

Merck & Co. Inc.
Form 11-K
June 29, 2010

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 11-K

**FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS AND SIMILAR PLANS
Pursuant to Section 15(d) of the Securities Exchange Act of 1934**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 1-06571
Employer Identification Number: 22-1918501
Plan Number: 061

MERCK PUERTO RICO EMPLOYEE SAVINGS AND SECURITY PLAN

(Full title of the plan)

MERCK & CO., INC.

(Name of issuer of the securities held pursuant to the plan)

One Merck Drive
P.O. Box 100
Whitehouse Station, New Jersey 08889-0100

(Address of principal executive office)

**Merck Puerto Rico Employee Savings and Security Plan
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* Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not required.

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Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of the
Merck Puerto Rico Employee Savings and Security Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Merck Puerto Rico Employee Savings and Security Plan (the Plan) at December 31, 2009 and 2008, and the changes in net assets available for benefits for the year ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2009 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

San Juan, Puerto Rico
June 29, 2010

Merck Puerto Rico Employee Savings and Security Plan
Statements of Net Assets Available for Benefits

	December 31,	
	2009	2008
Assets		
Investments		
Investments, at fair value	\$ 41,039,592	\$ 30,687,505
Participant loans	1,873,586	2,037,119
Total investments	42,913,178	32,724,624
Receivables		
Employer contribution	20,508	77,405
Participant contributions	67,740	253,721
Other receivables	15,547	27,531
Accrued interest and dividends	197,659	187,894
Total receivables	301,454	546,551
Cash and cash equivalents	36,331	38,498
Total assets	\$ 43,250,963	\$ 33,309,673
Liabilities		
Other payables	17,166	33,939
Net assets available for benefits	\$ 43,233,797	\$ 33,275,734

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

Merck Puerto Rico Employee Savings and Security Plan
Statement of Changes in Net Assets Available for Benefits

	Year Ended December 31, 2009
	<hr/>
Additions to net assets attributed to	
Investment income	
Net appreciation in fair value of investments	\$ 7,446,262
Dividends and interest	1,134,220
	<hr/>
Net investment income	8,580,482
Contributions to the Plan	
By participants	3,614,882
By employer	1,086,704
	<hr/>
Total contributions	4,701,586
Transfers in	155,872
Total additions	13,437,940
	<hr/>
Deductions from net assets attributed to	
Benefits paid to participants	(3,479,877)
	<hr/>
Total deductions	(3,479,877)
	<hr/>
Net increase	9,958,063
Net assets available for benefits	
Beginning of year	33,275,734
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End of year	\$ 43,233,797
	<hr/>

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

Merck Puerto Rico Employee Savings and Security Plan
Notes to Financial Statements
December 31, 2009 and 2008

1. Description of the Plan

The following description of the Merck Puerto Rico Employee Savings and Security Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a profit sharing plan designed to provide an opportunity for employees of Merck Sharp & Dohme Quimica de Puerto Rico, Ltd., Merck Sharp & Dohme de Puerto Rico Inc., Merck Puerto Rico Holdings Inc. and Merck Sharp & Dohme (IA) Corp. Puerto Rico Branch (the "Companies") to become stockholders of Merck & Co., Inc. ("Merck") and to encourage them to save on a regular basis by setting aside part of their earnings. Regular full-time and part-time employees of the Companies, as defined in the Plan document, who have completed at least one year of employment and are not covered by a collective bargaining agreement, are eligible to enroll in the Plan.

Participants direct the investment of their contributions into any mutual fund investment option as well as Merck common stock. Through April 21, 2009, the Plan offered 17 registered investment companies (mutual funds), 1 common/collective trust, and 2 separately managed accounts. On April 22, 2009, the investment options changed resulting in the Plan offering 6 registered investment companies (mutual funds), 4 common/collective trusts, and 12 separately managed accounts.

The Plan is administered in part by the Employee Benefits Committee appointed by the President of the Companies and in part by management committees appointed by the Compensation and Benefits Committee of the Board of Directors of Merck. All costs of administering the Plan are borne by the Companies.

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

Contributions

Participants may contribute from 2% up to 15% of their base pay, provided that pre-tax contributions shall not exceed 10% of base compensation or \$8,000. In addition, the Companies match 50% of pre-tax and after-tax contributions up to 5% of each participant's base compensation applicable to the pay period in which the contribution is being made. Company matching contributions are invested according to a participant's elections.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Companies' matching contribution, and an allocation of Plan earnings. The allocation is based on participants' account balances, as defined in the Plan document.

Vesting

Participants are immediately vested in their contributions, all Companies' matching contributions, plus actual earnings thereon.

