted accounting principles are excluded from net income as these amounts are recorded directly as an adjustment to stockholder's equity. Accumulated other comprehensive income is comprised of the cumulative effects of foreign currency translations.

Recognition of premium commission revenues: Property, casualty and marine liability premium commissions are generally recognized as revenue when earned.

Employee benefit plan: The Company sponsors a 401(k) savings plan that covers substantially all full-time employees. Benefits are a function of years of service and level of compensation, as well as employee elected salary deferrals. The Company's funding policy is to fund all accrued profit sharing costs on a current basis.

Taxes on income: The Company, with the consent of its shareholder, has elected under the Internal Revenue Code to be an S corporation. In lieu of corporation income taxes, the shareholders of an S corporation are taxed on their proportionate share of the entity's taxable income. The Company is not taxed as an S corporation in New York City. Accordingly, the provision and liability reflects New York City taxes. The provision and liability for federal, state and city income taxes in the financial statements also includes taxes on the income of NHM International, Inc.

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies (continued):

Taxes on income (continued): Deferred income taxes are recognized for the tax consequences of "temporary differences" by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date. Any deferred tax liabilities and assets resulting from temporary differences are considered immaterial and, therefore, are not provided for at December 31, 2009 and 2008.

The Company has adopted requirements for accounting for uncertainty in income taxes in accordance with recently enacted accounting standards. As of December 31, 2009, the Company does not believe it has any uncertain tax positions that would require either recognition or disclosure in the accompanying financial statements.

Fair value measurements: As required by accounting principles generally accepted in the United States of America, the Company reports the fair value of assets and liabilities based on established 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 measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical investments that the Company has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the investment.

The level in the fair value hierarchy within which a fair measurement in its entirety falls, is based on the lower level input that is significant to the fair value measurement in its entirety.

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

NOTES TO FINANCIAL STATEMENTS

1. Nature of operations and summary of significant accounting policies (continued):

Fair value measurements (continued):

The Company's financial instruments cannot consist primarily of cash and cash equivalents, notes and commissions receivable, accounts payable, accrued expenses and long-term debt. The carrying values for the Company's financial instruments approximate fair value. The Company measures its cash and cash equivalents at fair value and is classified with Level 1 as the valuation inputs are based on quoted prices in active markets for identical assets. There are no financial assets or liabilities classified as Level 2 or 3.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Events occurring after reporting date: The Company has evaluated events and transactions that occurred between December 31, 2009 and September 22, 2010, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

2. Note payable:

On December 12, 2007, the Company entered into a note with Capital One Bank, N A (formerly North Fork Bank) with a principal balance of \$5,710,000. Proceeds from the note were used to pay off principal balances on a mortgage and a previous loan from North Fork Bank, in the amounts of \$1,577,314 and \$2,431,524, respectively.

The note has a ten year term, with principal payments of \$571,000 due annually on December 12. Interest is payable monthly at a rate of 0.75% in excess of the bank's one year certificate of deposit rate, which is adjusted annually on the 12th of each year. At December 31, 2009 and 2008, the interest rate was 1.89% and 2.24%, respectively.

The future scheduled maturities of long-term debt are as follows:

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

NOTES TO FINANCIAL STATEMENTS

2. Note payable (continued):

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$ 571,000
2011	571,000
2012	571,000
2013	571,000
Thereafter	<u>2,284,000</u>
	<u><u>\$4,568,000</u></u>

The note is collateralized by a certificate of deposit held with the bank. At December 31, 2009 and 2008, the balance of the certificate of deposit was \$4,568,000 and \$5,710,000, respectively.

In addition, the Company is required to maintain a minimum average monthly balance of \$2,000,000 with Capital One Bank, N.A., excluding the pledged certificate of deposit. During the years ended December 31, 2009 and 2008, the Company was in compliance with the minimum balance requirements.

3. Insurance premium financing:

Insurance premium financing consists of the following:

	<u>2009</u>	<u>2008</u>
Note payable, gotoPremiumFinance.com, due May 23, 2010, payable in nine monthly installments of \$53,131.88, which includes amortization and interest at 5.25%, secured by an interest in return premiums, dividend payments and certain loss payments	\$259,940	\$ -
Note payable, gotoPremiumFinance.com, due May 23, 2009, payable in nine monthly installments of \$51,322.77, which includes amortization and interest at 5.49%, secured by an interest in return premiums, dividend payments and certain loss payments	<u>-</u>	<u>250,842</u>
Total insurance premium financing	<u><u>\$259,940</u></u>	<u><u>\$250,842</u></u>

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

NOTES TO FINANCIAL STATEMENTS

4. Operating leases:

The Company leases office space in New York City under an operating lease expiring on August 31, 2011. Under the terms of this lease, the Company is obligated to pay escalation rentals for certain operating expenses and real estate taxes. Minimum future rental payments under the lease as of December 31, 2009 are summarized as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$379,065
2011	<u>252,710</u>
	<u>\$631,775</u>

Rent expense, including charges for operating expenses and taxes, for the years ending December 31, 2009 and 2008, was \$417,905 and \$414,705, respectively.

