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), 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

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

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
LEWIS TREE SERVICE EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 004

1c Effective date of plan 11/01/1998

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
LEWIS TREE SERVICE, INC.

300 LUCIUS GORDON DRIVE
WEST HENRIETTA, NY 14586

2b Employer Identification Number (EIN)
16-1004851

2c Sponsor's telephone number
585-436-3208

2d Business code (see instructions)
115310

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.	08/18/2010	BERNARD J. KELLY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	08/18/2010	BERNARD J. KELLY
	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

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
LEWIS TREE SERVICE, INC.

300 LUCIUS GORDON DRIVE
WEST HENRIETTA, NY 14586

3b Administrator's EIN
16-1004851

3c Administrator's telephone number
585-436-3208

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**	2775
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**	2247
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	237
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	2484
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	3
f	Total. Add lines **6d** and **6e**	**6f**	2487
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	2474
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	208
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 Characteristic Codes in the instructions:
2P 2Q 2K 3I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		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)		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)		**A** (Insurance Information)
(4)		**C** (Service Provider Information)
(5)		**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

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

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
LEWIS TREE SERVICE EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
LEWIS TREE SERVICE, INC.

D Employer Identification Number (EIN)
16-1004851

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	0	41
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2174448	3845174
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	69483115	66901333
	(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	71657563	70746548
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i	12954491	12326465
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	12954491	12326465
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	58703072	58420083

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)	1598386	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)	1211679	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2810065
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(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

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-1402518	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-1402518
(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)		441200
c Other income	2c		41
d Total income. Add all **income** amounts in column (b) and enter total	2d		1848788
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1161419	
(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)		1161419
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		970359
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2131778
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-282990
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) [X] Unqualified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

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

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

(1) Name: INSERO & COMPANY CPA'S P.C. (2) EIN: 16-1016457

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 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 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	
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			
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)

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

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
LEWIS TREE SERVICE EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
LEWIS TREE SERVICE, INC.

D Employer Identification Number (EIN)
16-1004851

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): 16-6479552

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 **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 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(es). 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 items 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 items 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 items 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 items 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 items 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 items 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 items 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 item 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 items (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 item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

LEWIS TREE SERVICE EMPLOYEE STOCK OWNERSHIP PLAN

FINANCIAL REPORT

DECEMBER 31, 2009



AN INDEPENDENTLY OWNED MEMBER OF THE RSM MCGLADREY NETWORK.

LEWIS TREE SERVICE
EMPLOYEE STOCK OWNERSHIP PLAN

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INDEPENDENT AUDITORS' REPORT

To the Benefits Committee of the
Board of Directors of Lewis Tree Service, Inc.
West Henrietta, New York

We have audited the accompanying statements of net assets available for benefits of the Lewis Tree Service Employee Stock Ownership Plan (the Plan) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009. 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 in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Lewis Tree Service Employee Stock Ownership Plan as of 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.

Our audits were made 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 United States 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 audit 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.

Respectfully Submitted,

Insero & Company CPAs, P.C.

Insero & Company CPAs, P.C.
Certified Public Accountants

Rochester, New York
August 5, 2010

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Insero & Company CPAs, P.C.
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LEWIS TREE SERVICE
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2009 AND 2008

	2009			2008		
	Allocated	**Unallocated**	**Total**	**Allocated**	**Unallocated**	**Total**
ASSETS						
Cash	**$ 41**	**$ -**	**$ 41**	$ -	$ -	$ -
Investment in Lewis Tree Service, Inc. Common Stock, at Fair Value	**30,181,693**	**36,719,640**	**66,901,333**	29,067,380	40,415,736	69,483,116
Segregated Investment Accounts	**3,845,174**	**-**	**3,845,174**	2,174,448	-	2,174,448
Total Assets	**34,026,908**	**36,719,640**	**70,746,548**	31,241,828	40,415,736	71,657,564
LIABILITIES						
Loans Payable	**-**	**12,326,465**	**12,326,465**	-	12,954,491	12,954,491
Net Assets Available for Benefits	**$ 34,026,908**	**$ 24,393,175**	**$ 58,420,083**	$ 31,241,828	$ 27,461,245	$ 58,703,073

See Notes to Financial Statements.