Merck Puerto Rico Employee Savings and Security Plan
Notes to Financial Statements
December 31, 2009 and 2008

Participant Loans

Participants may borrow from their account balances with interest charged at prime rate plus 1%. Loan terms range from one to five years or up to thirty years for the purchase of a primary residence. The minimum loan is \$500 and the maximum loan is the lesser of (i) \$50,000 less the highest outstanding loan balance during the one year period prior to the new loan application date, or (ii) 50% of the participant's account balance less any current outstanding loan balance.

Payment of Benefits

Participants are entitled to receive automatic, voluntary, in-service (which include hardship withdrawals), or mandatory distributions as provided in the applicable Plan provisions.

2. Summary of Significant Accounting Policies

Basis of Accounting

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

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 the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements. Management believes that these estimates are adequate. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

As of December 31, 2009, the Plan adopted new guidance for investments in certain entities that calculate net asset value per share. The guidance permits, as a practical expedient, using net asset value to determine the fair value of certain investments and requires new disclosures for such investments. The adoption of this guidance had no impact on the statement of net assets available for benefits or the statement of changes in net assets available for benefits of the Plan.

All investments are recorded at fair value in the accompanying financial statements.

Purchases and sales of securities are recorded on a trade-date basis. Other receivables consist of proceeds receivable for investment securities sold with a settlement date after year end, in a separately managed account. Other payables represent amounts due for investment securities purchased with a settlement date after year end and accrued management expenses, in a separately managed account. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned.

Recently Issued Accounting Standards

In January, 2010, the Financial Accounting Standards Board (FASB) amended the existing disclosure guidance on fair value measurements, which was effective January 1, 2010, except for disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements, which is effective January 1, 2011. Among other things, the updated guidance requires additional disclosure for the amounts of significant transfers in and out of Level 1 and Level 2 measurements and requires certain Level 3 disclosures on a gross basis. Additionally, the updates

Merck Puerto Rico Employee Savings and Security Plan
Notes to Financial Statements
December 31, 2009 and 2008

amend existing guidance to require a greater level of disaggregated information and more robust disclosures about valuation techniques and inputs to fair value measurements. Since the amended guidance requires only additional disclosures, the adoption will not affect the Plan's net assets available for benefits or changes in net assets available for benefits.

Contributions

Employee and Companies matching contributions are recorded in the period in which the Companies make the payroll deductions from the participants' earnings.

Payment of Benefits

Benefits are recorded when paid.

Transfer of Assets to/from Other Plans

Companies' employees or retirees may elect to transfer their savings to other plans qualified by the Puerto Rico Treasury Department (the "PRTD") or by the U.S. Internal Revenue Service (the "IRS"). Newly hired employees are allowed to transfer their savings from former employer plans to the Plan.

Risks and Uncertainties

The Plan provides for various investment options in investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is 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 Statement of Net Assets Available for Benefits.

3. Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Entities are required to use a fair value hierarchy which maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities. The Plan's Level 1 assets primarily include registered investment companies (mutual funds) and common stocks.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. The Plan's Level 2 assets primarily include investments in common/collective trusts.

Level 3 Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires

Merck Puerto Rico Employee Savings and Security Plan
Notes to Financial Statements
December 31, 2009 and 2008

significant judgment or estimation. The Plan's Level 3 assets include participant loans.

If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Within the Plan, investments are recorded at fair value, as follows:

Registered Investment Companies (Mutual Funds)

Registered investment companies (mutual funds) are valued at their respective net asset values. The net asset values are typically determined by the fund at the close of regular trading on the New York Stock Exchange. Investments in registered investment companies (mutual funds) generally may be redeemed daily.

Common/Collective Trusts

The common/collective trusts are valued at their respective net asset values. The fair value of investments in the common/collective trusts are determined by their trustee. The Plan's investments in common/collective trusts generally may be redeemed daily.

Common Stocks

Common stocks, for which market quotations are readily available, are generally valued at the last reported sale price on their principal exchange on valuation date, or official close price for certain markets. If no sales are reported for that day, investments are valued at the more recent of (i) the last published sale price or (ii) the mean between the last published bid and asked prices for long positions, or at fair value as determined in good faith by the trustee and the Companies.

Participant Loans

Participant loans are valued at amortized cost, which approximates fair value.

Investments Measured at Fair Value

Investments measured at fair value are summarized below:

Merck Puerto Rico Employee Savings and Security Plan
Notes to Financial Statements
December 31, 2009 and 2008

December 31, 2009

	Fair Value Measurements Using				Total
	Carrying Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets					
Registered Investment Companies					
US Large Cap Equity	\$ 2,547,539	\$ 2,547,539		\$	\$ 2,547,539
US Small/Mid Cap Equity	2,952,956	2,952,956			2,952,956
Non-US Equity	4,961,628	4,961,628			4,961,628
Fixed Income	2,188,262	2,188,262			2,188,262
Cash and Short Term Investments	3,603,193	3,603,193			3,603,193
Common Collective Trusts					
US Large Cap Equity	3,525,980		3,525,980		3,525,980
US Small/Mid Cap Equity	509,799		509,799		509,799
Non-US Equity	573,571		573,571		573,571
Fixed Income	366,277		366,277		366,277
Cash and Short Term Investments	20,611		20,611		20,611
Target-date Funds					
Merck Common Stock	19,006,537	19,006,537			19,006,537
Other common stocks					
U.S. Small Cap Equities	783,239	783,239			783,239
Total Investments	\$ 41,039,592	\$ 36,043,354	\$ 4,996,238	\$	\$ 41,039,592
Participant loans	\$ 1,873,586			\$ 1,873,586	\$ 1,873,586

December 31, 2008

	Fair Value Measurements Using				Total
	Carrying Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets					
<i>Investments</i>					

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Registered investment companies (mutual funds)	\$ 13,630,769	\$	13,630,769	\$	\$	\$ 13,630,769
Common/collective trusts	1,451,698				1,451,698	1,451,698
Merck common stock	15,041,650		15,041,650			15,041,650
Other common stocks	563,388		563,388			563,388
Total Investments	\$ 30,687,505	\$	29,235,807	\$	1,451,698	\$ 30,687,505

Participant loans \$ 2,037,119 \$ \$ 2,037,119 \$ 2,037,119

Merck Puerto Rico Employee Savings and Security Plan
Notes to Financial Statements
December 31, 2009 and 2008

Level 3 Valuation Techniques:

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. Level 3 financial assets also include certain investment securities for which there is limited market activity such that the determination of fair value requires significant judgment or estimation. The Plan's Level 3 investment securities at December 31, 2009 include participant loans. These securities were valued at amortized cost, which approximates fair value.

The table below provides a summary of the changes in fair value, including net transfers in and/or out, of all financial assets measured at fair value using significant unobservable inputs (Level 3):

	Year Ending December 31, 2009			
	Beginning Balance January 1	Net Transfers In to (Out of) Level 3 ⁽¹⁾	Loan withdrawals, Principal repayments, Interest, Net	Ending Balance December 31
Participant loans	\$ 2,037,119	\$	\$ (163,533)	\$ 1,873,586
Total	\$ 2,037,119	\$	\$ (163,533)	\$ 1,873,586

⁽¹⁾ Transfers in and out of Level 3 are deemed to occur at the beginning of the quarter in which the transaction takes place.

4. Investments

The following presents investments that represent 5% or more of the Plan's net assets as of year-end:

	December 31,	
	2009	2008
Merck Common Stock	\$ 19,006,537	\$ 15,041,650
Fidelity Institutional Money Market Portfolio	3,603,193	3,346,700
Columbia Acorn Fund, Class Z	2,952,956	1,908,346
American Funds EuroPacific Growth Fund, Class A	2,642,527	1,705,870
T. Rowe Price Blue Chip Growth Fund	2,547,539	1,575,019
	\$ 30,752,752	\$ 23,577,585

During 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$7,446,262 as follows:

Merck Puerto Rico Employee Savings and Security Plan
Notes to Financial Statements
December 31, 2009 and 2008

	December 31 2009
Registered investment companies (mutual funds)	\$ 3,076,286
Common/collective trusts	968,200
Merck Common Stock	3,247,441
Other common stocks	154,335
	<hr/>
	\$ 7,446,262
	<hr/>

5. Related Party Transactions

Certain Plan investments are shares of registered investment companies (mutual funds) managed by Fidelity Management Trust Company (Fidelity). Fidelity is the record keeper as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. The total market value of the Plan's allocated portion of the investments in the registered investment companies (mutual funds) managed by Fidelity was \$5,403,762 and \$7,018,258 at December 31, 2009, and December 31, 2008, respectively.

Merck also is a party-in-interest to the Plan under the definition provided in Section 3(14) of ERISA. Therefore, Plan transactions of Merck common stock qualify as party-in-interest transactions. The total market value of the Plan's allocated portion of the investments in the Merck common stock was \$19,006,537 and \$15,041,650 at December 31, 2009, and December 31, 2008, respectively.

6. Plan Termination

Although they have not expressed any intent to do so, the Companies have the right under the Plan to discontinue their contributions at any time and to terminate the Plan subject to the provisions of ERISA. Upon termination of the Plan, each participant thereby affected would receive the entire value of his or her account as though he or she had retired as of the date of such termination.

7. Tax Status

The Plan obtained a tax determination letter from the PRTD dated February 18, 1998, indicating that it had been designed in accordance with applicable sections of the Puerto Rico Internal Revenue Code of 1994 (PRIRC) and is, therefore, exempt from Puerto Rico income taxes. On August 20, 2003, the Plan obtained a tax determination letter from the Internal Revenue Service indicating it has been designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since the receipt of the determination letters, however, the Plan sponsor and legal counsel believe that the Plan is designed and currently operates in compliance with the PRIRC and IRC. Therefore, no provision for income taxes has been made.

Supplemental Schedule
Schedule H**Merck Puerto Rico Employee Savings and Security Plan**

Schedule of Assets (Held at End of Year) at December 31, 2009

(Schedule H, Part IV, Line 4i on Form 5500)

Identify of Issuer, Borrower,				
Lessor or Similar Party	Description of Investment	Shares/Par	Cost	Current Value
Merck & Co., Inc.	Merck Common Stock	520,157	**	\$ 19,006,537
AIRCASTLE LTD	Common Stock	322.024	**	3,204
A.D.A.M. INC	Common Stock	37.495	**	157
ABM INDUSTRIES INC	Common Stock	214.309	**	4,428
AEP INDUSTRIES INC	Common Stock	4.072	**	156
ATP OIL & GAS CORP	Common Stock	291.629	**	5,331
ATC TECHNOLOGY CORP	Common Stock	124.632	**	2,972
ACCELRY INC	Common Stock	194.811	**	1,116
ACCESS NATIONAL CORP	Common Stock	68.066	**	402
ACTEL CORP	Common Stock	187.359	**	2,226
ADAMS RESOURCES AND ENERG	Common Stock	7.335	**	162
ADAPTEC INC	Common Stock	930.631	**	3,118
ADVANCE AMER CASH ADV CTR	Common Stock	348.019	**	1,935
AIR T INC	Common Stock	4.014	**	38
ALAMO GROUP INC	Common Stock	51.050	**	876
ALASKA AIR GROUP INC	Common Stock	262.290	**	9,065
ALLIANCE FINANCIAL CORP	Common Stock	5.944	**	163
ALLOY INC	Common Stock	81.562	**	635
AMCON DISTRIBUTING CO	Common Stock	4.107	**	267
AMEDISYS INC	Common Stock	193.637	**	9,403
AMERICAN EQY INVT LIFE HL	Common Stock	263.757	**	1,962
AMERICAN INDEPENDENCE	Common Stock	55.157	**	251
AMERICAN ORIENT BIOENGINE	Common Stock	294.504	**	1,369
AMKOR TECHNOLOGY INC	Common Stock	566.124	**	4,053
ANDERSONS INC	Common Stock	136.719	**	3,542
ANIKA THERAPEUTICS INC	Common Stock	78.042	**	594
ANN TAYLOR STORES CORP	Common Stock	258.359	**	3,524
APOGEE ENTERPRISES INC	Common Stock	146.401	**	2,050
APPLIED MICRO CIRCUITS CO	Common Stock	468.250	**	3,498
ARK RESTAURANTS CORP	Common Stock	23.471	**	345
ARRIS GROUP INC	Common Stock	575.630	**	6,578
ASTORIA FINANCIAL CORP	Common Stock	64.546	**	802
ASTRO MED INC	Common Stock	22.298	**	168
AVIS BUDGET GROUP	Common Stock	271.092	**	3,557
BGC PARTNERS INC CL A	Common Stock	99.923	**	462
BNC BANCORP	Common Stock	23.113	**	173
		Subtotal		\$ 19,085,119

Supplemental Schedule
Schedule H**Merck Puerto Rico Employee Savings and Security Plan**

Schedule of Assets (Held at End of Year) at December 31, 2009

(Schedule H, Part IV, Line 4i on Form 5500)

Identify of Issuer, Borrower,				
Lessor or Similar Party	Description of Investment	Shares/Par	Cost	Current Value
BANK HAWAII CORP	Common Stock	26.992	**	\$ 1,270
BARNES & NOBLE	Common Stock	225.910	**	4,308
BARRY (RG)	Common Stock	65.719	**	565
BLACK BOX CORPORATION	Common Stock	155.144	**	4,406
BOB EVANS FARMS INC	Common Stock	224.736	**	6,506
BOOKS-A-MILLION INC	Common Stock	52.810	**	355
BROOKLINE BANCORP INC	Common Stock	47.019	**	466
BUCKEYE TECH INC	Common Stock	290.456	**	2,835
BUILD A BEAR WORKSHOP INC	Common Stock	128.505	**	628
C & F FINANCIAL CORP	Common Stock	16.078	**	306
CBL & ASSOC PPTYS INC	Common Stock	52.264	**	508
CDI CORP	Common Stock	90.499	**	1,172
CEC ENTERTAINMENT INC	Common Stock	172.513	**	5,507
CKE RESTAURANT INC	Common Stock	366.737	**	3,103
CPI CORP	Common Stock	38.727	**	476
CSS INDUSTRIES INC	Common Stock	44.008	**	856
CRA INTERNATIONAL INC	Common Stock	86.256	**	2,299
CSG SYSTEMS INTL INC	Common Stock	247.269	**	4,720
CSP INC	Common Stock	2.200	**	8
CABELAS INC	Common Stock	299.844	**	4,276
CACI INTL INC CL A	Common Stock	66.893	**	3,268
CALAMOS ASSET MGMT CL A	Common Stock	125.571	**	1,448
CAMBREX CORP	Common Stock	222.507	**	1,242
CAPITAL SR LIVING CORP	Common Stock	152.768	**	767
CARROLS RESTAURANT GROUP	Common Stock	77.455	**	548
CASH AMERICA INTL INC	Common Stock	66.365	**	2,320
CATO CORP CL A	Common Stock	48.116	**	973
CEDAR SHOPPING CTRS REIT	Common Stock	278.133	**	1,916
CELERA CORP	Common Stock	609.663	**	4,213
CENTURY BANCORP CL A NVTG	Common Stock	24.410	**	538
CEVA INC	Common Stock	149.042	**	1,917
CHECKPOINT SYSTEMS INC	Common Stock	149.981	**	2,287
CHILDRENS PL RETAIL STORE	Common Stock	133.610	**	4,409
		Subtotal		\$ 70,416

**Supplemental Schedule
Schedule H**

Merck Puerto Rico Employee Savings and Security Plan

Schedule of Assets (Held at End of Year) at December 31, 2009

(Schedule H, Part IV, Line 4i on Form 5500)

Identify of Issuer, Borrower,				
Lessor or Similar Party	Description of Investment	Shares/Par	Cost	Current Value
CHINA SEC & SURVLLNCE TEC	Common Stock	276.373	**	\$ 2,110
CIBER INC	Common Stock	518.126	**	1,788
CIRRUS LOGIC INC	Common Stock	473.707	**	3,231
CITIZENS SOUTH BANKING	Common Stock	32.455	**	149
CLEARWATER PAPER CORP	Common Stock	83.323	**	4,580
COCA COLA BOTTLING CO CON	Common Stock	6.748	**	365
CODORUS VALLEY BANCORP	Common Stock	23.647	**	121
COMMERCE BANCSHARES INC	Common Stock	34.931	**	1,353
COMMUNITY BANK SYS INC	Common Stock	27.121	**	530
COMPUTER TASK GROUP INC	Common Stock	112.662	**	902
COMSYS IT PARTNERS INC	Common Stock	107.967	**	960
BANCO LATINOAMERICANO COM	Common Stock	163.541	**	2,273
CONEXANT SYS INC	Common Stock	323.315	**	750
CRACKER BARREL OLD CTRY S	Common Stock	176.620	**	6,710
CRANE CO	Common Stock	285.650	**	8,747
CRAY INC	Common Stock	243.525	**	1,563
CROSS (A.T.) & CO CL A	Common Stock	39.461	**	206
CULLEN FROST BANKERS INC	Common Stock	27.579	**	1,379
CULP INC	Common Stock	44.713	**	446
CURTISS WRIGHT CORPORATIO	Common Stock	74.521	**	2,334
DDI CORP	Common Stock	12.011	**	59
DATALINK CORP	Common Stock	18.401	**	80
DELUXE CORP	Common Stock	402.219	**	5,949
ARGO GROUP INTL	Common Stock	224.736	**	6,549
DIGI INTERNATIONAL INC	Common Stock	186.596	**	1,702
DOLLAR FINANCIAL CORP	Common Stock	183.075	**	4,332
DOMTAR CORP	Common Stock	242.662	**	13,446
DUCKWALL-ALTO STORES INC	Common Stock	24.545	**	378
DUCOMMUN INC	Common Stock	78.628	**	1,471
ORTHOFIX INTL NV (NASDQ)	Common Stock	122.490	**	3,794
DUPONT FABROS TECH INC	Common Stock	199.505		