The Company leases office space in Miami under an operating lease expiring on December 31, 2011. Under the terms of this lease, the Company is obligated to pay escalation rentals for certain operating expenses and real estate taxes. Minimum future rental payments under the lease as of December 31, 2009 are summarized as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$ 83,448
2011	<u>85,945</u>
	<u>\$169,393</u>

Rent expense, including charges for operating expenses and taxes, for the years ending December 31, 2009 and 2008, was \$89,844 and \$87,666, respectively.

The Company leased office space in St. Thomas, Virgin Islands under an operating lease which expired on December 31, 2008. On September 9, 2008, the Company exercised a lease option under the terms of the original contract extending the lease until December 31, 2010. Under the terms of this lease, the rent may be adjusted to reflect increases in the Consumer Price Index. Minimum future rental payments under the lease as of December 31, 2009 are summarized as follows:

Nausch, Hogan & Murray, Inc.
NHM International, Inc.
Nausch, Hogan & Murray, (V.I.) Inc.

NOTES TO FINANCIAL STATEMENTS

4. Operating leases (continued):

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$23,004

Rent expense, including charges for operating expenses and taxes, for the years ending December 31, 2009 and 2008, was \$23,004 and \$25,611, respectively

5. Concentrations of credit risk:

The Company maintains its cash balances in multiple financial institutions located in various countries. The balances held in accounts in the United States of America are insured by the Federal Deposit Insurance Corporation up to \$250,000, as of December 31, 2009 and 2008, per financial institution. From time to time, the cash balances maintained by the Company may exceed the insured amount.

For the years ended December 31, 2009 and 2008, a significant portion of the Company's operating income and total outstanding commissions receivable are related to the following sources:

	<u>December 31, 2009</u>	
	<u>Commissions</u>	<u>Commissions Receivable</u>
Customer A	38%	25%
Customer B	9%	39%
	<u>December 31, 2008</u>	
	<u>Commissions</u>	<u>Commissions Receivable</u>
Customer A	29%	23%
Customer B	24%	54%

Nausch, Hogan & Murray, Inc.
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Nausch, Hogan & Murray, (V.I.) Inc.

NOTES TO FINANCIAL STATEMENTS

6. Related party transactions:

Notes receivable at December 31, 2009 and 2008, were due from the following related parties stated at unpaid principal balances:

	<u>2009</u>	<u>2008</u>
Note receivable from shareholder	\$ -	\$3,600,000
Note receivable from employee	194,418	194,418
Accrued interest receivable on aforementioned notes	19,233	14,100
	<u>\$213,651</u>	<u>\$3,808,518</u>

Interest income related to the note from shareholder was \$-0- and \$102,291 during the years ended December 31, 2009 and 2008, respectively. Interest income related to the note from employee was \$5,133 and \$5,721 during the years ended December 31, 2009 and 2008, respectively. Interest is calculated using the Applicable Federal Rate. The note receivable from employee has no specific repayment terms and, accordingly, has been shown as long-term.

7. Property and equipment:

Property and equipment are summarized by major classifications as follows:

	<u>2009</u>	<u>2008</u>
Machinery and equipment	\$ 78,805	\$ 78,805
Furniture and fixtures	144,844	144,844
Leasehold improvements	10,348	10,348
Transportation	<u>2,842,753</u>	<u>2,682,040</u>
	3,076,750	2,916,037
Less accumulated depreciation and amortization	<u>(2,527,023)</u>	<u>(2,179,918)</u>
	<u>\$ 549,727</u>	<u>\$ 736,119</u>

8. Common stock:

The Company was incorporated on August 17, 1976 and has been authorized to issue 200 shares of common stock, no par value, all of which are issued and outstanding as of December 31, 2009 and 2008.