LEWIS TREE SERVICE
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Allocated	Unallocated	Total
Additions			
Employer Contributions	$ -	$ 1,598,386	$ 1,598,386
Employer Non-Cash Contribution	1,211,679	-	1,211,679
Dividends	45,024	-	45,024
Other Income	41	-	41
Allocation of 43,049.3465 Shares of Lewis Tree Service, Inc. Common Stock, at Fair Value	2,862,783	-	2,862,783
Total Additions	4,119,527	1,598,386	5,717,913
Deductions			
Interest Expense	-	970,359	970,359
Net Depreciation in Fair Value of Investments	173,028	833,314	1,006,342
Distributions to Participants	1,161,419	-	1,161,419
Allocation of 43,049.3465 Shares of Lewis Tree Service, Inc. Common Stock, at Fair Value	-	2,862,783	2,862,783
Total Deductions	1,334,447	4,666,456	6,000,903
Net Increase (Decrease)	2,785,080	(3,068,070)	(282,990)
Net Assets Available for Benefits:			
Beginning of Year	31,241,828	27,461,245	58,703,073
End of Year	**$ 34,026,908**	**$ 24,393,175**	**$ 58,420,083**

See Notes to Financial Statements.

LEWIS TREE SERVICE
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 1 **ESOP Description and Basis of Presentation**

The following brief description of the Lewis Tree Service Employee Stock Ownership Plan (the "ESOP" or the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

Lewis Tree Service, Inc. ("Lewis" or the "Company") established the ESOP effective as of November 1, 1998. The ESOP operates as a leveraged employee stock ownership plan. The ESOP is designed to qualify as a stock bonus plan and comply with Sections 401(a) and 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986 (the "Code"), as amended. The ESOP is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The ESOP is designed to invest primarily in the common stock of Lewis Tree Service, Inc. (the "Lewis Stock").

The ESOP is administered by a Board of Trustees (the "Trustees"). The Trustees must be composed of at least seven members, each of whom must be a vested participant in the ESOP.

All shares of Lewis Stock owned by the ESOP were purchased using proceeds from term loans between the ESOP and Lewis. The Lewis Stock is held in a trust established under the ESOP. The term loans are payable using Lewis' contributions and any dividends and interest received by the trust (See Notes 6 and 7). Annually, in connection with the repayments, an appropriate percentage of Lewis Stock will be allocated to eligible employees' accounts in accordance with the applicable provisions of the ESOP and the regulations under the Code. There were 43,049.3465 and 44,413.1413 shares of Lewis Stock allocated to participants in 2009 and 2008, respectively.

Unallocated shares of Lewis Stock are collateral for the term loans. The lender has no rights against the shares of Lewis Stock once they are allocated under the ESOP. Accordingly, the financial statements of the ESOP present separately the assets and liabilities and changes therein pertaining to:

(a) Lewis Stock already released and allocated to participants' accounts ("allocated") and,
(b) Lewis Stock not yet allocated to participants ("unallocated").

In general, no distributions from the ESOP will be made until a participant retires, becomes disabled, dies (in which case payment shall be made to his or her beneficiary or, if none, his or her relative or estate as specified in the ESOP), or terminates employment with Lewis. Distributions are made in cash. Accounts with vested balances will be paid to participants in accordance with the applicable provisions of the ESOP.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 1 **ESOP Description and Basis of Presentation - Continued**

The Company stock held by the Plan and its participants requires the Company to repurchase the stock at fair market value, as determined by an independent appraisal. The Plan has the option to assume the rights and obligations of the Company at the time that the stock is repurchased.

Participant shares repurchased by the Company may be held by the Company as treasury shares or reallocated to the remaining participants based on the proportion of each participant's compensation during the allocation year to the total compensation of all participants in the ESOP. During 2009 and 2008, the Company repurchased 35,212.7403 and 24,074.4385 shares, respectively, from participants. Total shares held by the Company as treasury shares was 78,314.9268 at December 31, 2009.

Generally, the Trustees shall vote the shares of Lewis Stock held in the trust. However, each participant is entitled to exercise voting rights attributable to the shares of Lewis Stock allocated to his or her account under certain conditions as defined in the ESOP. The Trustees will vote unallocated shares of Lewis Stock, as well as any shares of Lewis Stock for which instructions have not been received from a participant.

Lewis reserves the right to terminate the ESOP at any time, subject to the provisions of the ESOP. Upon such termination of the ESOP, all participants become fully vested.

Participation Requirements and ESOP Benefits
All employees over the age of 21 shall be eligible to participate in the ESOP in the first calendar year in which the employee completes 1,000 hours of service. For eligibility purposes, only hours worked as a non-union employee will be counted towards the hours of service requirement.

Each participant in the ESOP has an employer stock account, which is credited annually with the participant's allocable share of Lewis Stock and another investment account, which is credited annually with the participant's share of employer contributions not in the form of Lewis Stock and any other investment.

Subject to certain limitations, allocation to each participant's account is based upon the participant's compensation during the allocation year in proportion to the total compensation of all participants in the ESOP.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 1 **ESOP Description and Basis of Presentation - Continued**

Participation Requirements and ESOP Benefits - Continued

The Plan also provides for safe harbor matching contributions, for all eligible participants, funded by the Company. To be eligible, a participant must meet the ESOP's age and service requirements and must be a participant in the Lewis Tree Service Save Money and Reduce Taxes (SMART) Plan ("SMART Plan"), formerly the Lewis Tree Service, Inc. Savings and Investment Plan. The safe harbor matching contribution is based on each participant's pre-tax contributions to the SMART Plan and is equal to 100% of the first 5% of the participant's compensation contributed to the SMART Plan. The matching contribution is made in shares of Lewis Stock allocated to each participant based on each participant's prorata share of the total matching contribution. During 2009, the Company made a non-cash matching contribution in the amount of $1,211,679 of treasury stock which resulted in the allocation of 17,932.4129 shares of Lewis Stock to participants. Safe harbor matching contributions are 100% vested and nonforfeitable when made.

Participants who are at least age 55 with at least five years of participation under the Plan may elect to diversify a portion of their account.

Participants are eligible for normal retirement benefits upon reaching the age of 65.

Benefits vest based upon years of service as follows:

For shares allocated on exempt loans made on or before December 31, 2006:

Years of Service	Percentage
1 - 5 Years	0%
5 or More Years	100%

For shares allocated on exempt loans made after December 31, 2006:

Years of Service	Percentage
Fewer than 2 Years	0%
At Least 2 but Fewer than 3 Years	20%
At Least 3 but Fewer than 4 Years	40%
At Least 4 but Fewer than 5 Years	60%
At Least 5 but Fewer than 6 Years	80%
6 Years or More	100%

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 1 **ESOP Description and Basis of Presentation - Continued**

Participation Requirements and ESOP Benefits - Continued

Vesting service shall include service with the Company prior to the effective date of the Plan. In addition, benefits are fully vested upon death or disability as defined in the ESOP. The ESOP allocates forfeitures to the participants at year end. During the year ended December 31, 2009, the ESOP reallocated 11,076.4565 shares to participants.

Note 2 **Summary of Significant Accounting Policies**

Basis of Accounting
The financial statements of the Plan are prepared using the accrual basis of accounting.

Date of Management's Review
In preparing the financial statements, management has evaluated events and transactions for potential recognition or disclosure through August 5, 2010, the date that the financial statements were available to be issued.

Use of Estimates
The preparation of the Plan's 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, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition
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.

The Plan follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and nonfinancial assets and liabilities. This guidance defines fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

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

Note 2 **Summary of Significant Accounting Policies - Continued**

Investment Valuation and Income Recognition - Continued

Level 2 Inputs to the valuation methodology include:

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

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

Mutual Fund: Assets held in the segregated investment account consist of a mutual fund. These investments are valued using the Net Asset Value ("NAV") provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common Stock: Valued at estimated fair value determined by an independent appraisal. The fair values were $66.50 and $67.90 per share at December 31, 2009 and 2008, respectively.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 2 **Summary of Significant Accounting Policies - Continued**

Investment Valuation and Income Recognition - Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

	Investments at Fair Value as of December 31, 2009		
	Level 1	**Level 3**	**Total**
Mutual Fund	**$ 3,845,174**	**$ -**	**$ 3,845,174**
Lewis Tree Service, Inc. Common Stock	**-**	**66,901,333**	**66,901,333**
Total Investments at Fair Value	**$ 3,845,174**	**$ 66,901,333**	**$ 70,746,507**

	Investments at Fair Value as of December 31, 2008		
	Level 1	**Level 3**	**Total**
Mutual Fund	$ 2,174,448	$ -	$ 2,174,448
Lewis Tree Service, Inc. Common Stock	-	69,483,116	69,483,116
Total Investments at Fair Value	$ 2,174,448	$ 69,483,116	$ 71,657,564

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2009.

	Lewis Tree Service, Inc. Common Stock
Fair Value, Beginning of Year	**$ 69,483,116**
Net Depreciation	**(1,402,518)**
Purchases, Sales, Issuances and Settlements, Net	**(1,179,265)**
Fair Value, End of Year	**$ 66,901,333**

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest is recorded on the accrual basis. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 2 **Summary of Significant Accounting Policies - Continued**

Risks and Uncertainties
The Plan invests in investment securities, which are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these securities, it is at least reasonably possible that changes in their values 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 3 **Tax Status**
The Internal Revenue Service has determined and informed the Company by a letter dated May 21, 2008, that the Plan is qualified and the trust established under the Plan is tax exempt under the appropriate sections of the Code. The Plan has been amended since the effective date of the determination letter. However, the Trustees believe that the Plan, as amended, is designed and is currently being operated in compliance with the applicable requirements of the Code.

Note 4 **Administration of ESOP Assets**
The Trustees of the ESOP hold the assets of the ESOP, which consist principally of Lewis Stock. As such, transactions involving such investments are party–in–interest transactions.

The contributions made by Lewis are held and managed by the Trustees who invest cash received, interest, and dividend income and make distributions to participants. The Trustees also administer the payment of interest and principal on the term loans.

Officers or employees of Lewis perform certain administrative functions on behalf of the ESOP. No such officer or employee receives compensation from the ESOP. Administrative expenses are generally paid directly by Lewis.

Note 5 **Investments**
The investment by the ESOP in Lewis Stock at December 31, is presented in the following table:

	2009		**2008**	
	Allocated	**Unallocated**	**Allocated**	**Unallocated**
Number of Shares	**453,860.0373**	**552,175.0357**	428,091.0182	595,224.3822
Cost	**$ 8,868,033**	**$ 11,182,043**	$ 8,085,838	$ 11,988,709
Market	**$ 30,181,693**	**$ 36,719,640**	$ 29,067,380	$ 40,415,736

Note 6 **Loans Payable**

On October 27, 2000, the ESOP entered into three term loan agreements with Lewis with the principal amounts of $5,394,728, $917,500, and $9,100,000, and payments due through 2029. As discussed in Note 7, the ESOP made prepayments of the principal, accelerating the loan payoff period to 2027. The interest rate on the term loans is 8%. The proceeds from the term loans were used to purchase all of their outstanding shares of Lewis Stock.

On November 29, 2007, the ESOP entered into a term loan agreement with Lewis with the principal amount of $4,000,000, and payments due through 2041, in connection with the merger with the Tamarack Forestry Service, Inc. Employee Stock Ownership Trust ("TFS ESOT"). TFS ESOT acquired all outstanding shares of Tamarack Forestry Service, Inc. Effective December 14, 2007, the TFS ESOT merged with and into the Lewis Tree Service, Inc. Employee Stock Ownership Plan and Trust. The interest rate on the term loan is 6.25%. Unallocated shares of Lewis Stock are collateral for the term loans.

The scheduled loan principal repayments for the years ended December 31, are as follows:

2010	$ 628,027
2011	628,027
2012	628,027
2013	628,027
2014	628,027
Thereafter	9,186,330
	$ 12,326,465

Note 7 **Employer Contributions**

The Company shall make annual contributions equal to the amount of principal and interest due on the term loans between the ESOP and Lewis. Additionally, the Company may make additional stock bonus plan contributions for the Plan year at its discretion. Such discretionary contributions may include, but are not required to include, amounts necessary for the Plan to repay any outstanding exempt loans. The Company has elected to make additional contributions to the ESOP, which were used by the ESOP to prepay certain term loans.

LEWIS TREE SERVICE
EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2009

Number of Shares	Identity of Issue	Description	Fair Value
1,006,035.0730	Lewis Tree Service, Inc. Common Stock*	Common Stock	$ 66,901,333
148,850.6930	Oakmark Equity & Income Fund	Mutual Fund	$ 3,845,174

*Indicates party-in-interest

Attachment to 2009 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Lewis Tree Service Employee Stock Ownership Plan **EIN:** 16-1004851
Plan Sponsor's Name Lewis Tree Service, Inc. **PN:** 004

(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
*	Lewis Tree Service, Inc.	1006035.0730 shares of company stock	21,695,137	66,901,333
	Oakmark Family of Funds	148850.6930 shares of mutual funds	3,845,174	3,845,174