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NOTES TO FINANCIAL STATEMENTS

8. Common stock (continued):

NHM International, Inc. was incorporated on February 19, 1980 and has been authorized to issue 100 shares of common stock, no par value, all of which are issued and outstanding as of December 31, 2009 and 2008

Nausch, Hogan and Murray, (V I) Inc. was incorporated on April 2, 2001 and has been authorized to issue 10,000 shares of common stock, no par value, all of which are issued and outstanding as of December 31, 2009 and 2008

9. Guarantee of debt:

In connection with its accounts held at ABN AMRO Bank N V., the Company is acting as a guarantor of various third parties' debts, totaling \$121,216 and \$119,912 at December 31, 2009 and 2008, respectively. An example of an event that would require the Company to provide a cash payment pursuant to the guarantee is a loan default, which would result from the third parties' failure to service its obligations. Significant losses are not anticipated and there is currently no recorded liability for potential losses under this guarantee, nor is there any liability for the Company's obligation to "stand ready" to fund such guarantee.

10. Foreign operations:

Operations outside the United States include branch offices in England, Brazil and the Netherlands. Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment and income repatriation, government price or foreign exchange controls and restrictions on currency exchange.

Results of operations for the Company's foreign branch offices are translated from the local (functional) currency to the U S dollar using average exchange rates during the period, while assets and liabilities are translated at the exchange rate in effect at the reporting date. Unrealized gains and losses on foreign currency at the Balance Sheet date are included in accumulated other comprehensive income in the equity section of the Balance Sheets. At December 31, 2009 and 2008, the unrealized gains were \$326,880 and \$170,588, respectively.

Nausch, Hogan & Murray, Inc.
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NOTES TO FINANCIAL STATEMENTS

11. Retirement plans:

The Company maintains a discretionary defined contribution profit sharing and 401(k) plan covering all of its eligible employees. An employee must have been employed with the Company for at least one year in order to participate, as defined by the plan document. Profit sharing contributions are funded by periodic, discretionary company contributions to the plans as well as voluntary payroll deductions from employees. The amount contributed by the Company to the plan for the years ending December 31, 2009 and 2008 is \$335,845 and \$334,116, respectively.

12. Income taxes:

The Company's provision for income taxes at December 31, 2009 and 2008 consists of the following:

	<u>2009</u>	<u>2008</u>
Federal	\$(12,855)	\$213,893
State	3,016	6,143
City	<u>430,581</u>	<u>327,525</u>
Total	<u>\$420,742</u>	<u>\$547,561</u>

OS AA01

Statement of details of parent law and other
information for an overseas company



102651/30

☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law

☐ What this form
You cannot use it
an alteration of
with accounting

Part 1 Corporate company name

Corporate name of
overseas company ①

NAUSCH, HOGAN & MURRAY, INC

If the company has already been registered in the UK, please enter the
establishment number below

UK establishment
number ②

B R 0 0 0 5 3 4 1

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state

② This should only be completed if
the company has already been
registered in the UK

**Part 2 Statement of details of parent law and other
information for an overseas company**

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ①

US GAAP

① This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

☐ No

Go to Section A3

☒ Yes

Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3

① Please insert the name of the
appropriate accounting organisation
or body

Name of organisation
or body ①

US GAAP

A3 Accounts

Accounts

Have the accounts been audited? Please tick the appropriate box

☐ No

Go to Section A5

☒ Yes

Go to Section A4

OS AA01

Statement of details of parent law and other information for an overseas company


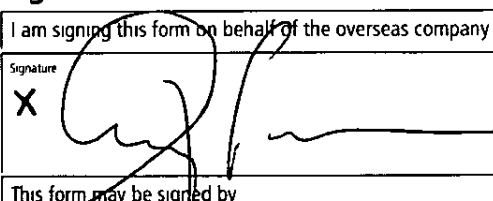
A4**Audited accounts**

Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box <input type="checkbox"/> No Go to Part 3 'Signature' <input checked="" type="checkbox"/> Yes Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'	1 Please insert the name of the appropriate accounting organisation or body
Name of organisation or body 1	US GAAP	

A5**Unaudited accounts**

Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box <input type="checkbox"/> No <input type="checkbox"/> Yes
--------------------	---

Part 3**Signature**

Signature	I am signing this form on behalf of the overseas company		 20 Dec 2010	
	Signature			X
	This form may be signed by Director, Secretary, Permanent representative			

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	HINES HARVEY WOODS LTD									
Company name										
Address	QUEENS HEAD HOUSE									
	THE STREET									
	ACLE									
Post town	NORWICH									
County/Region	NORFOLK									
Postcode		N	R	1	3			3	D	Y
Country	UNITED KINGDOM									
DX										
Telephone	01493 750207									



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register
- ☐ You have completed all sections of the form, if appropriate
- ☐ You have signed the form



Important information

Please note that all this information will appear on the public record



Where to send

You may return this form to any Companies House address

England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk